

Rural Electric Cooperative Corporation

A Touchstone Energy® Cooperative 

December 15, 2016

RECEIVED

DEC 15 2016

PUBLIC SERVICE
COMMISSION

MS TALINA MATTHEWS
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
PO BOX 615
FRANKFORT KY 40602

RE: PSC CASE NO. 2016-00367

Dear Ms. Matthews:

Please find enclosed an original and ten (10) copies of the Application to adjust Nolin RECC's retail rates and charges in the above referenced case.

If you have any questions please call me at 270.765.6153.

Sincerely,

A handwritten signature in cursive script that reads "Michael L. Miller".

Michael L. Miller
President & CEO

afc

Enclosures

CC: Andy Beshear, Attorney General

**BEFORE THE PUBLIC SERVICE
COMMISSION OF KENTUCKY**

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PUBLIC SERVICE
COMMISSION



A Touchstone Energy[®] Cooperative



**411 Ring Road
Elizabethtown, KY 42701**

PSC Case No. 2016-00367

**The Application of Nolin Rural Electric Cooperative
Corporation to adjust its retail rates and charges**

December 2016

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DEC 15 2016

PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

**THE APPLICATION OF THE NOLIN) CASE NO. 2016-00367
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ADJUSTMENT)
OF EXISTING RATES)**

APPLICATION

Nolin Rural Electric Cooperative Corporation (hereinafter referred to as "Nolin") hereby files its application for an adjustment of its existing rates and in support thereof, states as follows:

1. Nolin is a non-profit electric cooperative corporation organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Hardin, LaRue, Hart, Grayson, Green, Taylor, Breckinridge and Meade.
2. The street address for Nolin is 411 Ring Road, Elizabethtown, Kentucky 42701. The electronic mailing address of Nolin is mmiller@nolinrecc.com
3. The current Articles of Incorporation for Nolin were previously filed in Case No. 93-324. Nolin is incorporated in the Commonwealth of Kentucky and states that it is in good standing. (807 KAR5:001: Section 14(2)). Nolin requests an adjustment of its existing rates that will result in additional annual revenues in the amount of \$5,342,889.00, pursuant to KRS 278.280 and 807KAR5:001, Section 16. This will be a 8.5% increase in total annual revenues and will result in a TIER of approximately 2.0X. Nolin requires this adjustment of its rates to offset its increased costs in the cost of

power, materials, equipment, labor and other fixed and variable costs. Nolin last received a rate adjustment in November, 2007, and all of the aforementioned costs have increased since that time.

In addition, Nolin is not meeting its mortgage requirements with the current revenue that it receives.

4. This application is supported by a twelve (12) month historical test period ending April 30, 2016, and includes adjustments for known and measurable changes (807KAR5:001, Section 16(1)(a)1).
5. The annual reports of Nolin are on file with the Commission in accordance with 807KAR5:006, Section 4(1).
6. A Certificate of Good Standing is attached as "Exhibit A". 807KAR5:001, Section 14(2).
7. Nolin has not filed a Certificate of Assumed Name. (807KAR5:001, Section 16(1)(b)2).
8. Nolin filed with the Commission a written Notice of Intent to file a rate application at least thirty (30) days prior to filing this application. Said Notice of Intent, as amended, stated that the rate application would be supported by historical test period and was served upon the Office of the Attorney General, utility intervention and rate division, as shown on "Exhibit E". 807KAR5:001, Section 16(2) and 807KAR5:001, Section 16(2)(a) and Section 16(2)(c).
9. All affected member/customers will be notified of the filing of this application by publishing a notice as required under 807KAR5:001, Section 16(1)(b)(9). This notice includes the information required under 807KAR5:001, Section 17 and the subparts thereof. A copy of said notice is attached as "Exhibit D". Affidavits from the publisher verifying that the notice has been published will be filed with the Commission no later than forty-five (45) days of the filing date

thereof.

10. The Board of Directors of Nolin, has reviewed the current financial condition of Nolin and the need for a rate adjustment to maintain the financial stability and integrity of the Cooperative. The Board of Directors adopted a Motion directing the administrative staff and consultants to proceed with the necessary application and filings with the Public Service Commission to adjust the rates of Nolin. A copy of the motion is attached hereto as "Exhibit F".
11. Nolin is neither a limited partnership nor a limited liability company. 807KAR5:001, Section 14(3) and Section 14(4).
12. The proposed tariff in a form that complies with 807KAR5:001 is attached as "Exhibit B". See 807KAR5:001, Section 16(1)(b)(3).
13. The proposed tariff changes, identified in compliance with 807KAR5:001, are shown by providing the proposed tariffs in comparative form on the same sheet, side by side, or on facing sheets side by side, as "Exhibit C". 807KAR5:001, Section 16(1)(b)4(a).
14. A complete description and explanation for all proposed adjustments with proper support thereof for any proposed changes in price or activity levels, and any other factors which may affect the adjustment, including a Revenue Analysis is filed herewith as "Exhibit G". 807KAR5:001, Section 16(4)(a).
15. The prepared testimony of each witness supporting the application are attached as "Exhibit H". 807KAR5:001, Section 16(4)(b).
16. A statement estimating the effect that the new rates will have upon the revenues of Nolin, including, at a minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease is shown as "Exhibit I". 807KAR5:001, Section 16(4)(d).

The effect upon the average bill for each customer classification to which the proposed rate change will apply is shown by "Exhibit J". 807KAR5:001, Section 16(4)(e).

17. An analysis of members' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class is shown by "Exhibit J". 807KAR5:001, Section 16(4)(g).
18. A summary of Nolin's determination of its revenue requirements, based upon return on net investment rate base, return on capitalization, interest coverage, debt service coverage or operating ratio, with supporting schedules is shown on "Exhibit K". 807KAR5:001, Section 16(4)(h).
19. A reconciliation of the rate base and the capital used to determine its revenue requirements is shown on "Exhibit L". 807KAR5:001, Section 16(4)(i).
20. A current chart of accounts is shown on "Exhibit M". 807KAR5:001, Section 16(4)(j).
21. An independent auditor's report is attached as "Exhibit N". 807KAR5:001, Section 16(4)(k).
22. The Federal Energy Regulatory Commission or Federal Communications Commission have not audited Nolin and no audit reports exist. 807KAR5:001, Section 16(4)(l).
23. No Federal Energy Regulatory Commission form 1 exists for Nolin. 807KAR5:001, Section 16(4)(m).
24. Nolin's last depreciation study was done as of August 22, 2000, and approved by this Commission in Case No. 2000-482. 807KAR5:001,

Section 16(4)(n).

25. A list of commercially available or in/house developed computer software programs and models used in the development of the schedules and work papers associated with the filing of this application is attached as "Exhibit O". 807KAR5:001, Section 16(4)(o).
26. No stock or bond offerings have been made by Nolin. 807KAR5:001, Section 16(4)(p).
27. Annual reports to members for 2015 and 2014 are attached as "Exhibit P". 807KAR5:001, Section 16(4)(q).
28. The monthly managerial reports providing financial results of operations for the twelve-month test period are attached as "Exhibit Q". 807KAR5:001, Section 16(4)(r).
29. No Securities and Exchange Commission Annual Reports exist for Nolin because it is not regulated by that body. 807KAR5:001, Section 16(4)(s).
30. Nolin has no amounts charged or allocated to it by an affiliate or general or home office and did not pay monies to an affiliate or general or home office during the test period or during the previous three calendar years. 807KAR5:001, Section 16(4)(t).
31. A cost of service study based on a methodology generally accepted with whom the electric industry and based on current and reliable data for the test period is attached hereto as "Exhibit R". 807KAR5:001, Section 16(4)(u).
32. Nolin is not a Local Exchange Carrier or Company as set forth in 807KAR5:001, Section 16(4)(v).
33. A detailed income statement and balance sheet reflecting the impact

of all proposed adjustments is attached as "Exhibit S". 807KAR5:001, Section 16(5)(a).

34. No "proposed pro forma adjustments reflecting plant additions" exist or apply to Nolin. 807KAR5:001, Section 16(5)(b) and Section 16(5)(c).
35. The operating budget each month of the period encompassing the pro forma adjustments is attached as "Exhibit T". 807KAR5:001, Section 16(8)(d).
36. Additional financial exhibits as required by 807KAR5:001, Section 16 and financial information covering the twelve-month historical test period ending April 30, 2016, and other information required to be filed is attached by exhibits as follows:

Exhibit U	Bylaws
Exhibit V	Detailed comparative income statement, statement of cash flows and balance sheet
Exhibit W	Schedule Showing Monthly Comparison of Balance Sheet Accounts from Test Year to Preceding Year
Exhibit X	Schedule Showing Monthly Comparison of Income Statement Accounts from Test Year to Preceding year
Exhibit Y	Trial Balance at End of Test Year
Exhibit Z	Comparative Capital Structures
Exhibit 1	Adjustment for salaries and wages

Exhibit 2	Adjustment for payroll taxes
Exhibit 3	Adjustment for depreciation
Exhibit 4	Adjustment for long term interest
Exhibit 5	Adjustment for post-retirement benefits
Exhibit 6	Adjustment for retirement plan
Exhibit 7	Adjustment for professional services
Exhibit 8	Adjustment for director expenses
Exhibit 9	Adjustment for donations
Exhibit 10	Adjustment for miscellaneous expenses
Exhibit 11	Adjustment for advertising
Exhibit 12	Adjustment for rate case expenses
Exhibit 13	Adjustment for Ft. Knox activities
Exhibit 14	Adjustment for G&T capital credits
Exhibit 15	Adjustment for the normalization of purchased power
Exhibit 16	Adjustment for normalized revenue
Exhibit 17	Adjustment for end of year customers
Exhibit 18	Adjustment for proposed increase in revenue

Exhibit 19	KAEC Statistical Comparisons
Exhibit 20	Equity Management Plan
Exhibit 21	Employee Benefits

37. Nolin requests that the rate adjustments proposed herein be allowed to become effective as contemplated by this filing.
38. Nolin requests that a copy of any documents served in this matter be served upon each of the following persons:

Michael L. Miller
mmiller@nolinrecc.com
411 Ring Road
Elizabethtown, KY 42701

John J. Scott, Attorney
john@johnscottlaw.org
P.O. Box 389
Elizabethtown, KY 42702-0389

WHEREFORE, Nolin requests that the Public Service Commission of the Commonwealth of Kentucky issue an Order approving the adjustment of rates as set forth in this application and authorizing the new rates to take effect at the earliest possible date. For any and all other proper relief to which Nolin may be entitled.

Date: December 15, 2016

I, Michael L. Miller, CEO of Nolin Rural Electric Cooperative Corporation, state that the statements contained in the foregoing application are true to the best of my information and belief.

NOLIN RURAL ELECTRIC
COOPERATIVE CORPORATION

BY: Michael L. Miller

MICHAEL L. MILLER, CEO
411 RING ROAD
ELIZABETHTOWN, KY. 42701
(270) 765-6153

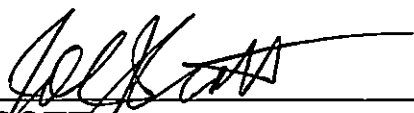
STATE OF KENTUCKY
COUNTY OF HARDIN

I, the undersigned, a Notary Public, do hereby certify that on this 15th day of December, 2016, personally appeared before me **MICHAEL L. MILLER**, who being by me first duly sworn, subscribed to and acknowledged that he is the CEO of Nolin Rural Electric Cooperative Corporation, a Kentucky corporation, that he signed the foregoing document as CEO of the corporation, and that the statements therein contained are true.

Alison J. Coffey
NOTARY PUBLIC, State of Kentucky
At Large

My commission expires August 29, 2020.

I hereby certify that the foregoing and its attachments, exhibits and testimony has been submitted to the Commission along with ten (10) copies with the paper originals hand-delivered and further that the Attorney General of Kentucky, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, KY 40601 has been also mailed a copy this 15th day of December, 2016.



JOHN J. SCOTT
ATTORNEY FOR NOLIN RURAL
ELECTRIC COOPERATIVE
CORPORATION
JOHN J. SCOTT, P.S.C.
108 E. POPLAR STR., P.O. BOX 389
ELIZABETHTOWN, KY. 42702-0389
(270) 765-2179

Commonwealth of Kentucky
Alison Lundergan Grimes, Secretary of State

Alison Lundergan Grimes
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 183785
Visit <https://app.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Alison Lundergan Grimes, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 272, whose date of incorporation is July 19, 1938 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 8th day of December, 2016, in the 225th year of the Commonwealth.



Alison Lundergan Grimes
Alison Lundergan Grimes
Secretary of State
Commonwealth of Kentucky
183785/0037954

FOR ENTIRE SERVICE AREA

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
15th Revision Sheet No. 20

CANCELING PSC KY NO. 10
14th 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:

(T)(I) Member Cost of Service Charge \$20.00

(I) All KWH Charge \$0.08747 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 \$9.03.

DATE OF ISSUE December 15, 2016
DATE EFFECTIVE January 15, 2017

ISSUED BY _____
President & CEO

FOR ENTIRE SERVICE AREA

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
15th Revision Sheet No. 22

CANCELING PSC KY NO. 10
14th 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:

(T)(I) Member Cost of Service Charge \$23.00

All KWH Charge \$0.09274 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 \$16.82.

DATE OF ISSUE December 15, 2016
DATE EFFECTIVE January 15, 2017

ISSUED BY _____
 President & CEO

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
14th Revision Sheet No. 24

CANCELING PSC KY NO. 10
13th Revision Sheet No. 24

CLASSIFICATION OF SERVICE

SCHEDULE 3 - LARGE POWER

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: 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.

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

RATES PER MONTH:

(T)(I) Member Cost of Service Charge \$35.00

Demand Charge:

(I) \$6.02 per kilowatt of billing demand per month

Energy Charge:

(N) \$0.07440 net per KWH

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

DETERMINATION OF BILLING DEMAND: 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:

POWER FACTOR ADJUSTMENT: 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 December 15, 2016
DATE EFFECTIVE January 15, 2017

ISSUED BY _____
President & CEO

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. 2010-00506, Dated May 31, 2011.

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
13th Revision Sheet No. 26

CANCELING PSC KY NO. 10
12th Revision Sheet No. 26

CLASSIFICATION OF SERVICE

SCHEDULE 4 - INDUSTRIAL

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to Members located on or near Cooperatives three phase lines whose transformer capacity would be less than 1000 KVA and the demand would be 100 kw or more. All subject to the established rules and regulations of the Cooperative.

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

RATES PER MONTH:

(N) Member Cost of Service Charge: \$42.50

Demand Charge:

\$4.95 per kilowatt of billing demand per month

Energy Charge:

(N) \$0.06560 net per KWH

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

DETERMINATION OF BILLING DEMAND: 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:

POWER FACTOR ADJUSTMENT: 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	<u>December 15, 2016</u>
DATE EFFECTIVE	<u>January 15, 2017</u>

ISSUED BY _____
President & CEO

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

CANCELING PSC KY NO. 10
17th 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.

TYPES OF SERVICES AVAILABLE	PER MONTH CHARGE PER UNIT
H.P.S. 100 Watt on a twenty-five foot (25') pole or an existing pole	\$10.06
L.E.D. 70 Watt on a twenty-five foot (25') pole or an existing pole	\$9.51
Directional floodlight 100 Watt HPS to be mounted on existing pole	\$8.82
Directional floodlight 70 Watt L.E.D. to be mounted on existing pole	\$16.93
Directional floodlight 250 Watt HPS to be mounted on existing pole	\$14.93
Directional floodlight 108 Watt L.E.D. to be mounted on existing pole	\$17.75
Directional floodlight 400 Watt HPS to be mounted on existing pole	\$20.33
Directional floodlight 208 Watt L.E.D. to be mounted on existing pole	\$19.95
Colonial Type 100 Watt HPS with twenty-foot (20') fiberglass colonial post for underground service only	\$13.07
Contemporary Type 400 Watt HPS - for underground service only; to be used with the thirty-foot fiberglass pole - (charge does not include pole)	\$21.80
Thirty-foot (30') fiberglass pole; to be used with underground services only	\$10.63
Twenty-five foot (25') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.46
Thirty-foot (30') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.84
Twenty-five foot (25') wood pole for underground services only - (charge does not include lighting fixture)	\$3.44

DATE OF ISSUE December 15, 2016

DATE EFFECTIVE January 15, 2017

ISSUED BY _____
President & CEO

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
18th Revision Sheet No. 31

CANCELING PSC KY NO. 10
17th Revision Sheet No. 31

CLASSIFICATION OF SERVICE

SCHEDULE 6 - STREET LIGHTING (Cont'd.)

RATE:

High Pressure Sodium (H.P.S.), Light Emitting Diode (L.E.D.), Series or Multiple.

STANDARD OVERHEAD (WOOD POLE):

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$10.18 per light per mth	(I)
H.P.S. fixture	250	\$15.43 per light per mth	(I)
H.P.S. fixture	400	\$20.11 per light per mth	(I)
L.E.D. fixture	70	\$10.05 per light per mth	(I)
L.E.D. fixture	108	\$11.68 per light per mth	(I)
L.E.D. fixture	208	\$16.88 per light per mth	(I)

ORNAMENTAL SERVICE OVERHEAD (Aluminum Poles)

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$23.08 per light per mth	(I)
H.P.S. fixture	250	\$27.40 per light per mth	(I)
H.P.S. fixture	400	\$31.26 per light per mth	(I)

ORNAMENTAL SERVICE UNDERGROUND (Fiberglass Poles)

	<u>Watts/Light</u>		
H.P.S. fixture	400	\$36.40 per light per mth	(I)
H.P. S. fixture Santa Rosa with 20' fluted pole	150	\$35.39 per light per mth	(I)
H.P.S. fixture (Charge does not include lighting fixture or pole)	150	\$9.87 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 December 15, 2016
DATE EFFECTIVE January 15, 2017

ISSUED BY _____
President & CEO

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
13th Revision Sheet No. 38

CANCELING PSC KY NO. 10
12th Revision Sheet No. 38

CLASSIFICATION OF SERVICE

SCHEDULE 10 - INDUSTRIAL

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

(T)	<u>Member Cost of Service Charge:</u>	\$1,219.84
(I)	<u>Demand Charge:</u>	\$7.17 per kW of contract demand
(I)		\$9.98 per kW for all billing demand in excess of contract demand
(R)	<u>Energy Charge:</u>	\$0.05000 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the contract demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

DATE OF ISSUE December 15, 2016
DATE EFFECTIVE January 15, 2017

ISSUED BY _____
President & CEO

FOR ENTIRE SERVICE AREA

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
15th 14th Revision Sheet No. 20

CANCELING PSC KY NO. 10
14th 13th 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:

(T)(I) ~~Customer Charge~~ ~~Member Cost of Service Charge~~ \$9.04 \$20.00

(I) All KWH Charge \$0.08598 per KWH \$0.08747

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 \$9.03.

DATE OF ISSUE ~~June 13, 2011~~ *December 15, 2016* DATE EFFECTIVE ~~June 1, 2011~~ *January 15, 2017*

ISSUED BY	411 Ring Road
NAME	President & CEO
TITLE	Elizabethtown, KY 42701-6767
ADDRESS	

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00506, Dated May 31, 2011.

FOR ENTIRE SERVICE AREA

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
15th 14th Revision Sheet No. 22

CANCELING PSC KY NO. 10
14th 13th 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:

(T)(I) ~~Customer Charge~~ *Member Cost of Service Charge* ~~\$16.82~~ \$23.00

All KWH Charge \$0.09274 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 \$16.82.

DATE OF ISSUE ~~June 13, 2011~~ *December 15, 2016* DATE EFFECTIVE ~~June 1, 2011~~ *January 15, 2017*

ISSUED BY	411 Ring Road
NAME	President & CEO
TITLE	Elizabethtown, KY 42701-6767
ADDRESS	

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00506, Dated May 31, 2011.

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
13th 14th Revision Sheet No. 24
CANCELING PSC KY NO. 10
12th 13th Revision Sheet No. 24

CLASSIFICATION OF SERVICE

SCHEDULE 3 - LARGE POWER

APPLICABLE: Entire Service Area

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

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

RATES PER MONTH:

(T)(I) ~~Customer Charge~~ ~~Member Cost of Service Charge~~ \$28.50 \$35.00

Demand Charge:

(I) \$4.95 \$6.02 per kilowatt of billing demand per month

Energy Charge:

~~(R) First 2,500 KWH per month \$0.07845 net per KWH~~
~~(R) Next 12,500 KWH per month \$0.07337 net per KWH~~
~~(R) Over 15,000 KWH per month \$0.07184 net per KWH~~

(N) \$0.07440 net per KWH

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

DETERMINATION OF BILLING DEMAND: 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:

POWER FACTOR ADJUSTMENT: 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 ~~June 13, 2011~~ December 15, 2016 DATE EFFECTIVE ~~June 1, 2011~~ January 15, 2017

ISSUED BY	President & CEO	411 Ring Road Elizabethtown, KY 42701-6767
	NAME	TITLE
		ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00506, Dated May 31, 2011.

Nolin RECC
 411 Ring Road
 Elizabethtown, KY 42701-6767

CANCELING PSC KY NO. 10
~~16th~~ 17th 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.

TYPES OF SERVICES AVAILABLE	PER MONTH CHARGE PER UNIT
H.P.S. 100 Watt on a twenty-five foot (25') pole or an existing pole	\$10.06
L.E.D. 70 Watt on a twenty-five foot (25') pole or an existing pole	\$9.51
Directional floodlight 100 Watt HPS to be mounted on existing pole	\$8.82
Directional floodlight 70 Watt L.E.D. to be mounted on existing pole	\$16.93
Directional floodlight 250 Watt HPS to be mounted on existing pole	\$14.93
Directional floodlight 108 Watt L.E.D. to be mounted on existing pole	\$17.75
Directional floodlight 400 Watt HPS to be mounted on existing pole	\$20.33
Directional floodlight 208 Watt L.E.D. to be mounted on existing pole	\$19.95
Colonial Type 100 Watt HPS with twenty-foot (20') fiberglass colonial post for underground service only	\$13.07
Contemporary Type 400 Watt HPS - for underground service only; to be used with the thirty-foot fiberglass pole - (charge does not include pole)	\$21.80
Thirty-foot (30') fiberglass pole; to be used with underground services only	\$10.63
Twenty-five foot (25') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.46
Thirty-foot (30') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.84
Twenty-five foot (25') wood pole for underground services only - (charge does not include lighting fixture)	\$3.44

DATE OF ISSUE November 6, 2015
December 15, 2016
 DATE EFFECTIVE January 8, 2015
January 15, 2017

ISSUED BY _____
 President & CEO

Nolin RECC
 411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
 Original 1st Revision Sheet No. 28.1

CANCELING PSC KY NO. 10
Original Sheet No. 28.1

CLASSIFICATION OF SERVICE

SCHEDULE 5 - SECURITY LIGHTS (cont.)

<u>TYPES OF SERVICES AVAILABLE</u>	<u>PER MONTH CHARGE PER UNIT</u>
Thirty-foot (30') wood pole for underground services only - (charge does not include lighting fixture)	\$3.83
Acorn Contemporary Type 400 Watt HPS – for underground service only; to be used with the thirty (30') foot fiberglass pole – (Charge does not include pole.)	\$34.26
Santa Rosa Contemporary Type 150 Watt HPS – for underground service only; to be used with twenty (20') foot fluted pole	\$33.59
Santa Rosa Contemporary Type 150 Watt HPS – for underground service only; to be used with twenty (20') foot fluted pole – (charge does not include lighting fixture or pole)	\$9.37
(N) <i>Temporary Meter Poles</i>	\$20.00

DATE OF ISSUE November 6, 2015
 December 15, 2016

DATE EFFECTIVE January 8, 2015
 January 15, 2017

ISSUED BY _____
 President & CEO

Nolin RECC
411 Ring Road
Elizabethtown, KY 42701-6767

PSC KY NO. 10
17th 18th Revision Sheet No. 31

CANCELING PSC KY NO. 10
16th 17th Revision Sheet No. 31

CLASSIFICATION OF SERVICE

SCHEDULE 6 - STREET LIGHTING (Cont'd.)

RATE:

High Pressure Sodium (H.P.S.), Light Emitting Diode (L.E.D.), Series or Multiple.

STANDARD OVERHEAD (WOOD POLE):

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$9.66 \$10.18 per light per mth	(D)(T)
H.P.S. fixture	250	\$14.64 \$15.43 per light per mth	(T)
H.P.S. fixture	400	\$19.10 \$20.11 per light per mth	(T)
L.E.D. fixture	70	\$9.51 \$10.05 per light per mth	(N)
L.E.D. fixture	108	\$11.09 \$11.68 per light per mth	(N)
L.E.D. fixture	208	\$16.03 \$16.88 per light per mth	(N)

ORNAMENTAL SERVICE OVERHEAD (Aluminum Poles)

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$21.91 \$23.08 per light per mth	(D)(T)
H.P.S. fixture	250	\$26.01 \$27.40 per light per mth	(T)
H.P.S. fixture	400	\$29.68 \$31.26 per light per mth	(T)

ORNAMENTAL SERVICE UNDERGROUND (Fiberglass Poles)

	<u>Watts/Light</u>		
H.P.S. fixture	400	\$34.56 \$36.40 per light per mth	(T)
H.P. S. fixture Santa Rosa with 20' fluted pole	150	\$33.60 \$35.39 per light per mth	(T)
H.P.S. fixture (Charge does not include lighting fixture or pole)	150	\$9.37 \$9.87 per light per mth	(T)

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	<u>November 6, 2015</u> <u>December 15, 2016</u>
DATE EFFECTIVE	<u>January 8, 2016</u> <u>January 15, 2017</u>
ISSUED BY	_____ President & CEO

Nolin RECC
 411 Ring Road
 Elizabethtown, KY 42701-6767

PSC KY NO. 10
 12th 13th Revision Sheet No. 38

CANCELING PSC KY NO. 10
 11th 12th Revision Sheet No. 38

CLASSIFICATION OF SERVICE

SCHEDULE 10 - INDUSTRIAL

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

Consumer Charge *Member Cost of Service Charge:* \$1,219.84
Demand Charge: \$6.14 \$7.17 per kW of contract demand
 \$8.93 \$9.98 per kW for all billing demand in excess of contract demand
 (R) Energy Charge: \$0.05109 \$0.05000 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the contract demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

DATE OF ISSUE ~~June 13, 2011~~ December 15, 2016 DATE EFFECTIVE ~~June 1, 2011~~ January 15, 2017

ISSUED BY	President & CEO	411 Ring Road Elizabethtown, KY 42701-6767
	NAME	TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00506, Dated May 31, 2011.

OFFICIAL NOTICE

Nolin Rural Electric Cooperative Corporation, with its principal office at 411 Ring Road, Elizabethtown, KY 42701, intends to file with the Kentucky Public Service Commission in Case No. 2016-00367 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Nolin Rural Electric Cooperative Corporation. The proposed effective date of these new rates is January 15, 2017, and these new rates are to be filed with Commission on December 15, 2016.

The present and proposed rates for each Customer Classification are provided below:

	Rates	
	Present	Proposed
<u>Schedule 1, Farm and Home</u>		
Customer Charge	\$9.04	
Member Cost of Service Charge		\$20.00
Energy per kWh	\$0.08598	\$0.08747
<u>Schedule 1P, Prepay Service</u>		
Customer Charge	\$9.04	
Member Cost of Service Charge		\$20.00
Energy per kWh	\$0.08598	\$0.08747
Prepay per Day	\$0.17	\$0.17
<u>Schedule 2, Small Commercial and Small Power</u>		
Customer Charge	\$16.82	
Member Cost of Service Charge		\$23.00
Energy per kWh	\$0.09274	\$0.09274
<u>Schedule 3, Large Power Rate</u>		
Customer Charge	\$28.50	
Member Cost of Service Charge		\$35.00
Demand Charge per kW	\$4.95	\$6.02
Energy charge per kwh		
First 2,500 kwh per month	\$0.07845	
Next 12,500 kwh per month	\$0.07337	
Over 15,000 kwh per month	\$0.07184	
All kWh		\$0.07440
<u>Schedule 4, Industrial Rate</u>		
Customer Charge	\$0.00	
Member Cost of Service Charge		\$42.50
Demand Charge per kW	\$4.95	\$4.95
Energy charge per kwh		
First 3,500 kwh per month	\$0.08248	
Next 6,500 kwh per month	\$0.06789	
Over 10,000 kwh per month	\$0.06410	
All kWh		\$0.06560
<u>Schedule 10, Large Industrial Rate</u>		
Customer Charge	\$1,219.84	
Member Cost of Service Charge		\$1,219.84
Demand Charge per kW		
Contract demand	\$6.14	\$7.17
Excess demand	\$8.93	\$9.98
Energy Charge per kWh	\$0.05109	\$0.05000
<u>Special Contract Rate & Rate 15 (Interruptible)</u>		
Customer Charge	\$1,188.66	
Member Cost of Service Charge		\$5,454.00
Demand Charge per kW		
Firm	\$6.83	\$6.98
Interruptible	\$2.63	\$2.78
Energy charge per kwh	\$0.04342	\$0.04342

Schedule 5, Security Lights	Rates	
	Present	Proposed
HPS 100W	\$10.06	\$10.06
LED 70W	\$9.51	\$9.51
100W Colonial Type 100W HPS	\$13.07	\$13.07
Directional Flood Light 100W HPS	\$8.82	\$8.82
Directional Flood Light 70W LED	\$16.93	\$16.93
Directional Flood Light 250W HPS	\$14.93	\$14.93
Directional Flood Light 108W LED	\$17.75	\$17.75
Directional Flood Light 400W HPS	\$20.33	\$20.33
Directional Flood Light 208W LED	\$19.95	\$19.95
Contemporary Type 400W HPS	\$21.80	\$21.80
30 FT Fiber Glass Pole - UG	\$10.63	\$10.63
25 FT Wood Pole - OH	\$2.46	\$2.46
30 FT Wood Pole - OH	\$2.84	\$2.84
25 FT Wood Pole - UG	\$3.44	\$3.44
30 FT Wood Pole - UG	\$3.83	\$3.83
Acorn Contemporary 400W HPS	\$34.26	\$34.26
Santa Rosa Contemporary 150W HPS	\$33.59	\$33.59
Santa Rosa Contemporary 150W HPS (Charge excludes light fixture & pole)	\$9.37	\$9.37
Temporary Meter Poles	\$20.00	\$20.00

Schedule 6, Street Lighting ServiceStandard Overhead Wood Pole

HPS Fixture 100W	\$9.66	\$10.18
HPS Fixture 250W	\$14.64	\$15.43
HPS Fixture 400W	\$19.10	\$20.11
LED Fixture 70W	\$9.51	\$10.05
LED Fixture 108W	\$11.09	\$11.68
LED Fixture 208W	\$16.03	\$16.88

Ornamental Overhead (Aluminum Pole)

HPS Fixture 100W	\$21.91	\$23.08
HPS Fixture 250W	\$26.01	\$27.40
HPS Fixture 400W	\$29.68	\$31.26

Ornamental Underground (Fiberglass Pole)

HPS Fixture 400W	\$34.56	\$36.40
HPS Fixture 150W Santa Rosa w/Fluted Pole	\$33.60	\$35.39
HPS Fixture (Charge excludes light fixture & pole)	\$9.37	\$9.87

The amount of the change requested in dollar amounts and percentage change for each customer classification is presented below:

	Increase	
	Dollar	Percent
Schedule 1, Farm and Home	\$4,743,281	11.9%
Schedule 1P, Prepay Service	\$194,780	11.6%
Schedule 2, Small Commercial and Small Power	\$125,337	4.6%
Schedule 3, Large Power Rate	\$93,251	4.8%
Schedule 4, Industrial Rate	\$53,050	0.9%
Schedule 10, Large Industrial Rate	\$33,593	1.2%
Schedule 11, Large Industrial Rate	\$83,253	1.2%
Schedule 5, Security Lights	\$0	0.0%
Schedule 6, Street Lighting	\$16,344	5.4%
	<u>\$5,342,889</u>	<u>8.40%</u>

The amount of the average usage and the effect upon the average bill for each customer classification is provided below:

	Average Usage kWh	Increase	
		Dollar	Percent
Schedule 1, Farm and Home	1,127	\$12.64	11.9%
Schedule 1P, Prepay Service	1,111	\$12.62	11.5%
Schedule 2, Small Commercial and Small Power	1,283	\$6.18	4.6%
Schedule 3, Large Power Rate	11,518	\$50.85	4.8%
Schedule 4, Industrial Rate	56,700	\$42.58	0.9%
Schedule 10, Large Industrial Rate	3,621,175	\$2,799.42	1.2%
Special Contract Rate & Rate 15	11,420,398	\$6,937.76	1.2%
Schedule 5, Security Lights	74	\$0.00	0.0%
Schedule 6, Street Lighting	70	\$0.70	5.4%

A person may examine this application at the offices of Nolin Rural Electric Cooperative Corp. located at 411 Ring Road, Elizabethtown, KY 42701, Monday through Friday, 8:00 a.m. to 5:00 p.m. A person may examine the application at the Commission's offices located at 211 Sower Boulevard, Frankfort, KY 40601, Monday through Friday 8:00 a.m. to 4:30 p.m., or through the Commission's website at <http://psc.ky.gov>.

Comments regarding this application may be submitted to the Kentucky Public Service Commission through its website or by mail to the Kentucky Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

The rates proposed in this application are the rates proposed by Nolin Rural Electric Cooperative Corporation. However, the Kentucky Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this application.

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, Post Office Box 615, Frankfort, KY 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.



Exhibit E
Page 1 of 2
RECEIVED
OCT 31 2016
Public Service
Commission

October 28, 2016

Kentucky Public Service Commission
c/o Ms. Talina Matthews
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RE: Case No. 2016-00367
Revised Notice of Intent to File

Dear Ms. Matthews:

This is to advise, in accordance with the Commission's Administrative Regulation 807 KAR 5:001, Section 16(2), that, after 30 days from October 28, 2016, Nolin Rural Electric Cooperative Corporation intends to file an application for an increase in its retail Rates based on a historical test year ending April 30, 2016.

Please contact me with any questions you have concerning this matter.

Sincerely,



Michael L. Miller
President & CEO

Copy to:

Hon. Andrew Beshear, Attorney General
Attn: Office of Rate Intervention
1024 Capital Center Drive
Frankfort, Kentucky 40601

Revised Notice

NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES
 (Complete All Shaded Areas and Check Applicable Boxes)

RECEIVED

OCT 31 2016

In accordance with 807 KAR 5:001, Section 8, Nolin Rural Electric Cooperative Corporation gives notice of its intent to file an application for general rate increase with the Public Service Commission no later than December 27, 2016 and to use the electronic filing procedures set forth in that regulation.

Nolin Rural Electric Cooperative Corporation further states that:

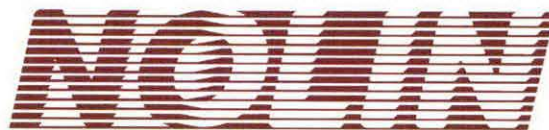
- | | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 1. It requests that the Public Service Commission assign a case number to the intended application and advise it of that number as soon as possible; | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. It or its authorized representatives have registered with the Public Service Commission and are authorized to make electronic filings with the Public Service Commission; | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Neither it nor its authorized representatives have registered with the Public Service Commission for authorization to make electronic filings but will do so no later than seven days before the date of its filing of its application for rate adjustment; | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. It or its authorized agents possess the facilities to receive electronic transmissions; | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. The following persons are authorized to make filings on its behalf and to receive electronic service of Public Service Commission orders and any pleadings filed by any party or the Public Service Commission Staff: | | |

Name		Electronic Mail Address
Michael L. Miller		mmiller@nolinrecc.com
Allison Coffey		acoffey@nolinrecc.com
John Scott		john@johnscottlaw.org
Jim Adkins		jimadkins25@aol.com
Alan Zumstein	Mechonda O'Brien	zumstein@windstream.net
Cheryl Thomas	Sara Roberson	mobrien@nolinrecc.com sroberson@nolinrecc.com

6. It and its authorized representatives listed above have read and understand the procedures for electronic filing set forth in 807 KAR 5:001 and will fully comply with those procedures unless the Public Service Commission directs otherwise.

Signed Michael L. Miller

Name: Michael L. Miller
 Title: President & CEO
 Address: 411 Ring Road
 Elizabethtown, Kentucky 42701
 Telephone Number: 270-765-6153



Rural Electric Cooperative Corporation

A Touchstone Energy® Cooperative 

RESOLUTION

It is hereby resolved that Nolin RECC file a rate case with the Kentucky Public Service Commission seeking a rate increase that would give to Nolin \$5,342,889 per year in additional revenue.

I, A. L. Rosenberger, Secretary-Treasurer of Nolin RECC hereby certify that the foregoing is a true and correct copy of an excerpt taken from the minutes of a regular meeting of the Board of Directors held on December 8, 2016.


A. L. Rosenberger

Nolin Rural Electric Cooperative
Case No. 2016-00367
Revenue Analysis
April 30, 2016

Exhibit G
page 1 of 1
Witness: Jim Adkins

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Rate Schedule	Kwh Usage	Test Year Revenue	Percent of Total	Normalized Case No.	Percent of Total	Proposed Revenue	Percent of Total	Increase	
				2010-00506 Revenue				Amount	Percent
Schedule 1, Farm and Home	423,005,481	\$39,745,982	63%	\$39,745,982	63%	\$44,489,263	65%	\$4,743,281	11.9%
Schedule 1P, Prepay Service	17,160,104	\$1,683,504	3%	\$1,683,504	3%	\$1,878,284	3%	\$194,780	11.6%
Schedule 2, Small Commercial and Small Power	26,021,043	2,754,318	4%	2,754,318	4%	2,879,655	4%	125,337	4.6%
Schedule 3, Large Power Rate	21,124,491	1,945,405	3%	1,945,405	3%	2,038,656	3%	93,251	4.8%
Schedule 4, Industrial Rate	70,647,798	5,698,294	9%	5,698,294	9%	5,751,344	8%	53,050	0.9%
Schedule 10, Large Industrial Rate	43,454,097	2,717,312	4%	2,717,312	4%	2,750,905	4%	33,593	1.2%
Schedule 11, Large Industrial Rate	137,044,777	7,088,241	11%	7,031,026	11%	7,114,280	10%	83,253	1.2%
Schedule 5, Security Lights	6,744,321	955,611	2%	955,643	2%	955,643	1%	0	0.0%
Schedule 6, Outdoor Lighting service	1,644,192	304,420	0%	304,420	0%	320,764	0%	16,344	5.4%
Envirowatts	235,800	6,485	0%	6,485	0%	6,485	0%	0	0.0%
Rounding differences								(2)	
Total from base rates	<u>747,082,104</u>	<u>62,899,572</u>	100%	<u>\$62,842,390</u>	100%	<u>\$68,185,279</u>	100%	<u>\$5,342,887</u>	8.5%
Fuel		(3,201,093)							
Environmental surcharge		<u>6,854,383</u>							
Total revenue from billings		<u>66,552,862</u>							
				<u>(\$57,182)</u>		<u>\$5,342,889</u>			

**NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
APPLICATION FOR AN INCREASE IN ELECTRIC UTILITY RATES**

CASE NO. 2016-00367

DIRECT TESTIMONY OF MICHAEL L. MILLER

Q1. Please state your name and business position?

A2. My name is Michael L. Miller and I am the President and Chief Executive Officer of Nolin Rural Electric Cooperative Corporation ("Nolin") in Elizabethtown, KY.

Q2. How long have you been employed by Nolin?

A2. 43 years, since October 1, 1973

Q3. What is your employment experience prior to becoming CEO at Nolin RECC?

A3. 1972-73 – Territory Manager – Cargill-Nutrena Feeds Division

1973-1991- Member Service Manager – Nolin RECC

Q4. What is your educational background?

A4. B.S. Agriculture Economics – University of Kentucky

Q5. When was the last time that Nolin increased their rates?

A5. Nolin's last rate increase was in the fall of 2007.

Q6. What is the main reason behind Nolin's request for an increase in rates?

A6. The main reason for this request for an increase in rates is that Nolin needs an increase to meet its mortgage requirements with the National Rural Utilities Cooperative Finance Corporation (CFC) for 2017 and beyond. Nolin did not meet its mortgage agreement for the test year in this application and will not in the future unless it is granted the rate relief requests in this application.

Q7. In your opinion, the increase in expenses is the primary reason this requested increase and that a lack of load growth is a secondary reason. Please explain to us what expenses have increased and why?

A7. Nolin's expenses for normal operations, maintenance and wages have increased in the ten years since Nolin's last rate increase. Load growth has slowed the last few years due to the downturn in the economy causing fewer housing and commercial starts. Also, Nolin's revenue is very dependent on the weather.

Q8. What steps has Nolin taken in regards to its current financial situation?

A8. Nolin always strives to minimize its expenses and its capital investment and we try to be very conservative with our member's money. We have reduced expenses in key areas such as personnel and we have for years taken advantage of low interest rates and used variable rates as much as practical.

Q9. What has Nolin done to lower or control costs?

A9. We have had three long-term employees retire in the last year that were not replaced. Also, two other vacated positions have not been filled. Nolin has continued to make a concerted effort to minimize its expenses.

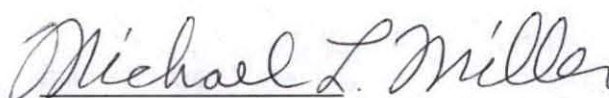
Q10. Does this conclude your testimony?

A10. Yes, it does.

Commonwealth of Kentucky
Before the Public Service Commission
Case No. 2016-00367

VERIFICATION

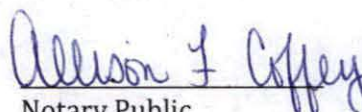
I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.


Michael L. Miller, President & CEO

State of Kentucky

County of Hardin

The foregoing was signed, acknowledged and sworn to before me by Michael L. Miller, this 14th day of December, 2016.


Notary Public

My Commission Expires:

August 29, 2020

**Nolin Rural Electric Cooperative Corporation
Application for an Increase in Electric Utility Rates
Case No. 2016-00367**

Direct Testimony of Sara Roberson

Name and business address?

My name is Sara Roberson. My business address is Nolin Rural Electric Cooperative Corporation ("Nolin"), 411 Ring Road, Elizabethtown, Kentucky 42701.

What is your occupation?

I am the Vice President of Administration & Finance.

How long have you been employed at Nolin and what are your responsibilities?

I began my employment at Nolin in March 2003. I am responsible for the management of all finance and accounting activities of the Cooperative. I oversee the daily operations including preparation of financial reports, payroll, accounts payable, inventory, and distribution plant. I also prepare the annual budget and manage our debt portfolio.

Education and work experience?

I received my Bachelor of Science in Accounting from Western Kentucky University in May 1992. I began my career in October 1993 with Meade County Rural Electric Cooperative in Brandenburg, Kentucky where I worked for ten years as their Accountant. I was hired as Nolin's Senior Accountant in March 2003, promoted to Accounting Supervisor/Manager in 2004, and assumed my current role in April 2016.

Are you familiar with the contents of the Application and the Exhibits of Nolin RECC which have been filed with this Commission to commence this Case?

Yes

In your opinion, are the adjusted rates requested in the Case by Nolin necessary to maintain the financial integrity of the Cooperative?

Yes

What considerations were given to increase the rates and charges of Nolin?

Nolin RECC needs the requested rate relief to continue to properly maintain and operate the distribution system and provide reliable service to our member-owners. Costs have increased over the ten years since Nolin's last rate increase and to maintain operations in a prudent manner, rates have to cover the increases. Our growth has also slowed over the last few years. Nolin currently maintains a Total Equity Ratio of 38% and a Distribution Equity Ratio of 20%. This application will cause an increase in the Equity ratio so that Nolin will be better able to rotate Capital Credits regularly. Nolin is currently a 100% borrower with National Rural Utilities Cooperative Finance Corporation (CFC) and filed this application in order to meet the mortgage agreements with our lender. We are required to maintain an Average Modified Debt Service Coverage Ratio of not less than 1.35, determined by averaging the two highest annual ratios during the most recent three calendar years. The MDSC calculation eliminates non cash amounts included in margins, such as G&T Capital Credit allocations, to reflect the true cash impact of non-operating margins on an annual basis. This compares the operating margins, depreciation expense, interest on long term debt, cash Patronage Capital, and non-operating margins to total billed debt service. Nolin experienced a MDSC ratio of -.05 for the fiscal year 2015. Current financials show that we will be on track for the MDSC to be near -.06 for the current fiscal year. When factoring in 2014 MDSC of 1.00, Nolin will fall below this mortgage requirement.

What has been Nolin's policy in regards to long term financing and interest rates?

Nolin now maintains a debt ratio of approximately 33% variable and 67% fixed with a blended interest rate of 3.05%. We continue to take advantage of low variable interest rates by using our short term variable rate Line of Credit with CFC.

What adjustments have Nolin made to payroll-related items?

We have had some long term employees retire in the last year which we have not replaced.

Those responsibilities have been absorbed within those departments.

Commonwealth of Kentucky
Before the Public Service Commission
Case No. 2016-00367

VERIFICATION

I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.

Sara Roberson

Sara Roberson, Vice President Administration & Finance

State of Kentucky

County of Hardin

The foregoing was signed, acknowledged and sworn to before me by Sara Roberson, this 14th day of December, 2016.

Allison J. Coffey
Notary Public

My Commission Expires:

August 29, 2020

**NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
APPLICATION FOR AN INCREASE IN ELECTRIC UTILITY RATES
CASE NO. 2016-00367**

DIRECT TESTIMONY OF JAMES R. ADKINS

Q1. State your name and business address.

A1. My name is James R. Adkins and my address is 2189 Roswell Dr., Lexington, KY 40513.

Q2. What is your past experience in cost of service studies and rate design for electric utilities?

A2. I have been dealing with electric utility cost of service studies, rate design, revenue requirements and many different types of projects in the accounting and financial aspects of an electric utility for over thirty-five years.

Q3. What is your experience in the electric utility industry?

A3. I spent twenty-five years as the rate/pricing manager for East Kentucky Power Cooperative ("EKPC"). For the last fifteen years, I have provided similar consulting services to electric cooperatives.

Q4. Have you ever appeared as a witness before this Commission?

A4. I have appeared as a witness before this Commission many times for East Kentucky Power Cooperative and for all the distribution cooperatives of EKPC and for two of the distribution cooperatives of Big Rivers Electric Corporation.

Q5. What is your education background?

A5. I have a Bachelor of Science Degree in Finance and a Master's Degree in Accounting. Both of my degrees are from the University of Kentucky.

Q6. What has been your role in the preparation of this Application?

A6. My role in this application has been to provide assistance and support to Nolin Rural Electric Cooperative Corporation ("Nolin") in the development of revenue requirements including the preparation of the test year adjustments, the determination of margin levels, the completion of the cost of service study, and the rate design proposed in this Application.

Q7. What is the basis for the proposed rates in this Application?

A7. Guidance on the proposed rate design has been provided by the senior management of Nolin. The general guidance in the proposed rates and increase amounts were the following ones:

- Use the results of the Cost of Service Study ("COSS") as a general guide in the development of the proposed rates and in the determination of the increase amounts for each rate class;
- Determine the increase amounts for each rate class matching the results of the COSS as much as possible;
- Increase the cost of service charge for all rate classes to better reflect the customer related costs for each rate class; and
- The increase amount for the residential rate class is to be kept at a reasonable amount.

Q8. The results of the COSS indicate that only a few rate classes are providing revenue less than the costs to serve and many rate classes are providing revenues in excess of the costs to serve. Why are those rate classes with revenues in excess of the costs to service receiving an increase in their proposed rates?

A8. These classes are receiving some type of increased in the proposed rates primarily to keep the proposed increase for the residential rate class to the stated goal. See the table provided below which indicates the percentage the total increase proposed for each rate class.

AMOUNT OF INCREASE BY RATE CLASS			
Rate Schedule	Increase Amount	Percent	Percent of total Increase
Schedule 1, Farm and Home	\$ 4,743,281	11.9%	88.8%
Schedule 1P, Prepay Service	\$ 194,780	11.6%	3.6%
Schedule 2, Small Commercial and Small Power	\$ 125,337	4.6%	2.3%
Schedule 3, Large Power Rate	\$ 93,251	4.8%	1.7%
Schedule 4, Industrial Rate	\$ 53,050	0.9%	1.0%
Schedule 10, Large Industrial Rate	\$ 33,593	1.2%	0.6%
Schedule 11, Large Industrial Rate	\$ 83,253	1.2%	1.6%
Schedule 5, Security Lights	\$ -	0.0%	0.0%
Schedule 6, Outdoor Lighting service	\$ 16,344	5.4%	0.3%
Envirowatts	\$ -	0.0%	0.0%
Rounding differences	\$ (2)		
Total from base rates	\$ 5,342,887	8.5%	100.0%

Q9. What are the major proposals in rate design that are being proffered in this application?

A9. It is readily apparent that over ninety percent of the requested increase is going to Schedule 1 – Residential, Farm, Non-Farm, Schedule 1P – Prepay Service and Schedule 2 – Commercial, Small Power, Single and Three Phase. It was determined to propose member cost of service (customer) charge for Schedule 1 – Residential Service and 1P – Prepay Service of \$20.00 per month as a reasonable amount, to propose a member cost of service charge for Schedule 2 – Commercial and Small Power I to \$23.00 per month as a reasonable amount based on the COSS. The rates for Schedule 3 – Large Power Rate have an

increase in the Member Cost to Serve Charge, the Demand Charge per kW which will match the wholesale demand charge, and the consolidation of the three step energy charge into a single step energy rate. Schedule 4 -Industrial Rate also has a consolidation of the three step energy rate into a single step. These are the primary changes in rate design that Nolin is proposing.

Q10. What is the purpose for placing most of the proposed increase on the customer charge?

A10. The rationale for placing most of the requested increase on the customer charge is the following one.

- It better matches the customer/member related costs with the member cost to serve charge rate but it is still very significantly less than full cost recovery of the customer related costs. Nolin has proposed to change its customer service charge to "member cost of service charge".
- With energy conservation and energy efficiency being promoted by all facets of society, increasing the customer charge raises the revenue floor for Nolin and better insures that members pay a larger amount toward their total customer related costs.
- It lessens somewhat but does not eliminate the revenue volatility for Nolin that it now experiences especially during extreme weather seasons summer and winter.

- And, it is the better approach to take for the future rate and revenue stability of the Cooperative.

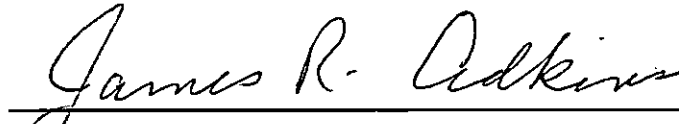
Q11. Do the proposed rates and increase meet the needs of Nolin?

A11. It meets the immediate needs of Nolin based on the guidance laid out by the senior management of the Cooperative and it has been approved by its Board of Directors.

Q12. Does this conclude your testimony?

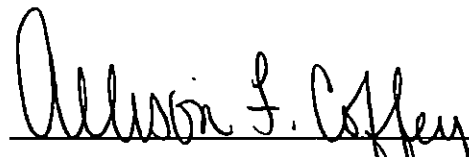
A12. Yes, this concludes my testimony.

Affiant, James R. Adkins, states that the answers given by him in the foregoing questions are true and correct to the best of his knowledge and belief.



James R. Adkins

Subscribed and sworn to before me by the affiant, James R. Adkins, this 12th
of December, 2016



Notary Public, Kentucky State at Large

My Commission Expires August 29, 2020

Nolin Rural Electric Cooperative
Case No. 2016-00357
Average Bill for Residential Rate Class
Schedule 1, Farm and Home

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	<u>Present</u>	<u>Proposed</u>
Customer charge	\$9.04	\$20.00
Energy charge	\$0.08598	\$0.08747

kwh Useage	<u>Rates</u>		<u>Increase</u>		
	<u>Existing</u>	<u>Proposed</u>	<u>Amount</u>	<u>Percent</u>	
0	\$9.04	\$20.00	\$10.96	121.2%	
25	11.19	22.19	11.00	98.3%	
50	13.34	24.37	11.03	82.7%	
100	17.64	28.75	11.11	63.0%	
150	21.94	33.12	11.18	51.0%	
200	26.24	37.49	11.26	42.9%	
250	30.54	41.87	11.33	37.1%	
300	34.83	46.24	11.41	32.7%	
350	39.13	50.61	11.48	29.3%	
400	43.43	54.99	11.56	26.6%	
450	47.73	59.36	11.63	24.4%	
500	52.03	63.74	11.71	22.5%	
600	60.63	72.48	11.85	19.6%	
700	69.23	81.23	12.00	17.3%	
800	77.82	89.98	12.15	15.6%	
900	86.42	98.72	12.30	14.2%	
1,000	95.02	107.47	12.45	13.1%	
1,100	103.62	116.22	12.60	12.2%	
1,200	112.22	124.96	12.75	11.4%	
1,300	120.81	133.71	12.90	10.7%	
1,400	129.41	142.46	13.05	10.1%	
1,500	138.01	151.21	13.20	9.6%	
1,600	146.61	159.95	13.34	9.1%	
1,700	155.21	168.70	13.49	8.7%	
1,800	163.80	177.45	13.64	8.3%	
1,900	172.40	186.19	13.79	8.0%	
2,000	181.00	194.94	13.94	7.7%	
The average monthly useage					
	1,127	105.96	118.60	12.64	11.9%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Revenue Analysis
April 30, 2016

Exhibit J
page 1 of 11
Witness: Jim Adkins

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Rate Schedule	Kwh Usage	Test Year Revenue	Percent of Total	Normalized Case No. 2010-00506 Revenue	Percent of Total	Proposed Revenue	Percent of Total	Increase Amount	Increase Percent
Schedule 1, Farm and Home	423,005,481	\$39,745,982	63%	\$39,745,982	63%	\$44,489,263	65%	\$4,743,281	11.9%
Schedule 1P, Prepay Service	17,160,104	\$1,683,504	3%	\$1,683,504	3%	\$1,878,284	3%	\$194,780	11.6%
Schedule 2, Small Commercial and Small Power	26,021,043	2,754,318	4%	2,754,318	4%	2,879,655	4%	125,337	4.6%
Schedule 3, Large Power Rate	21,124,491	1,945,405	3%	1,945,405	3%	2,038,656	3%	93,251	4.8%
Schedule 4, Industrial Rate	70,647,798	5,698,294	9%	5,698,294	9%	5,751,344	8%	53,050	0.9%
Schedule 10, Large Industrial Rate	43,454,097	2,717,312	4%	2,717,312	4%	2,750,905	4%	33,593	1.2%
Schedule 11, Large Industrial Rate	137,044,777	7,088,241	11%	7,031,026	11%	7,114,280	10%	83,253	1.2%
Schedule 5, Security Lights	6,744,321	955,611	2%	955,643	2%	955,643	1%	0	0.0%
Schedule 6, Outdoor Lighting service	1,644,192	304,420	0%	304,420	0%	320,764	0%	16,344	5.4%
Envirowatts	235,800	6,485	0%	6,485	0%	6,485	0%	0	0.0%
Rounding differences								(2)	
Total from base rates	747,082,104	62,899,572	100%	\$62,842,390	100%	\$68,185,279	100%	\$5,342,887	8.5%
Fuel		(3,201,093)							
Environmental surcharge		6,854,383							
Total revenue from billings		66,552,862							
				(\$57,182)		\$5,342,889			

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 2 of 11
Witness: James Adkins

Schedule 1
Residential, Farm, Non-Farm, Trailers and Mobile Homes

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	375,274	\$9.04	\$3,392,477	\$9.04	\$3,392,477	\$20.00	\$7,505,480
Energy charge per kWh	423,005,481	\$0.08598	36,370,011	\$0.08598	36,370,011	\$0.08747	37,000,289
Partial month billings			<u>(16,506)</u>		<u>(16,506)</u>		<u>(16,506)</u>
Total from base rates			39,745,982		<u>\$39,745,982</u>		<u>\$44,489,263</u>
Fuel adjustment			(1,826,386)				
Environmental surcharge			<u>4,347,744</u>				
Total revenues			<u>\$42,267,340</u>				
Amount					\$0		\$4,743,281
Percent					0.0%		11.9%
Average monthly usage	1,127		\$105.91		\$105.91		\$118.55
Amount					\$0.00		\$12.64
Percent					0.0%		11.9%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 3 of 11
Witness: James Adkins

Schedule 1 - P
Prepay Service

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed	
	Rate	Revenues	Rates	Revenues	Rates	Revenues

Facility Charge	15,439	\$9.04	\$139,569	\$9.04	\$139,569	\$20.00	\$308,780
Energy charge per kWh	17,160,104	\$0.08598	1,475,426	\$0.08598	1,475,426	\$0.08747	1,500,994
Prepay charge - per day	402,997	\$0.17	<u>68,509</u>	\$0.17	<u>68,509</u>	\$0.17	<u>68,509</u>
Total from base rates			1,683,504		<u>\$1,683,504</u>		<u>\$1,878,284</u>
Fuel adjustment			(76,186)				
Environmental surcharge			<u>186,507</u>				
Total revenues			<u>\$1,793,825</u>				
Amount					\$0		\$194,780
Percent					0.0%		11.6%
Average monthly usage	1,111		\$109.04		\$109.04		\$121.66
Amount					\$0.00		\$12.62
Percent					0.0%		11.6%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 4 of 11
Witness: James Adkins

Schedule 2
Small Commercial and Small Power

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	20,281	\$16.82	\$341,126	\$16.82	\$341,126	\$23.00	\$466,463
Energy charge per kWh	26,021,043	\$0.09274	2,413,192	\$0.09274	2,413,192	\$0.09274	2,413,192
Total from base rates			2,754,318		<u>\$2,754,318</u>		<u>\$2,879,655</u>
Fuel adjustment			(113,706)				
Environmental surcharge			310,091				
Total revenues			<u>\$2,950,703</u>				
Amount					\$0		\$125,337
Percent					0.0%		4.6%
Average monthly usage	1,283		\$135.81		\$135.81		\$141.99
Amount					\$0.00		\$6.18
Percent					0.0%		4.6%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 5 of 11
Witness: James Adkins

Schedule 3
Large Power Rate

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	1,834	\$28.50	\$52,269	\$28.50	\$52,269	\$35.00	\$64,190
Demand Charge	66,911.00	\$4.95	\$331,209	\$4.95	\$331,209	\$6.02	\$402,804
Energy charge per kwh							
First 2,500 kwh per month	3,957,380	\$0.07845	310,456	\$0.07845	310,456		
Next 12,500 kwh per month	11,885,750	\$0.07337	872,057	\$0.07337	872,057		
Over 15,000 kwh per month	5,281,361	\$0.07184	379,413	\$0.07184	379,413		
Total kwh	<u>21,124,491</u>					\$0.07440	1,571,662
Total from base rates			<u>1,945,405</u>		<u>\$1,945,405</u>		<u>\$2,038,656</u>
Fuel adjustment			(92,866)				
Environmental surcharge			<u>217,681</u>				
Total revenues			<u>\$2,070,220</u>				
Amount					\$0		\$93,251
Percent					0.0%		4.8%
Average monthly usage	11,518		\$1,060.74		\$1,060.74		\$1,111.59
Amount					\$0.00		\$50.85
Percent					0.0%		4.8%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 6 of 11
Witness: James Adkins

Schedule 4
Industrial

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	1,246	\$0.00	\$0	\$0.00	\$0	\$42.50	\$52,955
Demand Charge	214,928	\$4.95	\$1,063,894	\$4.95	\$1,063,894	\$4.95	\$1,063,894
Energy charge per kwh							
First 3,500 kwh per month	4,230,868	\$0.08248	348,962	\$0.08248	348,962		
Next 6,500 kwh per month	7,417,830	\$0.06789	503,596	\$0.06789	503,596		
Over 10,000 kwh per month	<u>58,999,100</u>	\$0.06410	3,781,842	\$0.06410	3,781,842		
Total kWh	<u>70,647,798</u>					\$0.06560	4,634,496
Total from base rates			<u>5,698,294</u>		<u>\$5,698,294</u>		<u>\$5,751,344</u>
Fuel adjustment			(310,368)				
Environmental surcharge			<u>618,707</u>				
Total revenues			<u>\$6,006,633</u>				
Amount					\$0		\$53,050
Percent					0.0%		0.9%
Average monthly usage	56,700		\$4,573.27		\$4,573.27		\$4,615.85
Amount					\$0.00		\$42.58
Percent					0.0%		0.9%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 7 of 11
Witness: James Adkins

Schedule 4, Rate 10

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	12	\$1,219.84	\$14,638	\$1,219.84	\$14,638	\$1,219.84	\$14,638
Demand Charge							
Contract demand	78,600.00	\$6.14	\$482,604	\$6.14	\$482,604	\$7.17	\$563,562
Excess demand	0.00	\$8.93	\$0	\$8.93	\$0	\$9.98	\$0
Energy charge per kwh	43,454,097	\$0.05109	2,220,070	\$0.05109	2,220,070	\$0.05000	2,172,705
Total from base rates			<u>2,717,312</u>		<u>\$2,717,312</u>		<u>\$2,750,905</u>
Fuel adjustment			(190,397)				
Environmental surcharge			<u>287,765</u>				
Total revenues			<u>\$2,814,680</u>				
Amount					\$0		\$33,593
Percent					0.0%		1.2%
Average monthly usage	3,621,175		\$226,442.66		\$226,442.66		\$229,242.08
Amount					\$0.00		\$2,799.42
Percent					0.0%		1.2%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 8 of 11
Witness: James Adkins

Schedule 4, Rate 11

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	12	\$1,188.66	\$14,264	\$1,188.66	\$14,264	\$5,454.00	\$65,448
Demand Charge							
Interruptible Firm	120,000	\$6.83	819,600	\$6.83	819,600	\$6.98	837,600
Discount	93,794	\$3.24	303,893	\$2.63	246,678	\$2.78	260,747
Energy charge per kwh	137,044,777	\$0.04342	5,950,484	\$0.04342	5,950,484	\$0.04342	5,950,484
Total from base rates			<u>7,088,241</u>		<u>\$7,031,026</u>		<u>\$7,114,280</u>
Fuel adjustment			(580,418)				
Environmental surcharge			<u>743,573</u>				
Total revenues			<u>\$7,251,396</u>				
Amount					(\$57,214)		\$83,253
Percent					-0.8%		1.2%
Average monthly usage	11,420,398		\$590,686.72		\$585,918.86		\$592,856.63
Amount					(\$4,767.86)		\$6,937.76
Percent					-0.1%		1.2%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 9 of 11
Witness: James Adkins

Schedule 5, Security Lights

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
100W HPS	75,288	\$10.06	\$757,397	\$10.06	\$757,397	\$10.06	\$757,397
LED 70W	2,906	\$9.51	27,636	\$9.51	27,636	\$9.51	27,636
100W Colonial Type HPS	2,673	\$13.07	34,936	\$13.07	34,936	\$13.07	34,936
Directional Flood Light 100W HPS	841	\$8.82	7,418	\$8.82	7,418	\$8.82	7,418
Directional Flood Light 70W LED	4	\$8.82	35	\$16.93	68	\$16.93	68
Directional Flood Light 250W HPS	1,728	\$14.93	25,799	\$14.93	25,799	\$14.93	25,799
Directional Flood Light 108W LED	0	\$17.75	0	\$17.75	0	\$17.75	0
Directional Flood Light 400W HPS	3,441	\$20.33	69,956	\$20.33	69,956	\$20.33	69,956
Directional Flood Light 208W LED	0	\$19.95	0	\$19.95	0	\$19.95	0
Contemporary Type 400W HPS	84	\$21.80	1,831	\$21.80	1,831	\$21.80	1,831
30 Fiber Glass Pole - UG	84	\$10.63	893	\$10.63	893	\$10.63	893
25 FT Wood Pole OH	952	\$2.46	2,342	\$2.46	2,342	\$2.46	2,342
30 FT Wood Pole OH	1,435	\$2.84	4,075	\$2.84	4,075	\$2.84	4,075
25 FT Wood Pole UG	36	\$3.44	124	\$3.44	124	\$3.44	124
30 FT Wood Pole UG	54	\$3.83	207	\$3.83	207	\$3.83	207
Acorn Contemporary 400W HPS	12	\$34.26	411	\$34.26	411	\$34.26	411
Santa Rosa Contemporary 150W HPS	198	\$33.59	6,651	\$33.59	6,651	\$33.59	6,651
Santa Rosa Contemporary 150W HPS (Nc	0	\$9.37	0	\$9.37	0	\$9.37	0
TEMP MTR POLES	795	\$20.00	15,900	\$20.00	15,900	\$20.00	15,900
Total light billings	<u>90,531</u>						
kWh	<u>6,744,321</u>						
Total from base rates			955,611		955,643		955,643
Fuel adjustment			(10,766)				
Environmental Surcharge			142,315				
Total revenues			<u>\$1,087,160</u>				
Amount					\$32		\$0
Percent					0.0%		0.0%
Average monthly usage	74		\$10.56		\$10.56		\$10.56
Amount					\$0.00		\$0.00
Percent					0.0%		0.0%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 10 of 11
Witness: James Adkins

Schedule 6 Street Lighting

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
STANDARD OVERHEAD WOOD POLE							
HPS Fixture 100W	18,124	\$9.66	175,078	\$9.66	175,078	\$10.18	184,502
HPS Fixture 250W	692	\$14.64	10,131	\$14.64	10,131	\$15.43	10,678
HPS Fixture 400W	384	\$19.10	7,334	\$19.10	7,334	\$20.11	7,722
LED Fixture 70W	730	\$9.51	6,942	\$9.51	6,942	\$10.05	7,337
LED Fixture 108W	0	\$11.09	0	\$11.09	0	\$11.68	0
LED Fixture 208W	0	\$16.03	0	\$16.03	0	\$16.88	0
ORNAMENTAL OVERHEAD (Aluminum Pole)							
HPS Fixture 100 W	74	\$21.91	1,621	\$21.91	1,621	\$23.08	1,708
HPS Fixture 250W	453	\$26.01	11,783	\$26.01	11,783	\$27.40	12,412
HPS Fixture 400W	298	\$29.68	8,845	\$29.68	8,845	\$31.26	9,315
ORNAMENTAL UNDERGROUND (Fiberglass Pole)							
HPS Fixture 400W	1,520	\$34.56	52,531	\$34.56	52,531	\$36.40	55,328
HPS Fixture 150W Santa Rosa w/Flut	789	\$33.60	26,510	\$33.60	26,510	\$35.39	27,923
HPS Fixture (Charge excludes light fis	389	\$9.37	3,645	\$9.37	3,645	\$9.87	3,839
Total light billings	<u>23,453</u>						
kWh	<u>1,644,192</u>						
Billing adjustments				<u>0</u>		<u>0</u>	
Total from base rates			<u>304,420</u>		<u>304,420</u>		<u>320,764</u>
Fuel adjustment			<u>0</u>				
Environmental Surcharge			<u>0</u>				
Total revenues			<u>\$304,420</u>				
Amount					\$0	\$16,344	
Percent					0.0%	5.4%	
Average monthly usage	70		\$12.98		\$12.98	\$13.68	
Amount					\$0.00	\$0.70	
Percent					0.0%	5.4%	

Nolin Rural Electric Cooperative
Case No. 2016-00367
Billing Analysis
April 30, 2016

Exhibit J
page 11 of 11
Witness: James Adkins

Schedule
Envirowatts

Billing Determinants	Actual		Normalized Case No. 2010-00506		Proposed		
	Rate	Revenues	Rates	Revenues	Rates	Revenues	
Facility Charge	0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Energy charge per kwh	235,800	\$0.02750	6,485	\$0.02750	6,485	\$0.02750	6,485
					0		0
Total from base rates			6,485		<u>\$6,485</u>		<u>\$6,485</u>
Fuel adjustment			0				
Environmental surcharge			0				
Total revenues			<u>\$6,485</u>				
Amount					\$0		\$0
Percent					0.0%		0.0%
Average monthly usage			\$0.00		\$0.00		\$0.00
Amount					\$0.00		\$0.00
Percent					0.0%		0.0%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Computation of Rate of Return
April 30, 2016

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	<u>Actual Test Year</u>	<u>Adjusted Test Year</u>
Net margins	\$ (481,624)	\$ 1,710,275
Non-cash patronage dividends	(3,474,463)	-
Interest on long-term debt	<u>3,024,787</u>	<u>1,710,275</u>
Total	<u>\$ (931,300)</u>	<u>\$ 3,420,550</u>
Net rate base	<u>\$ 74,426,699</u>	<u>\$ 73,908,831</u>
Rate of return	<u>-1.25%</u>	<u>4.63%</u>
Equity Capitalization	<u>\$ 129,948,697</u>	<u>\$ 134,804,401</u>
Rate of return	<u>-0.72%</u>	<u>2.54%</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
Determination of Rate Base
April 30, 2016

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Gross rate base:		
Total electric plant	\$ 113,098,314	\$ 113,098,314
Material and supplies (13 months average for test year)	1,221,173	1,221,173
Prepayments (13 months average for test year)	206,387	206,387
Working capital: 12.5% of operating expense less cost of power	<u>2,087,975</u>	<u>1,819,021</u>
	116,613,849	116,344,895
Deductions from rate base:		
Accumulated depreciation	41,869,350	42,263,461
Consumer advances	<u>317,800</u>	<u>317,800</u>
Net rate base	<u>\$ 74,426,699</u>	<u>\$ 73,763,634</u>

	<u>Material</u>	<u>Prepayments</u>
April	1,255,449	360,909
May	1,295,004	319,256
June	1,302,281	279,401
July	1,315,745	197,423
August	1,380,555	174,254
September	1,234,174	140,802
October	1,266,210	121,391
November	1,085,711	97,666
December	1,077,448	30,765
January	1,120,216	297,554
February	1,112,964	169,394
March	1,103,354	142,645
April	1,326,144	351,565
Average	1,221,173	206,387

Nolin Rural Electric Cooperative

Exhibit K

Case No. 2016-00367

page 3 of 7

Computation of Rate of Return

Witness: James Adkins

April 30, 2016

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Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2016	2015	2014	2013	2012	2011	
Net margins	(\$481,624)	(\$4,314,743)	\$5,125,020	\$10,254,654	\$5,423,285	\$6,690,180
Interest on long-term debt	3,024,787	2,921,143	3,261,489	3,180,850	2,955,396	3,893,167
Total	2,543,163	(1,393,600)	8,386,509	13,435,504	8,378,681	10,583,347
Net rate base	74,426,699	72,515,097	67,975,863	67,191,817	66,922,201	68,704,091
Rate of return	<u>3.42%</u>	<u>-1.92%</u>	<u>12.34%</u>	<u>20.00%</u>	<u>12.52%</u>	<u>15.40%</u>

Return excluding G & T patronage dividends:	Calendar Year					
	1st	2nd	3rd	4th	5th	
Test Year	2015	2014	2013	2012	2011	
2016	2015	2014	2013	2012	2011	
Net margins	(\$481,624)	(\$4,314,743)	\$5,125,020	\$10,254,654	\$5,423,285	\$6,690,180
G & T patronage dividends	3,474,463	3,476,947	3,873,556	4,470,108	3,420,838	3,660,266
Interest on long-term debt	3,024,787	2,921,143	3,261,489	3,180,850	2,955,396	3,893,167
Total	(931,300)	(4,870,547)	4,512,953	8,965,396	4,957,843	6,923,081
Net rate base	74,426,699	72,515,097	67,975,863	67,191,817	66,922,201	68,704,091
Rate of return, excluding G & T	<u>-1.25%</u>	<u>-6.72%</u>	<u>6.64%</u>	<u>13.34%</u>	<u>7.41%</u>	<u>10.08%</u>

Witness: James Adkins

Nolin Rural Electric Cooperative
Case No. 2016-00367
Determination of Rate Base
April 30, 2016

Test Year 2016	Calendar Year					
	1st 2015	2nd 2014	3rd 2013	4th 2012	5th 2011	
Gross rate base:						
Total electric plant	\$113,098,314	\$112,927,352	\$107,205,141	\$104,573,735	\$102,601,142	\$101,309,222
Material and supplies (13 mo. ave tes	1,221,173	1,077,448	1,156,628	1,116,804	1,145,865	1,301,974
Prepayments (13 mo. ave test year)	206,387	30,765	36,250	34,619	31,888	31,874
Working capital:						
12.5% of operating expense						
less cost of power	2,087,975	1,981,035	2,053,265	1,733,621	1,696,901	1,694,736
	<u>116,613,849</u>	<u>116,016,600</u>	<u>110,451,284</u>	<u>107,458,779</u>	<u>105,475,796</u>	<u>104,337,806</u>
Deductions from rate base:						
Accumulated depreciation	41,869,350	43,172,359	42,153,318	39,947,311	37,855,305	35,029,136
Consumer advances	317,800	329,144	322,103	319,651	698,290	604,579
	<u>42,187,150</u>	<u>43,501,503</u>	<u>42,475,421</u>	<u>40,266,962</u>	<u>38,553,595</u>	<u>35,633,715</u>
Net rate base	<u>\$74,426,699</u>	<u>\$72,515,097</u>	<u>\$67,975,863</u>	<u>\$67,191,817</u>	<u>\$66,922,201</u>	<u>\$68,704,091</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
TIER and DSC Calculations
April 30, 2016

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	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
TIER:		
Margins, excluding G&T capital credits	(\$3,956,087)	\$1,710,275
Interest on long term debt	3,024,787	1,710,275
TIER	(0.31)	2.00
DSC:		
Margins, excluding G&T capital credits	(\$3,956,087)	\$1,710,275
Depreciation expense	4,262,055	4,639,876
Interest on long term debt	3,024,787	1,710,275
Principal payment on long term debt	6,549,520	6,549,520
DSC	0.35	0.98

DSC = (Margins+Depreciation+Interest)/(Interest+Principal)

Nolin Rural Electric Cooperative

Exhibit K

Case No. 2016-00367

page 6 of 7

TIER and DSC Calculations

Witness: James Adkins

April 30, 2016

Test Year	Calendar Year				
	1st	2nd	3rd	4th	5th
2016	2015	2014	2013	2012	2011

TIER calculations:

Margins, excluding G&T

capital credits (3,956,087) (7,791,690) 1,251,464 5,784,546 2,002,447 3,029,914

Interest on long term debt 3,024,787 2,921,143 3,261,489 3,180,850 2,955,396 3,893,167

TIER, excluding G&T capital credits (0.31) (1.67) 1.38 2.82 1.68 1.78

Margins, including G&T

capital credits (481,624) (4,314,743) 5,125,020 10,254,654 5,423,285 6,690,180

Interest on long term debt 3,024,787 2,921,143 3,261,489 3,180,850 2,955,396 3,893,167

TIER 0.84 (0.48) 2.57 4.22 2.84 2.72

DSC calculations:

DSC = ((Margins + depreciation + interest) / (interest + principal payments))

Margins, excluding G&T

capital credits (3,956,087) (7,791,690) 1,251,464 5,784,546 2,002,447 3,029,914

Depreciation expense 4,262,055 4,098,824 3,976,726 3,890,056 3,740,790 3,623,377

Interest on long term debt 3,024,787 2,921,143 3,261,489 3,180,850 2,955,396 3,893,167

Principal payment on

long term debt 6,549,520 5,966,189 8,443,260 10,218,483 8,676,546 8,862,494

DSC, excluding G&T capital credits 0.35 (0.09) 0.73 0.96 0.75 0.83

Margins, including G&T

capital credits (481,624) (4,314,743) 5,125,020 10,254,654 5,423,285 6,690,180

Depreciation expense 4,262,055 4,098,824 3,976,726 3,890,056 3,740,790 3,623,377

Interest on long term debt 3,024,787 2,921,143 3,261,489 3,180,850 2,955,396 3,893,167

Principal payment on

long term debt 6,549,520 5,966,189 8,443,260 1,185,814 8,676,546 8,862,494

DSC 0.71 0.30 1.06 3.97 1.04 1.11

Nolin Rural Electric Cooperative
Case No. 2016-00367
Reconciliation of Rate Base and Capital
April 30, 2016

Reconciliation of Rate Base and Capital used to determine revenue requirements are as follows:

Equity Capitalization, with G&T capital credits	\$ 164,239,330
G&T capital credits	<u>(34,290,633)</u>
Equity, excluding G&T capital credits	129,948,697
Reconciling items:	
Capital credits from associated organizations	
(Allocated but unpaid)	(4,235,715)
Working capital requirements	2,087,975
Material and supplies, 13 month average	1,221,173
Prepayments, 13 month average	206,387
Cash and temporary investments	(2,740,659)
Accounts receivable	(69,829,944)
Material and supplies	(1,326,144)
Prepayments	(341,060)
Deferred debits	(2,483,742)
Accumulated operating provisions	6,921,518
Accounts payable	10,521,449
Consumer deposits	2,330,006
Accrued expenses	2,146,758
	<hr/>
Net Rate Base	<u>\$ 74,426,699</u>

GENERAL LEDGER
CHART OF ACCOUNTS

Page: 1

Div Account	Description	Type	Category	Status
0 105.0	ELECTRIC PLANT HELD FOR FUTURE U	Asset		Active
0 107.1	CONSTRUCTION WORK IN PROGRESS-CO	Asset		Active
0 107.12	CONTRACT LABOR-FORT KNOX	Asset		Active
0 107.15	CONTRACT LABOR-ENERGY CONSERVATION	Asset		Active
0 107.16	CONTRACT LABOR-KNOX HILLS	Asset		Active
0 107.2	CONSTRUCTION WORK IN PROGRESS	Asset		Active
0 107.21	FORT KNOX CONTRACT	Asset		Active
0 107.3	CONSTRUCTION WORK IN PROGRESS-SP	Asset		Active
0 107.4	CONSTRUCTION-NEW PCB BUILDING	Asset		Active
0 107.41	PURCHASE OF KU BUILDING-RADCLIFF	Asset		Active
0 108.21	RETIREMENT WORK-FORT KNOX CONTRA	Asset		Active
0 108.6	ACCUM DEPR OF ELECTRIC UTILITY P	Asset		Active
0 108.62	ACCUMULATED DEPRECIATION STORES	Asset		Active
0 108.63	ACCUM DEPR OF LABORATORY EQUIPME	Asset		Active
0 108.64	ACCUM DEPR OF MISC EQUIPMENT-FOR	Asset		Active
0 108.65	ACCUM DEPR-COMMUNICATION EQUIPME	Asset		Active
0 108.66	ACCUM DEPR-FURNITURE & EQUIPMENT	Asset		Active
0 108.67	ACCUM DEPR OF SHOP EQUIPMENT-FOR	Asset		Active
0 108.68	ACCUM DEPR-PCB BUILDING	Asset		Active
0 108.69	ACCUM DEPR OF RADCLIFF OFFICE	Asset		Active
0 108.7	ACCUM DEPR OF MISC STRUCTURES	Asset		Active
0 108.71	ACCUM DEPR OF HEADQUARTERS	Asset		Active
0 108.72	ACCUM DEPR OF FURNITURE AND EQUI	Asset		Active
0 108.73	ACCUM DEPR OF TRANSPORTATION EQU	Asset		Active
0 108.74	ACCUM DEPR OF STORES EQUIPMENT	Asset		Active
0 108.75	ACCUM DEPR OF SHOP EQUIPMENT	Asset		Active
0 108.76	ACCUM DEPR OF LABORATORY EQUIPME	Asset		Active
0 108.77	ACCUM DEPR OF POWER OPERATED EQU	Asset		Active
0 108.78	ACCUM DEPR OF COMMUNICATIONS EQU	Asset		Active
0 108.79	ACCUM DEPR OF MISC EQUIPMENT	Asset		Active
0 108.8	RETIREMENT WORK IN PROGRESS	Asset		Active
0 108.81	RETIREMENT WIP - KNOX HILLS	Asset		Active
0 108.82	RETIREMENT WORK-FORT KNOX CONTRA	Asset		Active
0 108.9	RETIREMENT WORK IN PROGRESS-CONT	Asset		Active
0 121.0	NONUTILITY PROPERTY	Asset		Active
0 122.0	DEPRECIATION-LEASED SURGE PROTEC	Asset		Active
0 123.1	PATRONAGE CAPITAL-ASSOC COOPERAT	Asset		Active
0 123.11	PATRONAGE CAPITAL-ASSOC COOPERAT	Asset		Active
0 123.12	PATRONAGE CAPITAL-ASSOC COOPERAT	Asset		Active
0 123.13	PATRONAGE CAPITAL-ASSOC COOPERAT	Asset		Active
0 123.14	PATRONAGE CAPITAL-ASSOC COOPERAT	Asset		Active
0 123.15	PATRONAGE CAPITAL ASSOC COOPERAT	Asset		Active
0 123.21	SUBSCRIPTIONS TO CAPITAL TERM CE	Liability		Active
0 123.22	INVESTMENT IN CAPITAL TERM CERTI	Asset		Active
0 123.23	OTHER INVESTMENTS ASSOC ORGAN MB	Asset		Active
0 123.24	OTHER INVESTMENTS ASSOC ORGAN MB	Asset		Active
0 123.25	OTHER INVESTMENTS ASSOC ORGAN MB	Asset		Active
0 123.26	OTHER INVESTMENTS ASSOC ORGAN CD	Asset		Active
0 123.27	OTHER INVESTMENTS ASSOC ORGAN DE	Asset		Active
0 123.28	OTHER INVESTMENTS ASSOC ORGAN SC	Asset		Active
0 123.29	OTHER INVESTMENTS ASSOC ORGAN NO	Asset		Active
0 123.3	OTHER INVESTMENTS ASSOC ORGAN NO	Asset		Active
0 123.31	OTHER INVEST ASSOC ORG MEMBERSHI	Asset		Active
0 123.32	OTHER INV ASSOC ORG NATL RURAL	Asset		Active
0 123.33	INVESTMENTS IN SUBSIDIARY COMPAN	Asset		Active
0 123.34	OTHER INVESTMENTS-ENVISION ENER	Asset		Active
0 123.35	OTHER INVESTMENTS ASSOC ORG-NISC	Asset		Active
0 123.36	OTHER INVESTMENT-TOUCHSTONE ENER	Asset		Active
0 123.37	OTHER INVESTMENTS ASSOC ORGANIZA	Asset		Active
0 124.0	OTHER INVESTMENTS RADCLIFF IND F	Asset		Active
0 124.01	OTHER INVESTMENTS ETOWN IND FOUN	Asset		Active
0 124.02	OTHER INVESTMENTS BUSINESS DEV O	Asset		Active
0 124.03	OTHER INVESTMENTS-FEDERATED INS-	Asset		Active
0 131.1	PATRONAGE CAPITAL REFUND-KNB	Asset		Active

GENERAL LEDGER CHART OF ACCOUNTS	Page: 1
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Div	Account	Description	Type	Category	Status
0	131.13	CASH GENERAL FUND-KNB	Asset		Active
0	131.14	CASH PAYROLL-BANK ONE, KENTUCKY,	Asset		Active
0	131.15	CASH CREDIT CARD ACCOUNT-BANK ON	Asset		Active
0	131.16	CASH GENERAL FUND-CITIZENS UNION	Asset		Active
0	131.17	OPERATION ROUND UP - KNB	Asset		Active
0	131.18	CASH INTERNET ACCOUNT-KNB	Asset		Active
0	131.2	CASH CONSTRUCTION FUND-TRUSTEE-B	Asset		Active
0	131.4	TRANSFER OF CASH	Asset		Active
0	135.0	WORKING FUNDS	Asset		Active
0	136.02	TEMPORARY CASH INVESTMENT-CFC	Asset		Active
0	136.03	TEMPORARY CASH INVESTMENT-EKP	Asset		Active
0	136.17	TEMPORARY CASH INVESTMENT - ROUND UP	Asset		Active
0	141.0	NOTES RECEIVABLE-KENTUCKY VILLAG	Asset		Active
0	141.1	NOTES RECEIVABLE-EMPLOYEES-COMPU	Asset		Active
0	142.0	CUSTOMER ACCOUNTS RECEIVABLE-ELE	Asset		Active
0	142.1	RETURNED CHECKS	Asset		Active
0	142.11	DEFERRED PAYMENT PLAN-DEBITS & C	Asset		Active
0	142.12	DEFERRED PAYMENT PLAN-DRS & CRS-	Asset		Active
0	142.99	CUSTOMER ACCTS REC - CLEARING	Asset		Active
0	143.0	ACCOUNTS RECEIVABLE-OTHER	Asset		Active
0	143.01	ACCOUNTS RECEIVABLE-CREDIT UNION	Asset		Active
0	143.02	ACCOUNTS RECEIVABLE-UNIFORMS	Asset		Active
0	143.03	ACCOUNTS RECEIVABLE-125B-MEDICAL	Asset		Active
0	143.04	ACCOUNTS RECEIVABLE-CANCER INS	Asset		Active
0	143.05	ACCOUNTS RECEIVABLE-RETIREMENT &	Asset		Active
0	143.06	ACCOUNTS RECEIVABLE-TRAVEL EXPEN	Asset		Active
0	143.07	ACCOUNTS RECEIVABLE-POLE RENTAL	Asset		Active
0	143.08	ACCOUNTS RECEIVABLE-EMPLOYEE LTD	Asset		Active
0	143.1	ACCOUNTS RECEIVABLE-GEOTHERMAL L	Asset		Active
0	143.11	ACCOUNTS RECEIVABLE-CONTRACT PAY	Asset		Active
0	143.12	ACCTS REC-EMPLOYEES PART-401K	Asset		Active
0	143.13	ACCTS REC-EMPLOYEES-UNITED WAY	Asset		Active
0	143.14	ACCTS REC-EMPLOYEES-ATTENDANCE A	Asset		Active
0	143.15	ACCOUNTS RECEIVABLE-125B-DEPENDE	Asset		Active
0	143.16	ACCOUNTS RECEIVABLE-FSA-FEE	Asset		Active
0	143.17	ACCOUNTS RECEIVABLE-401K LOANS	Asset		Active
0	143.18	ACCOUNTS RECEIVABLE-RELOCATING L	Asset		Active
0	143.19	ACCTS RECEIVABLE-DOWN PAYMENT-AP	Asset		Active
0	143.2	ACCTS RECEIVABLE-APPLIANCE CONTR	Asset		Active
0	143.21	ACCOUNTS RECEIVABLE-125B DENTAL	Asset		Active
0	143.9	VOIDED CHECKS	Asset		Active
0	143.96	ACCOUNTS RECEIVABLE-FT.KNOX SOLAR ARRAY	Asset		Active
0	143.97	ACCOUNTS RECEIVABLE-FT.KNOX POWER PLANT	Asset		Active
0	143.98	ACCOUNTS RECEIVABLE-FT KNOX MODI	Asset		Active
0	143.99	ACCOUNTS RECEIVABLE-FT KNOX FINA	Asset		Active
0	144.1	RESERVE FOR UNCOLLECTIBLE ACCOUN	Asset		Active
0	145.0	NOTES RECEIVABLE FROM ASSOCIATED	Asset		Active
0	146.0	ACCTS RECEIVABLE FROM ASSOC COMP	Asset		Active
0	154.0	MATERIALS AND SUPPLIES-ELECTRIC	Asset		Active
0	154.01	MATERIALS AND SUPPLIES-ELECTRIC,	Asset		Active
0	154.02	MATERIAL & SUPPLIES-METER DEPT	Asset		Active
0	154.03	MATERIALS & SUPPLIES-TEMPORARY P	Asset		Active
0	155.0	MERCHANDISE	Asset		Active
0	156.0	INVENTORY-GAS, LP GAS AND OIL	Asset		Active
0	156.1	FORT KNOX-INVENTORY	Asset		Active
0	156.3	PROPANE GAS CONVERSION UNITS	Asset		Active
0	157.0	EXEMPT MATERIAL	Asset		Active
0	163.0	STORES EXPENSE UNDISTRIBUTED	Asset		Active
0	163.1	FORT KNOX-STORES EXPENSE	Asset		Active
0	165.1	PREPAID INSURANCE	Asset		Active
0	165.11	PREPAYMENT-PAST SERVICE RETIREME	Asset		Active
0	165.2	OTHER PREPAYMENTS-RETIREMENT	Asset		Active
0	165.3	OTHER PREPAYMENTS-HOSPITALIZATIO	Asset		Active
0	165.31	PREPAYMENT-EMPLOYERS PART-401K	Asset		Active

GENERAL LEDGER CHART OF ACCOUNTS	Page: 1
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Div Account	Description	Type	Category	Status
0 165.4	OTHER PREPAYMENTS-DUES KAEC	Asset		Active
0 165.5	OTHER PREPAYMENTS-DUE NRECA	Asset		Active
0 165.6	PREPAID SCADA CONTRACT	Asset		Active
0 165.7	PREPAYMENT OF SALES & USE TAX	Asset		Active
0 165.71	PREPAID-POSTAGE	Asset		Active
0 165.8	PREPAYMENT OF RADCLIFF RENT	Asset		Active
0 171.0	INTEREST & DIVIDENDS RECEIVABLE	Asset		Active
0 183.0	PRELIMINARY SURVEY & INVESTIGATI	Asset		Active
0 184.1	TRANSPORTATION EXPENSE-CLEARING	Asset		Active
0 184.11	TRANSPORTATION EXPENSE-CLEARING-	Asset		Active
0 184.2	BENEFIT EXPENSES-CLEARING	Asset		Active
0 186.0	MISC DEFERRED DEBITS-LONG RANGE	Asset		Active
0 186.1	MISC DEFERRED & ACCRUED LIABILIT	Asset		Active
0 186.2	MISC DEFERRED LIABILITIES-MAPPIN	Asset		Active
0 186.3	MISC DEFERRED DEBIT-RETIREMENT/SECURITY	Asset		Active
0 186.4	MISC DEFERRED LIABILITIES-SERVIC	Asset		Active
0 200.1	MEMBERSHIPS	Liability		Active
0 201.1	PATRONS CAPITAL CREDITS-ASSIGNED	Liability		Active
0 201.11	ESTIMATED PATRONAGE CAPITAL PAYA	Liability		Active
0 201.2	PATRONS CAPITAL CREDITS-ASSIGNAB	Liability		Active
0 201.21	PATRONS CAPITAL CREDITS-UNASSIGN	Liability		Active
0 201.22	PRIOR YEARS DEFICIT	Liability		Active
0 208.0	DONATED CAPITAL	Liability		Active
0 215.3	ACCUM OTHER COMPREHENSIVE INCOME	Liability		Active
0 217.0	RETIRED CAPITAL CREDITS-GAIN	Liability		Active
0 217.1	RETIRED CAPITAL CREDITS -DISC	Liability		Active
0 219.1	OPERATING MARGINS CURRENT YEAR	Liability		Active
0 219.2	NON-OPERATING MARGINS	Liability		Active
0 219.3	OTHER MARGINS	Liability		Active
0 224.11	OTHER LONG TERM DEBT-SUBSCRIPTIO	Liability		Active
0 224.12	OTHER LONG TERM DEBT-CFC	Liability		Active
0 224.13	NOTES EXECUTED-CFC	Liability		Active
0 224.14	OTHER LONG TERM DEBT-FFB	Liability		Active
0 224.15	NOTES EXECUTED-FFB	Liability		Active
0 224.16	OTHER LONG TERM DEBT-EQUIPMENT L	Liability		Active
0 224.3	LONG TERM DEBT-NOTES EXECUTED	Liability		Active
0 224.4	ALLOCATIONS-CONSTRUCTION NOTES E	Liability		Active
0 224.5	INTEREST ACCRUED-DEFERRED	Liability		Active
0 224.6	UNAPPLIED PAYMENTS-LONG TERM DEB	Liability		Active
0 226.0	UNAMORTIZED DISCOUNT ON LONG-TER	Liability		Active
0 228.3	ACCUM PROVISION FOR PENSIONS AND	Liability		Active
0 231.0	NOTES PAYABLE-SHORT TERM	Liability		Active
0 231.1	NOTES PAYABLE-GEOTHERMAL LOANS-E	Liability		Active
0 232.1	ACCOUNTS PAYABLE-GENERAL	Liability		Active
0 232.11	ACCTS PAYABLE-FT KNOX FISCAL YEAR TRUEUP	Liability		Active
0 232.12	ACCOUNTS PAYABLE-SHORT TERM NOTE	Liability		Active
0 232.13	RETAINER PAYABLE-MCNUTT CONSTRUC	Liability		Active
0 232.14	GE METER PURCHASE	Liability		Active
0 232.2	ACCOUNTS PAYABLE-SCHOOL APPLIANC	Liability		Active
0 232.3	ACCOUNTS PAYABLE-INSPECTION FEES	Liability		Active
0 232.4	ACCOUNTS PAYABLE-MEMBERSHIPS AND	Liability		Active
0 232.5	ACCOUNTS PAYABLE-RADCLIFF FRANCH	Liability		Active
0 232.6	ACCOUNTS PAYABLE-VINE GROVE FRAN	Liability		Active
0 232.61	ACCOUNTS PAYABLE FRANCHISE TAX - SONORA	Liability		Active
0 232.7	AP-WINTER CARE	Liability		Active
0 232.71	AP OPERATION ROUNDUP	Liability		Active
0 232.8	ACCTS PAYABLE-SCHOLARSHIPS	Liability		Active
0 232.9	ACCOUNTS PAYABLE-E-TOWN FRANCHIS	Liability		Active
0 232.99	UNINVOICED MATERIALS L,F,E	Liability		Active
0 235.0	CONSUMER DEPOSITS	Liability		Active
0 236.1	TAXES ACCRUED-PROPERTY	Liability		Active
0 236.2	TAXES ACCRUED-U S UNEMPLOYMENT	Liability		Active
0 236.3	TAXES ACCRUED-FICA	Liability		Active
0 236.4	TAXES ACCRUED-STATE UNEMPLOYMENT	Liability		Active

GENERAL LEDGER CHART OF ACCOUNTS	Page: 1
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Div Account	Description	Type	Category	Status
0 236.5	TAXES ACCRUED-KENTUCKY SALES	Liability		Active
0 236.6	TAXES ACCRUED-HARDIN COUNTY SCHO	Liability		Active
0 236.61	TAXES ACCRUED-GRAYSON COUNTY SCH	Liability		Active
0 236.62	TAXES ACCRUED-MEADE COUNTY SCHOO	Liability		Active
0 236.63	TAXES ACCRUED-KY SALES AND USE	Liability		Active
0 236.64	TAXES ACCRUED-GREEN COUNTY SCHOO	Liability		Active
0 236.65	TAXES ACCRUED-LARUE COUNTY SCHOO	Liability		Active
0 236.66	TAXES ACCRUED-HARDIN CO-E-TOWN S	Liability		Active
0 237.1	INTEREST ACCRUED RUS CONSTRUCTIO	Liability		Active
0 237.2	INTEREST ACCRUED CFC OBLIGATION	Liability		Active
0 237.3	INTEREST ACCRUED-SHORT TERM CFC	Liability		Active
0 237.4	INTEREST ACCRUED FFB OBLIGATION	Liability		Active
0 237.5	INTEREST ACCRUED-EQUIPMENT LOAN	Liability		Active
0 238.1	PATRONAGE CAPITAL PAYABLE	Liability		Active
0 238.11	CAPITAL CREDITS PAYABLE-ESTIMATE	Liability		Active
0 241.0	TAXES-FEDERAL WITHHOLDING	Liability		Active
0 241.1	TAXES-EMPLOYEES STATE INCOME	Liability		Active
0 241.11	TAXES - EMPLOYEE STATE INDIANA	Liability		Active
0 241.2	TAXES-CITY OF ETOWN OCCUPATIONAL	Liability		Active
0 241.3	TAXES-CITY OF RADCLIFF OCCUPATIO	Liability		Active
0 241.4	TAXES - FLOYD COUNTY EMPLOYEE	Liability		Active
0 242.06	TOUCHSTONE ENERGY FRIENDS ASSIST	Liability		Active
0 242.07	MISC ACCRUED LIABILITIES-ACRE	Liability		Active
0 242.08	MISC ACCRUED LIABILITIES-PPP INS	Liability		Active
0 242.09	MISC ACCRUED LIABILITIES-MET-INS	Liability		Active
0 242.1	MISC ACCRUED LIABILITIES-DEPENDE	Liability		Active
0 242.11	MISC ACCRUED LIABILITIES-401K EM	Liability		Active
0 242.12	MISC ACCRUED LIABILITIES-125B LT	Liability		Active
0 242.13	MISC ACCRUED LIABILITIES-L25B IN	Liability		Active
0 242.14	MISC ACCRUED LIABILITIES-401K LO	Liability		Active
0 242.15	MISC ACCRUED LIABILITIES-RETIREM	Liability		Active
0 242.16	MISC ACCRUED LIABILITIES-HOMESTE	Liability		Active
0 242.17	MISC ACCRUED LIABILITIES-EMPLOYE	Liability		Active
0 242.18	MISC ACCRUED LIABILITIES-KINGS I	Liability		Active
0 242.19	MISC ACCRUED LIABILITIES-HOLIDAY	Liability		Active
0 242.2	ACCRUED PAYROLL	Liability		Active
0 242.21	MISC ACCRUED LIABILITIES-KY KING	Liability		Active
0 242.22	MISC ACCRUED LIABILITIES-STATE F	Liability		Active
0 242.23	MISC ACCRUED LIAB AD&D SPOUSE CH	Liability		Active
0 242.3	ACCRUED VACATION	Liability		Active
0 242.39	PAYROLL - CLEARING	Liability		Active
0 242.4	ACCRUED INSURANCE-PAYROLL	Liability		Active
0 242.5	MISC CURRENT LIABILITIES-EMPLOYE	Liability		Active
0 242.6	ACCRUED OUTSIDE SERVICES-AUDIT	Liability		Active
0 242.7	ADVANCED EARNED INCOME CREDIT	Liability		Active
0 242.8	ACCRUED INTEREST-CONSUMER DEPOSI	Liability		Active
0 242.9	MISC ACCRUED LIABLILITIES-UNITED	Liability		Active
0 252.0	CONSUMER ADVANCE FOR CONSTRUCTIO	Liability		Active
0 252.1	CONSUMER ADVANCE FOR CONSTRUCTIO	Liability		Active
0 253.0	OTHER DEFERRED CREDITS-ROLLING F	Liability		Active
0 253.1	CORROON & BLACK-HEALTH INS ALLOC	Liability		Active
0 253.11	DEFERRED INTEREST-CONTRACTS	Liability		Active
0 253.2	OTHER DEFERRED CREDITS - METER INSTALL	Liability		Active
0 253.6	DEFERRED CREDIT - FT KNOX	Liability		Active
0 360.0	LAND AND LAND RIGHTS	Asset		Active
0 362.0	STATION EQUIPMENT-SCADA	Asset		Active
0 364.0	POLES, TOWERS AND FIXTURES	Asset		Active
0 364.01	POLES, TOWERS AND FISTURES-FORT	Asset		Active
0 364.1	POLES, TOWERS, & FIXTURES- FT KN	Asset		Active
0 365.0	OVERHEAD CONDUCTOR & DEVICES-INS	Asset		Active
0 365.01	OVERHEAD SWITCHES & CONDUCTORS-F	Asset		Active
0 365.1	OH-COND & DEVICES-INST COST-FORT	Asset		Active
0 367.0	UNDERGROUND CONDUCTORS AND DEVIC	Asset		Active
0 367.01	UNDERGROUND CONDUCTORS & DEVICES	Asset		Active

GENERAL LEDGER
CHART OF ACCOUNTS

Page: 1

Div Account	Description	Type	Category	Status
0 367.1	UNDERGROUND CONDUCTORS & DEVICES	Asset		Active
0 368.0	TRANSFORMER-INSTALLATION COST	Asset		Active
0 368.01	TRANSFORMER INSTALLATION COST-FO	Asset		Active
0 368.1	TRANSFORMER-INSTALLATION COST-FT	Asset		Active
0 369.0	SERVICES	Asset		Active
0 369.01	SERVICES-FORT KNOX	Asset		Active
0 369.1	SERVICES- FT KNOX	Asset		Active
0 370.0	METER & SOCKET-INSTALLATION COST	Asset		Active
0 370.01	METERS, PURCHASE & INSTALL COST	Asset		Active
0 370.1	METERS-MINI-MAX AMP	Asset		Active
0 371.0	INSTALLATION ON CONSUMER PREMISE	Asset		Active
0 371.01	INSTALLATIONS ON CUSTOMERS' PREM	Asset		Active
0 371.1	INSTALLATION ON CONSUMER PREMISE	Asset		Active
0 372.0	TEMPORARY METER POLES	Asset		Active
0 373.0	STREET LIGHTING AND SIGNAL EQUIP	Asset		Active
0 373.01	STREET LIGHTING & SIGNAL SYSTEMS	Asset		Active
0 373.1	STREET LIGHTING & SIGNAL EQUIPME	Asset		Active
0 389.0	LAND AND LAND RIGHTS	Asset		Active
0 389.1	LAND AND LAND RIGHTS-RADCLIFF OF	Asset		Active
0 390.0	STRUCTURES AND IMPROVEMENTS-MISC	Asset		Active
0 390.1	STRUCTURES AND IMPROVEMENTS-HEAD	Asset		Active
0 390.11	STRUCTURES AND IMPROVEMENTS-PCB	Asset		Active
0 390.12	STRUCTURES AND IMPROVEMENTS-RADC	Asset		Active
0 391.0	FURNITURE AND OFFICE EQUIPMENT	Asset		Active
0 392.0	TRANSPORTATION EQUIPMENT	Asset		Active
0 393.0	STORES EQUIPMENT	Asset		Active
0 394.1	SHOP EQUIPMENT	Asset		Active
0 395.0	LABORATORY EQUIPMENT	Asset		Active
0 396.0	POWER OPERATED EQUIPMENT	Asset		Active
0 397.0	COMMUNICATIONS EQUIPMENT	Asset		Active
0 398.0	MISCELLANEOUS EQUIPMENT	Asset		Active
0 403.6	DEPRECIATION-ELECTRIC PLANT	Expense	Operating	Active
0 403.7	DEPRECIATION-GENERAL PLANT	Expense	Operating	Active
0 408.1	TAXES-PROPERTY	Expense	Operating	Active
0 408.2	TAXES-U S UNEMPLOYMENT	Expense	Operating	Active
0 408.3	TAXES-U S FICA	Expense	Operating	Active
0 408.4	TAXES-STATE UNEMPLOYMENT	Expense	Operating	Active
0 415.0	REVENUES FROM MERCHANDISING	Income	Non Operating	Active
0 415.1	REVENUE-CONTRACT WORK	Income	Non Operating	Active
0 415.11	REVENUE-CREDIT CARD PROGRAM	Income	Non Operating	Active
0 415.12	REVENUE-FORT KNOX MAINTENANCE CO	Income	Non Operating	Active
0 415.13	REVENUE - FORT KNOX GAS CONTRACT	Income	Non Operating	Active
0 415.15	REVENUE-ENERGY CONSERVATION	Income	Non Operating	Active
0 415.16	REVENUE-KNOX HILLS	Income	Non Operating	Active
0 416.0	COSTS & EXPENSES-MERCHANDISING	Expense	Non Operating	Active
0 416.1	COSTS-CONTRACT WORK	Expense	Non Operating	Active
0 416.11	COST-CREDIT CARD PROGRAM	Expense	Non Operating	Active
0 416.12	COST-FORT KNOX MAINTENANCE CONTR	Expense	Non Operating	Active
0 416.13	COSTS - FORT KNOX GAS CONTRACT	Expense	Non Operating	Active
0 416.15	COST-ENERGY CONSERVATION PROJECT	Expense	Non Operating	Active
0 416.16	Cost-Knox Hills	Expense	Operating	Active
0 418.1	INCOME (LOSS) FROM EQUITY INVEST	Income	Non Operating	Active
0 419.0	OTHER INTEREST REVENUE	Income	Non Operating	Active
0 419.1	INTEREST MOD WO-FORT KNOX	Income	Non Operating	Active
0 419.11	INTEREST FT.KNOX POWER PLANT	Income	Non Operating	Active
0 421.0	MISC NONOPERATING INCOME	Income	Non Operating	Active
0 421.1	GAIN ON DISPOSITION OF PROPERTY	Income	Non Operating	Active
0 423.0	GENERATION & TRANSMISSION CAPITA	Income	Operating	Active
0 424.0	OTHER CAPITAL CREDITS ALLOCATION	Income	Operating	Active
0 426.3	DONATIONS	Expense	Operating	Active
0 426.4	CONTRIBUTION-INTEGRITY FUND	Expense	Operating	Active
0 426.5	OTHER DEDUCTIONS	Expense	Operating	Active
0 427.1	INTEREST ON LONG TERM DEBT-RUS L	Expense	Operating	Active
0 427.2	INTEREST ON LONG TERM DEBT-CFC L	Expense	Operating	Active

GENERAL LEDGER CHART OF ACCOUNTS	Page: 1
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Div Account	Description	Type	Category	Status
0 427.3	INTEREST ON LONG TERM DEBT-FFB	Expense	Operating	Active
0 428.0	AMORTIZATION OF DEBT DISCOUNT AN	Expense	Operating	Active
0 431.0	INTEREST-LINE OF CREDIT LOAN-CFC	Expense	Operating	Active
0 431.1	INTEREST-CONSUMER DEPOSITS	Expense	Operating	Active
0 431.11	INTEREST EXPENSE-EAST KY-GEOTHER	Expense	Operating	Active
0 431.12	INTEREST EXPENSE-EAST KY-SHORT T	Expense	Operating	Active
0 431.13	INTEREST EXPENSE-EQUIPMENT LOAN	Expense	Operating	Active
0 431.15	INTEREST-SALES & USE TAX AUDIT	Expense	Operating	Active
0 434.0	EXTRAORDINARY INCOME	Income	Non Operating	Active
0 440.1	RESIDENTIAL SALES-RURAL	Income	Operating	Active
0 440.11	GREEN POWER	Income	Operating	Active
0 442.1	COMMERCIAL & INDUSTRIAL SALES-10	Income	Operating	Active
0 442.2	COMMERCIAL & INDUSTRIAL SALES-OV	Income	Operating	Active
0 444.0	PUBLIC STREET & HIGHWAY LIGHTING	Income	Operating	Active
0 450.0	FORFEITED DISCOUNTS	Income	Operating	Active
0 451.0	MISCELLANEOUS SERVICE REVENUE	Income	Operating	Active
0 452.0	DEFERRED PAYMENT PLAN DEBITS & C	Income	Operating	Active
0 454.0	RENTS FROM ELECTRIC PROPERTY	Income	Operating	Active
0 456.0	MISCELLANEOUS ELECTRIC REVENUE	Income	Operating	Active
0 456.1	MISC REVENUE-FORT KNOX OTHER MARGINS	Income	Operating	Active
0 456.11	MISC REV-FT KNOX ENERGY SEC PROJ MARGIN	Income	Operating	Active
0 555.0	PURCHASED POWER	Expense	Operating	Active
0 580.0	OPERATIONS-SUPERVISION & ENGINEE	Expense	Operating	Active
0 581.0	LOAD DISPATCHING-FORT KNOX	Expense	Operating	Active
0 582.0	STATION EXPENSES-FORT KNOX	Expense	Operating	Active
0 583.0	OVERHEAD LINE EXPENSE	Expense	Operating	Active
0 583.1	PCB EXPENSES	Expense	Operating	Active
0 584.0	UNDERGROUND LINE EXPENSES	Expense	Operating	Active
0 586.0	METER EXPENSE	Expense	Operating	Active
0 586.1	METER EXPENSE-TESTING	Expense	Operating	Active
0 586.2	METER EXPENSE-ENERGY MANAGEMENT	Expense	Operating	Active
0 586.3	METER EXPENSE-TAMPERING	Expense	Operating	Active
0 586.4	METER EXPENSE-TESTING POWER METE	Expense	Operating	Active
0 586.5	CHANGING METERS-TEST	Expense	Operating	Active
0 587.0	CONSUMER INSTALLATION EXPENSE	Expense	Operating	Active
0 588.0	MISCELLANEOUS DISTRIBUTION EXPEN	Expense	Operating	Active
0 590.0	MAINTENANCE SUPERVISION & ENGINE	Expense	Operating	Active
0 592.0	MAINTENANCE OF STATION EQUIPMENT	Expense	Operating	Active
0 593.0	MAINTENANCE OF OVERHEAD LINES	Expense	Operating	Active
0 593.1	MAINT-OH LINES-PCB	Expense	Operating	Active
0 593.2	AERIAL INSPECTION-CLEANUP	Expense	Operating	Active
0 593.3	WALKING INSPECTION-CLEANUP	Expense	Operating	Active
0 594.0	MAINTENANCE OF UNDERGROUND LINES	Expense	Operating	Active
0 595.0	MAINTENANCE OF TRANSFORMER & DEV	Expense	Operating	Active
0 596.0	MAINTENANCE OF STREET LIGHTING &	Expense	Operating	Active
0 597.0	MAINTENANCE OF METERS	Expense	Operating	Active
0 598.0	MAINTENANCE OF MISC DISTRIBUTION	Expense	Operating	Active
0 901.0	SUPERVISION CUSTOMER ACCOUNTS EX	Expense	Operating	Active
0 902.0	METER READING EXPENSE	Expense	Operating	Active
0 902.1	METER READING EXPENSE-YEARLY	Expense	Operating	Active
0 903.0	CUSTOMER RECORDS AND COLLECTION	Expense	Operating	Active
0 903.1	CASH-OVER AND SHORT	Expense	Operating	Active
0 904.0	UNCOLLECTIBLE CUSTOMER ACCOUNTS	Expense	Operating	Active
0 907.0	CUSTOMER SERVICE & INFORMATION E	Expense	Operating	Active
0 908.0	CUSTOMER ASSISTANCE EXPENSE	Expense	Operating	Active
0 908.52	CUSTOMER SERVICE EXP-ENERGY CONS	Expense	Operating	Active
0 908.53	CONSUMER SERVICE EXP-MARKETING	Expense	Operating	Active
0 909.0	ADVERTISING EXPENSE	Expense	Operating	Active
0 910.0	MISC CUSTOMER SERVICE & INF EXPE	Expense	Operating	Active
0 910.1	MISC CUSTOMER SERVICE-TVRO	Expense	Operating	Active
0 910.11	KEY ACCOUNTS EXPENSE	Expense	Operating	Active
0 920.0	ADMINISTRATIVE AND GENERAL SALAR	Expense	Operating	Active
0 921.0	OFFICE SUPPLIES AND EXPENSES	Expense	Operating	Active
0 923.0	OUTSIDE SERVICES EMPLOYED	Expense	Operating	Active

GENERAL LEDGER CHART OF ACCOUNTS	Page: 1
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Div Account	Description	Type	Category	Status
0 924.0	PROPERTY INSURANCE	Expense	Operating	Active
0 925.0	INJURIES AND DAMAGES	Expense	Operating	Active
0 926.0	EMPLOYEES HOSPITALIZATION & BENE	Expense	Operating	Active
0 926.1	RETIREMENT & SECURITY-EMPLOYERS	Expense	Operating	Active
0 926.2	401K-EMPLOYEES BENEFITS	Expense	Operating	Active
0 928.0	REGULATORY COMMISSION EXPENSE	Expense	Operating	Active
0 929.0	DUPLICATE CHARGES-CREDIT	Expense	Operating	Active
0 930.1	INSTITUTIONAL OR GOODWILL ADVERT	Expense	Operating	Active
0 930.2	MISCELLANEOUS GENERAL EXPENSE	Expense	Operating	Active
0 930.21	MISC GEN EXPENSE-DIRECTORS FEES	Expense	Operating	Active
0 930.23	DUES ASSOCIATED ORGANIZATIONS	Expense	Operating	Active
0 932.0	MAINTENANCE OF GENERAL PLANT	Expense	Operating	Active
0 998.0	998 Clearing	Clearing		Active
0 998.1	Profit Clearing Operating	Clearing		Active
0 998.2	Profit Clearing Non Operating	Clearing		Active
0 999.0	999 Clearing	Clearing		Active
Total Accounts: 400				

Kentucky 51
Nolin Rural Electric
Cooperative Corporation
Elizabethtown, Kentucky

Audited Financial Statements
December 31, 2015 and 2014

Alan M. Zumstein
Certified Public Accountant
1032 Chetford Drive
Lexington, Kentucky 40509

C O N T E N T S

Independent Auditor's Report	1
Financial Statements:	
Balance Sheets	2
Statements of Revenue and Comprehensive Income	3
Statements of Changes in Members' Equities	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 12
Auditor's Certification Regarding Loan Fund Expenditure:	13
Management Letter	14

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MEMBER
• AMERICAN INSTITUTE OF CPA'S
• KENTUCKY SOCIETY OF CPA'S
• INDIANA SOCIETY OF CPA'S
• AICPA DIVISION FOR FIRMS

Independent Auditor's Report

To the Board of Directors
Nolin Rural Electric Cooperative Corporation

I have audited the accompanying financial statements of *Nolin Rural Electric Cooperative Corporation*, which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of revenue and comprehensive income, changes in member's equities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of *Nolin Rural Electric Cooperative Corporation* as of December 31, 2015 and 2014, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Alan Zumstein

Alan M. Zumstein, CPA
March 31, 2016

Nolin Rural Electric Cooperative Corporation
Balance Sheets, December 31, 2015 and 2014

<u>Assets and Other Debits</u>	<u>2015</u>	<u>2014</u>
Utility Plant, at original cost:		
In service	\$ 110,000,365	\$ 105,819,747
Under construction	2,926,987	1,385,394
	<u>112,927,352</u>	<u>107,205,141</u>
Less accumulated depreciation	43,172,359	42,153,318
	<u>69,754,993</u>	<u>65,051,823</u>
Investments in associated organizations	<u>38,474,598</u>	<u>34,834,836</u>
Long term portion of other receivables	<u>48,747,487</u>	<u>48,747,487</u>
Current Assets:		
Cash and cash equivalents	1,706,407	4,165,546
Accounts receivable, electric, less allowance for 2015 of \$832,999 and 2014 of \$718,190	7,979,448	10,444,783
Accounts receivable, other	15,442,280	15,650,201
Material and supplies, at average cost	1,077,448	1,156,628
Prepayments and others	27,085	33,844
	<u>26,232,668</u>	<u>31,451,002</u>
Prepaid Pension Costs	<u>2,607,984</u>	<u>2,976,170</u>
Total	<u>\$ 185,817,730</u>	<u>\$ 183,061,318</u>
<u>Liabilities and Other Credits</u>		
Members' Equities:		
Memberships	\$ 275,020	\$ 276,825
Patronage capital	66,780,605	71,296,060
Other equities	3,563,493	2,376,805
Accumulated other comprehensive income	(3,125,347)	(3,306,523)
	<u>67,493,771</u>	<u>70,643,167</u>
Long Term Debt	<u>87,588,720</u>	<u>85,804,909</u>
Accumulated Postretirement Benefits	<u>6,892,507</u>	<u>6,776,758</u>
Current Liabilities:		
Notes payable	4,000,000	-
Accounts payable	9,205,309	6,708,197
Current portion of long term debt	6,250,000	6,000,000
Consumer deposits	2,349,994	2,283,377
Other current and accrued expenses	1,708,286	2,786,103
	<u>23,513,589</u>	<u>17,777,677</u>
Deferred Credits	<u>329,143</u>	<u>2,058,807</u>
Total	<u>\$ 185,817,730</u>	<u>\$ 183,061,318</u>

The accompanying notes are an integral part of the financial statements.

Nolin Rural Electric Cooperative Corporation
Statements of Revenue and Comprehensive Income
for the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating Revenues		
Sales of electric energy	\$ 68,416,085	\$ 74,976,298
Other electric revenue	4,681,081	5,400,214
	<u>73,097,166</u>	<u>80,376,512</u>
Operating Expenses:		
Cost of power	53,516,376	58,435,007
Distribution - operations	4,379,661	3,674,219
Distribution - maintenance	3,882,740	4,847,089
Consumer accounts	2,495,711	2,591,681
Customer service	741,358	852,565
Administrative and general	4,348,808	4,460,568
Depreciation, excluding \$264,811 in 2015 and \$273,867 in 2014 charged to clearing accounts	4,098,824	3,976,726
Other deductions	32,046	24,021
	<u>73,495,524</u>	<u>78,861,876</u>
Operating Margins before Interest Charges	<u>(398,358)</u>	<u>1,514,636</u>
Interest Charges:		
Interest on long-term debt	2,921,143	3,261,489
Other interest charges	14,615	3,641
	<u>2,935,758</u>	<u>3,265,130</u>
Operating Margins after Interest Charges	<u>(3,334,116)</u>	<u>(1,750,494)</u>
Nonoperating Margins:		
Interest income	1,863,085	2,434,172
Other non operating margins	(6,662,140)	129,328
	<u>(4,799,055)</u>	<u>2,563,500</u>
Patronage Capital assigned		
G&T capital credits	3,476,947	3,873,556
Others	341,480	438,458
	<u>3,818,427</u>	<u>4,312,014</u>
Net Margins	(4,314,744)	5,125,020
Other Comprehensive Income:		
Postretirement benefits	181,176	181,176
Total Comprehensive Income	<u>\$ (4,133,568)</u>	<u>\$ 5,306,196</u>

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Members' Equity
for the years ended December 31, 2014 and 2015

	<u>Patronage Capital Credits</u>						Other Equity	Accumulated Other Comprehensive Income	Total Members' Equity
	<u>Memberships</u>	<u>Assigned</u>	<u>Assignable</u>	<u>Unassigned</u>	<u>Retirements</u>	<u>Total</u>			
Balance - Beginning of year	\$ 281,685	\$ 77,033,104	\$ 10,254,653	\$ 48,062	\$ (20,875,571)	\$ 66,460,248	\$ 2,233,968	\$ (3,487,699)	\$ 65,488,202
Comprehensive income:									
Net margins			5,125,020			5,125,020			5,125,020
Postretirement benefit obligation									
Amortization							181,176		
Adjustments							-		181,176
Total comprehensive income									5,306,196
Net change in memberships	(4,860)								(4,860)
General refund of capital credits						-			-
Refunds to estates					(364,555)	(364,555)			(364,555)
Allocate margins		10,254,653	(10,254,653)			-			
Other equities				75,347		75,347	142,837		218,184
Balance - December 31, 2014	276,825	87,287,757	5,125,020	123,409	(21,240,126)	71,296,060	2,376,805	(3,306,523)	70,643,167
Comprehensive income:									
Net margins			(4,314,744)			(4,314,744)			(4,314,744)
Postretirement benefit obligation									
Amortization							181,176		
Adjustments							-		181,176
Total comprehensive income									(4,133,568)
Net change in memberships	(1,805)								(1,805)
General refund of capital credits						-			-
Refunds to estates					(200,711)	(200,711)			(200,711)
Allocate margins		5,125,020	(5,125,020)			-			
Other equities						-	1,186,688		1,186,688
Balance - December 31, 2015	\$ 275,020	\$ 92,412,777	\$ (4,314,744)	\$ 123,409	\$ (21,440,837)	\$ 66,780,605	\$ 3,563,493	\$ (3,125,347)	\$ 67,493,771

The accompanying notes are an integral part of the financial statements.

Nolin Rural Electric Cooperative Corporation
Statements of Cash Flows
for the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities:		
Net margins	\$ (4,314,744)	\$ 5,125,020
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	4,098,824	3,976,726
Charged to clearing accounts	264,811	273,867
Patronage capital credits allocated	(3,818,427)	(4,312,014)
Accumulated postretirement benefits	296,925	314,791
Change in assets and liabilities:		
Receivables	2,465,335	1,340,506
Material and supplies	79,180	(39,824)
Prepayments	6,759	(1,241)
Deferred pension costs	368,186	368,186
Payables	2,497,112	(1,589,618)
Consumer deposits	66,617	104,074
Accrued expenses	(1,077,817)	(4,248,014)
Consumer advances for construction	(1,729,664)	290,534
	<u>(796,903)</u>	<u>1,602,993</u>
Cash Flows from Investing Activities:		
Plant additions	(8,745,789)	(4,362,897)
Salvage, net of removal costs	(321,016)	(313,095)
Receipts from associated organizations	178,665	195,223
	<u>(8,888,140)</u>	<u>(4,480,769)</u>
Cash Flows from Financing Activities:		
Net increase in memberships	(1,805)	(4,860)
Other receivables financing	207,921	9,215,943
Additional long-term borrowings	8,000,000	19,000,000
Payments on long-term debt	(5,966,189)	(28,443,260)
Short term borrowings (net)	4,000,000	-
Payments of patronage capital	(200,711)	(289,208)
Other equities	1,186,688	142,837
	<u>7,225,904</u>	<u>(378,548)</u>
Net increase in cash	<u>(2,459,139)</u>	<u>(3,256,324)</u>
Cash balances - beginning of period	<u>4,165,546</u>	<u>7,421,870</u>
Cash balances - end of period	<u>\$ 1,706,407</u>	<u>\$ 4,165,546</u>
Supplemental cash flows information:		
Interest paid on long-term debt	\$ 2,901,309	\$ 3,257,072

The accompanying notes are an integral part of the financial statements.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Nolin Rural Electric Cooperative Corporation ("Nolin") maintains its records in accordance with the policies prescribed or permitted by the Kentucky Public Service Commission ("PSC") and the United States Department of Agriculture, Rural Utilities Service ("RUS"), which conform in all material respects with generally accepted accounting principles. The more significant of these policies are as follows:

Business Activities Nolin provides distribution electric service to residential, business and commercial consumers in a nine (9) county area of central Kentucky.

Nolin is operating the distribution system for a local government unit through a privatization process with the federal government. Nolin is reimbursed for all costs incurred, plus a management fee, on a monthly basis. Payments for the construction of plant facilities are recorded as contributions to plant for the total cost of each project, therefore, there is no net original cost for electric plant from the privatization process. The results of operating the government system are as follows:

	<u>2015</u>	<u>2014</u>
Operating revenues	\$5,448,800	\$4,234,044
Operating expenses	2,037,321	1,845,777

Other Business Activities Nolin also provides demand side management and energy efficiency services to the local federal government installation. Nolin subcontracts almost all work performed, then bills the government installation for the subcontractor costs, plus a management fee. The reimbursements are due over a ten (10) year period. Included in accounts receivable, other, is \$63,775,424 for 2015 and \$63,652,919 for 2014 for these projects. Nolin charges the government installation 1.05% times Nolin's current variable interest rate on the unpaid balance. Interest income recognized was \$1,693,694 for 2015 and \$1,696,510 for 2014.

Cash and Cash Equivalents Nolin considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents.

Off Balance Sheet Risk Nolin maintains its cash balances, which may exceed the federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that the credit risk related to the accounts is minimal.

Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates used in the preparation of the financial statements.

Comprehensive Income Comprehensive income includes both net margin and other comprehensive income. Other comprehensive income represents the change in funded status of the accumulated postretirement benefit obligation.

Revenue Nolin records revenue as billed to its consumers based on monthly meter-reading cycles. Consumers are required to pay a refundable deposit, however, it may be waived under certain circumstances. Consumers must pay their bill within 20 days of billing, then are subject to disconnect after another 10 days. Accounts are written off when they are deemed to be uncollectible. The allowance for uncollectible accounts is based on the aging of receivables. There were no individual account balances that exceeded 10% of outstanding accounts receivable at December 31, 2015 and 2014.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies, continued

Sales Taxes Nolin is required to collect, on behalf of the State of Kentucky, sales taxes based on 6 percent of gross sales from non-residential consumers, a 3 percent school tax from certain counties on most gross sales, and franchise fees in certain cities. Nolin's policy is to exclude sales tax from revenue when collected and expenses when paid and instead, record collection and payment of sales taxes through a liability account.

Cost of Power Nolin is one of sixteen (16) members of East Kentucky Power Cooperative ("East Kentucky"). Under a wholesale power agreement, Nolin is committed to purchase its electric power and energy requirements from East Kentucky until 2051. The rates charged by East Kentucky are subject to approval of the PSC. The cost of purchased power is recorded monthly during the period in which the energy is consumed, based upon billings from East Kentucky. There are certain surcharges, clauses, and credits that East Kentucky includes to Nolin that are passed on to consumers using a methodology prescribed by the Commission.

Electric Plant Electric plant is stated at original cost, which is the cost when first dedicated to public service. Such amount includes applicable supervisory and overhead cost including any construction period interest and taxes. There was no interest required to be capitalized during the year.

The cost of maintenance and repairs, including renewals of minor items of property, is charged to operating expense. The cost of replacement of depreciable property units, as distinguished from minor items, is charged to electric plant. The units of property replaced or retired, including cost of removal, net of any salvage value, is charged to accumulated depreciation.

The major classifications of utility plant in service consist of:

	<u>2015</u>	<u>2014</u>
Distribution plant	\$93,498,026	\$90,530,356
General plant	<u>16,502,339</u>	<u>15,289,391</u>
Total	<u>\$110,000,365</u>	<u>\$105,819,747</u>

Depreciation Nolin's provision has been made for depreciation on the basis of the estimated lives of assets, using the straight-line method. General plant rates are as follows:

Distribution plant	2.5% - 6.9%
Structures and improvements	2.5%
Transportation equipment	10% - 20%
Other general plant	5% - 10%

Inventory Inventory is stated at cost, which approximates market value.

Income Tax Status Nolin is exempt from federal and state income taxes under provisions of Section 501(c)(12). Accordingly, the financial statements for Nolin include no provision for income taxes. Nolin's accounting policy provides that a tax expense/benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Management believes Nolin has no uncertain tax positions resulting in an accrual of tax expense or benefit. Nolin recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. Nolin did not recognize any interest or penalties during the years ended December 31, 2015 and 2014. Nolin's income tax return is subject to possible examination by taxing authorities until the expiration of related statutes of limitations on the return, which is generally three years.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies, continued

Fair Value Measurements The Fair Value Measurements and Disclosures Topic of the FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal, or most advantageous, market for the asset or liability in an orderly transaction between market participants at the measurement date. The Fair Values Measurements Topic establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs when possible. The three levels of inputs used to measure fair value are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities

Level 2: Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3: Prices or valuations that require inputs that are both significant to the fair value measure and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The carrying amounts of Nolin's cash and cash equivalents, other receivables, investments, inventories, other assets, trade accounts payable, accrued expenses and liabilities, and other liabilities approximate fair value due to their short maturity. Investments in associated organizations are not considered a financial instrument because they represent nontransferable interests in associated organizations. Other assets and liabilities are not considered financial instruments because they represent activities specifically related to Nolin. Long term debt can not be traded in the market, and is specifically for electric cooperatives and, therefore, a value other than its outstanding principal cannot be determined.

Nolin may, and also does, invest idle funds in local banks and in National Rural Utilities Cooperative Finance Corporation ("CFC") commercial paper. The inputs used to measure idle funds are Level 1 measurements, as these funds are exchange traded funds in an active market.

Advertising Advertising costs are expensed as incurred.

Risk Management Nolin is exposed to various forms of losses of assets associated with, but not limited to, fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, workers compensation, etc. Each of these areas is covered through the purchase of commercial insurance.

Subsequent Events Management has evaluated subsequent events through March 31, 2016, the date the financial statements were available to be issued.

Note 2. Investments in Associated Organizations

The Capital Term Certificates ("CTCs") of National Rural Utilities, Cooperative Finance Corporation ("CFC") are recorded at cost. The CTCs were purchased from CFC as a condition of obtaining long-term financing. The CTCs bear interest at 0%, 3%, and 5% and are scheduled to mature at varying times from 2020 to 2080.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 2. Investments in Associated Organizations, continued

Nolin records patronage capital assigned by associated organizations in the year in which such assignments are received. Investments in associated organizations consist of:

	<u>2015</u>	<u>2014</u>
East Kentucky, patronage capital	\$34,290,633	\$30,813,686
CFC, patronage capital and CTCs	2,950,160	2,665,691
Others	<u>1,233,805</u>	<u>1,355,459</u>
Total	<u>\$38,474,598</u>	<u>\$34,834,836</u>

Note 3. Patronage Capital

Under provisions of CFC's long-term debt agreement, return to patrons of capital contributed by them is limited to an amount greater than thirty percent (30%) of total margins for the preceding calendar year, unless, after giving effect to the distribution, the total equity will be at least twenty percent (20%) of total assets. Nolin is also required an average debt service coverage ("DSC") ratio of not less than 1.35. Nolin can not decrease its rates for electric service if it has failed to achieve a DSC ratio of 1.35, unless ordered by the PSC. The total equity at December 31, 2015 was 36% of total assets and the DSC ratio was 0.30.

Note 4. Long Term Debt

The 2.95 to 4.95% and the 2.80% fixed interest rates on the notes are subject to change every seven years from the repricing date for each individual note. The long term debt is due in quarterly installments of varying amounts through 2037. Nolin has funds available from CFC in the amount of \$32,000,000 to finance construction projects and the demand side management activities of the local government unit.

During 2012, Nolin refinanced the RUS debt of \$27,637,219 with the 2.8% to 4.1% fixed interest rate notes and the \$22,204,815 debt with Federal Financing Bank with the 2.10% variable rate notes.

All assets, except vehicles, are pledged as collateral on the long term debt to CFC under its mortgage agreement. Long term debt consists of:

	<u>2015</u>	<u>2014</u>
2.95% to 4.95% fixed rate	\$2,564,367	\$3,273,538
2.90% fixed for local government programs	7,764,856	9,626,287
2.80 to 4.1% fixed rate	25,502,167	26,518,568
2.10% variable rate (1.91% in 2014)	16,783,257	17,940,481
2.80% fixed rate	9,874,247	10,835,520
3.15% - 4.30% fixed for local government programs	<u>31,349,826</u>	<u>23,610,515</u>
	93,838,720	91,804,909
Less current portion	<u>6,250,000</u>	<u>6,000,000</u>
Long term portion	<u>\$87,588,720</u>	<u>\$85,804,909</u>

As of December 31, 2015, the annual principal payments for the next five years are as follows: 2016 - \$6,250,000; 2017 - \$6,300,000; 2018 - \$6,350,000; 2019 - \$6,400,000; 2020 - \$6,500,000.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 5. Short Term Borrowings

At December 31, 2015, Nolin had a short term line of credit of \$7,000,000 available from CFC. Nolin had outstanding advances against the line of credit in the amount of \$4,000,000 at December 31, 2015, at an interest rate of 2.90%.

Note 6. Pension Plan

Nolin's contributions to the R&S Plan in 2015 and 2014 represent less than 5 percent of the total contributions made to the plan by all participating employers. Nolin made contributions to the plan of \$1,226,168 in 2015 and \$1,215,510 in 2014. There have been no significant changes that affect the comparability of 2015 and 2014.

In the R&S Plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act ("PPA") of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the R&S Plan was approximately 80 percent funded at January 1, 2015 and 2014 based on the PPA funding target and PPA actuarial value of assets on those dates. Because the provisions of the PPA do not apply to the R&S Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

At the December 2012 meeting of the I&FS Committee of the NRECA Board of Directors, the Committee approved an option to allow participating cooperatives in the Retirement Security ("R&S") Plan (a defined benefit multiemployer pension plan) to make a prepayment and reduce future required contributions. The prepayment amount is a cooperative share, as of January 1, 2013, of future contributions required to fund the R&S Plan's unfunded value of benefits earned to date using Plan actuarial valuation assumptions. The prepayment amount will typically equal approximately 2.5 times a cooperative's annual R&S Plan required contribution as of January 1, 2013. After making the prepayment, for most cooperatives the billing rate is reduced by approximately 25%, retroactive to January 1, 2013. The 25% differential in billing rates is expected to continue for approximately 15 years. However, changes in interest rates, asset returns and other plan experience different from that expected, plan assumptions changes, and other factors may have an impact on the differential in billing rates and the 15 year period.

Two prepayment options were available to participating cooperatives:

1. Use current assets to make the prepayment over a period of not more than 4 years, or,
2. Borrow funds sufficient to make the prepayment in a lump sum, with the prepayment of the borrowed amount determined by the loan's amortization schedule.

On February 14, 2013, RUS issued a memorandum to all of its borrowers regarding the proper accounting treatment of the R&S Plan prepayment. RUS stipulated that the prepayment shall be recorded as a long term prepayment in Account 186, Miscellaneous Deferred Debits. This prepaid expense shall be amortized to Account 926, Employee Pensions and Benefits, over a ten year period. Alternatively, RUS borrowers may calculate the amortization period by subtracting the cooperative's average age of its workforce as provided by NRECA from the cooperative's normal retirement age under the R&S Plan, up to a maximum period of 20 years. If the entity chooses to finance the prepayment, interest expense associated with the loan shall be recorded in the year incurred as is required under the RUS Uniform System of Accounts ("USoA"). During February, 2013, the Corporation made a prepayment of \$3,681,860 to the R&S Plan. The amount is being amortized over 10 years.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 7. Postretirement Benefits

Nolin Rural Electric sponsors a defined benefit plan that provides medical insurance coverage to retired employees. Participating retirees and dependents do not contribute to the projected cost of coverage. The following is a reconciliation of the postretirement obligation.

The funded status of the plan is as follows:

	<u>2015</u>	<u>2014</u>
Projected benefit obligation	(6,892,507)	(\$6,776,758)
Plan assets at fair value	-	-
Total	<u><u>(\$6,892,507)</u></u>	<u><u>(\$6,776,758)</u></u>

The components of net periodic postretirement benefit costs are as follows:

	<u>2015</u>	<u>2014</u>
Benefit obligation at beginning of year	<u>\$6,776,758</u>	<u>\$6,643,143</u>
Components of net periodic benefit cost:		
Service cost	32,288	36,652
Interest cost	<u>239,212</u>	<u>234,848</u>
Net periodic benefit cost	271,500	271,500
Benefits paid	(155,751)	(137,885)
Accumulated other comprehensive income	-	-
Benefit obligation at end of year	<u><u>\$6,892,507</u></u>	<u><u>\$6,776,758</u></u>

Projected retiree benefit payments for the next five years are expected to be as follows: 2016 - \$155,000; 2017 - \$152,000; 2018 - \$150,000; 2019 - \$148,000; 2020 - \$146,000.

The discount rate used in determining the APBO was 4.50% for 2015 and 2014. The health care cost trend rate used to compute the APBO in an 8% annual rate of increase for 2015, and decreasing gradually to 5.5%, then remain at that level thereafter.

Note 8. Related Party Transactions

Several of the Directors of Nolin Rural Electric, its President & CEO, and another employee are on the boards of directors of various associated organizations. Nolin entered a six (6) year lease with a member of the Board of Directors for 12 acres of land at \$420 per year.

Note 9. Environmental Contingency

Nolin from time to time is required to work with and handle PCBs, herbicides, automotive fluids, lubricants, and other hazardous materials in the normal course of business. As a result, there is the possibility that environmental conditions may arise which would require Nolin to incur cleanup costs. The likelihood of such an event, or the amount of such costs, if any, cannot be determined at this time. However, management does not believe such costs, if any, would materially affect Nolin's financial position or its future cash flows.

Nolin Rural Electric Cooperative
Notes to Financial Statements

Note 10. Commitments

Nolin has various other agreements outstanding with local contractors. Under these agreements, the contractors will perform certain meter reading, construction, and maintenance work at specified hourly rates or unit cost, or on an as needed basis. The duration of these contracts are one to three years.

Note 11. Contingencies

Nolin, on occasion, is involved in litigation arising in the normal course of business. While the results of such litigation cannot be predicted with certainty, management, based upon advice of counsel, believes that the final outcome will not have a material adverse effect on the financial statements, except for the threatened litigation as described below.

The United States Government threatened litigation against Nolin regarding certain provisions of the contract. As a result of the investigation and negotiations, Nolin has agreed to settle the threatened litigation in the amount of approximately \$6.7 million. This was recorded in the current period as a non-operating expense during 2015.

* * * * *

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2015 Auditor's Certification Regarding Loan Fund Expenditures

To the Board of Directors
Nolin Rural Electric Cooperative Corporation

During the period of this review, Nolin Rural Electric Cooperative ("the Cooperative") received \$8,000,000 in long-term loan fund advances from National Rural Utilities, Cooperative Finance Corporation ("CFC") on loans controlled by the CFC Loan Agreement and/or Mortgage or Security Agreement. Based on my review of construction work orders and other plant accounting records created during the period of review, and other loan purposes, it is my opinion that these CFC loan funds were expended for purposes contemplated in the Loan Agreement on such loans.

Alan Zumstein

Alan M. Zumstein, CPA
March 31, 2016

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To the Board of Directors
Nolin Rural Electric Cooperative Corporation

In planning and performing my audit of the financial statements of Nolin Rural Electric Cooperative Corporation as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, I considered the Cooperative's internal control over financial reporting (internal control) as a basis for designing my auditing procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, I do not express an opinion on the effectiveness of the Cooperative's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. I did not identify any deficiencies in internal control that I consider to be material weaknesses.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I did not identify any significant deficiencies.

However, I recommend correction action in the following:

One of the bank accounts was being reconciled by an employee authorized to sign checks, and who also prepares the checks. I suggest the reconciliation be prepared by an employee removed from these functions. I was informed this will be done in the future.

A copy of the audit adjustment is attached.

This communication is intended solely for the information and use of the board of directors, management of the Cooperative, and lenders, and is not intended to be and should not be used by anyone other than these specified parties.

Alan Zumstein
Alan M. Zumstein, CPA
March 31, 2016

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Exhibit O
page 1 of
Witness: James Adkins

**Nolin Rural Electric
Computer Software Programs
April 30, 2016**

**Nolin has used Microsoft Excel, Word, and Adobe in the preparation of this
Application.**

Nolin Rural Electric Cooperative
Case No. 2016-00367
Annual Meeting Information
April 30, 2016

The results of the annual meeting held during the test year and previous year are attached.

Data for the last five (5) annual meetings are as follows:


<u>Year</u>	<u>Members Attending</u>	<u>Members Voting</u>	<u>Cost</u>
2015	1,015	1,722	\$109,589
2014	1,183	1,815	\$104,361
2013	1,293	2,557	\$113,228
2012	1,174	2,030	\$106,899
2011	1,363	1,698	\$107,787

GUIDING PRINCIPLES

Owned by you, working for you



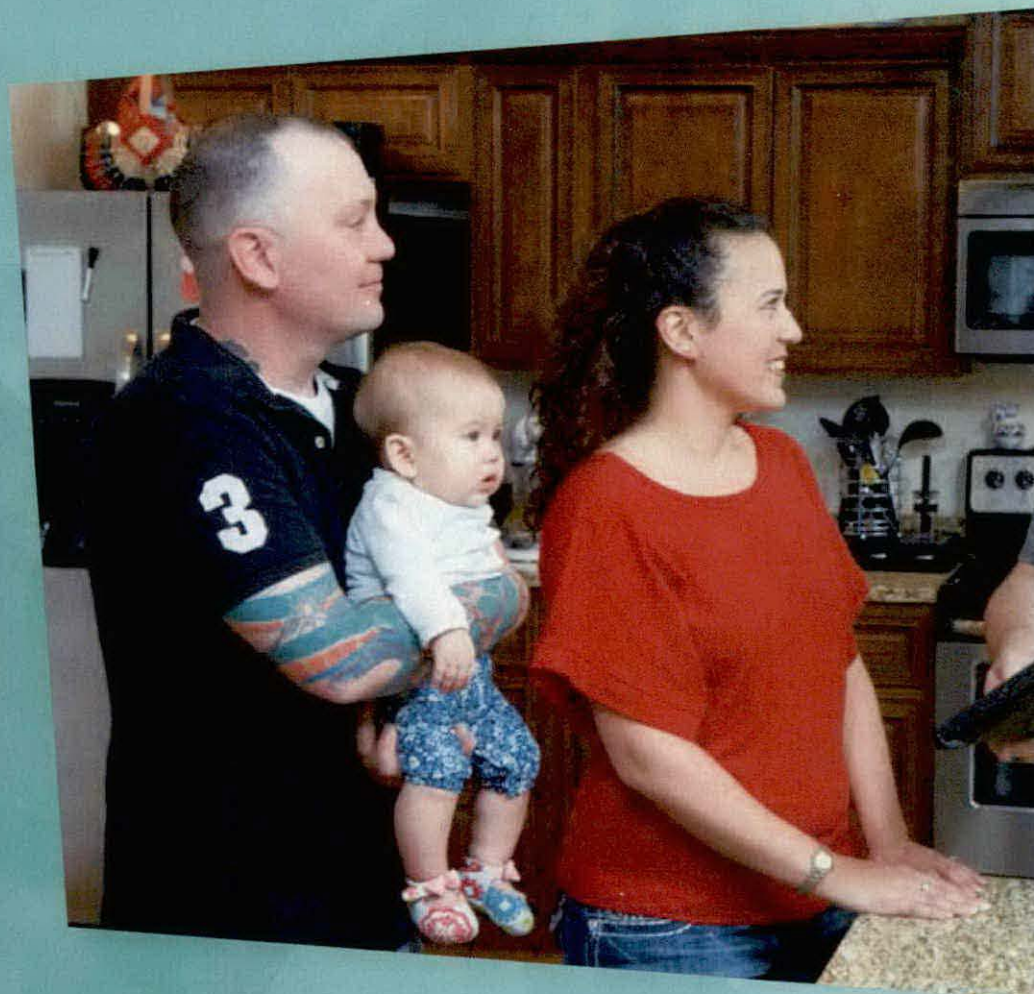
RURAL ELECTRIC COOPERATIVE CORPORATION

A Touchstone Energy® Cooperative 

2015 ANNUAL REPORT

Cover: Left to right, standing, Billy Wells (Warehouse Clerk), Gwen McCubbin (Collections Coordinator), Greg Lee (Vice President Fort Knox Operations), Jason Mattingly (Meter and Power Use Controller), Patsy Whitehead (Communications Manager), and Sonny Woodson (Staking Technician). Front: Mickey Miller, President and CEO. Photo: Joe Imel

Right: Nolin RECC Energy Services Coordinator Todd Drake and co-op members Peter and Emilia Daguiar-Marchiony (with 7-month-old Giavanna) discuss adding needed insulation in their home. Photo: Joe Imel



THE GUIDING PRINCIPLES

Nolin RECC is proud to be unique.

We are unique in that we are a cooperative business, owned by you, working for you, and guided by The Seven Cooperative Principles, which 171 years after they were first written, are still relevant today.

This annual report highlights the achievements your cooperative has made by adhering to these principles.

For instance, we rely on the principle of Cooperation Among Cooperatives as we work with our partner co-ops to deal with new EPA regulations.

Kentucky enjoys inexpensive and reliable electricity thanks to its coal-fired power plants, which supply about 90 percent of our electricity.

As the EPA's Clean Power Plan places steep limits on carbon emissions from those plants, Nolin is working with our national association and a network of 900 co-ops across the country to craft innovative solutions and a united response.

While the regulations may ultimately impact how we generate your energy, our mission of safe, reliable, and affordable electric service does not change.

KEEPING ENERGY AFFORDABLE

The principles of **Open and Voluntary Membership** and **Democratic Member Control** ensure you have a say in how Nolin RECC does business.

Elected by you, our board of directors sets policy and hires a co-op president/CEO, who in turn



co-op power supplier has invested hundreds of millions of dollars in environmental control equipment.

Because the new EPA regulations will force us to use less coal to generate electricity, we expect to see energy prices gradually increase for Kentuckians over the next several years.

We take our **Members' Economic Participation** very seriously as we watch out for your interests. Unlike investor-owned utilities, Nolin RECC does not create profits for investors and shareholders. Any excess dollars or margins are either reinvested in the co-op or returned to our members in the form of a capital credit or check.

We provide energy audits, rebates, and energy-efficiency tools to encourage you to actually use less electricity, which keeps costs lower for all members.

STAYING SAFE AND STAYING INFORMED

Since delivery of electricity is a complex process, Nolin places a

high value on providing **Education, Training, and Information**. Working with the Kentucky Association of Electric Cooperatives' Safety & Loss Prevention team, we are proud of our safety record. In April Nolin was presented the Governor's Safety and Health Award representing over 500,000 accident-free work hours.

We have also expanded our informational services to members over the past year by joining Facebook. Our official site is Nolin Rural Electric Cooperative Corporation. You will find outage information and news about important events happening at Nolin RECC on our Facebook site—be sure to like our page and share our posts.

Below: Students from EC3 visit Nolin RECC to learn about how a cooperative business works. In this photo the students are receiving a lesson on Nolin's 24-hour dispatch center. Photo: Patsy Whitehead

hires professionals to carry out our mission.

Nolin exerts its **Autonomy and Independence** in crafting strategy and hiring decisions.

We employ experts in the fields of engineering and operations, information technology, communications, member services, and community and economic development. Some of the best, brightest, most creative, and dedicated people have chosen careers that serve their communities working at Nolin.

HOW REGULATIONS IMPACT YOUR ELECTRIC RATES

Current and yet-to-be implemented regulations affect the cost to generate electricity. To comply, our



In addition to Facebook, timely and important information about Nolin member benefits can be found on our website at www.nolinrecc.com and in *Kentucky Living* magazine.

YOUR COMMUNITY IS OUR COMMUNITY

Your cooperative employees are your neighbors. Because of our **Concern for Community**, we support and participate in many area causes and events. Nolin is part of your community, and we will continue to

participate in events and activities that help us all. You'll see co-op employees volunteering for local community groups, conducting school safety programs, and sponsoring local events.

Each day, Nolin RECC remembers who owns our co-op—you do. Thank you for your trust as we remain guided by The Seven Cooperative Principles in each of our decisions to protect and improve the quality of life for our community.

COOPERATIVE PRINCIPLES

Cooperatives operate according to the same core principles and values. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England, in 1844.

VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

MEMBERS' ECONOMIC PARTICIPATION

Members contribute equally to, and democratically control, the capital of the

cooperative benefitting members in proportion to the business they conduct with the cooperative rather than on the capital invested.

AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by members and maintains the cooperative's autonomy.

EDUCATION, TRAINING AND INFORMATION

Cooperatives provide education and training for members, elected representatives, managers, and employees so they can

contribute effectively to the development of their co-op.

COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

CONCERN FOR COMMUNITY

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

DIRECTOR CANDIDATE PROFILES

DISTRICT 2 (The Northeast Service Area)



GENE STRANEY was elected by the members to the Nolin RECC Board of Directors in 1986, and currently serves as vice chair. Mr. Straney completed the Board of Directors Certification Program through the National Rural Electric Cooperative Association in 1993. He owns and operates G & P Construction (located in Elizabethtown), and has been a residential homebuilder and developer in Hardin County since 1973.

Originally from Vine Grove, Straney grew up on a farm and graduated from Vine Grove High School. He is an usher and member of Severns Valley Baptist Church in Elizabethtown. Gene and his wife, Kay, live in Elizabethtown and have two children, Melissa (Jeff) Gregory, and Greg (Melissa) Straney. The Straneys also have five grandchildren, Jey, Ryder, Harper, Emerson, and Dupree.

Personal remarks from Gene Straney: "As a resident of this community and a member of the Nolin board, I will work for you, the owners of Nolin. My goal is to keep your interests and well-being at the top of my priority list. I will work to maintain the lowest electric rates possible while still providing you with quality service."



GLENN NICHOLS, a lifelong resident of Hardin County, is vice president of John Nichols Used Cars and Parts in Elizabethtown. He is a graduate of East Hardin High School and earned his Bachelor of Science degree in finance from Western Kentucky University in 1988.

Glenn and his wife of 27 years, Suzanne, are members of St. James Catholic Church. They have six children, Chris (Autumn), Erika (Kyle), Matthew, Patrick, Sarah, and Carson. The couple also have four grandchildren.

Mr. Nichols is a Board Director for First Citizens Bank, former Board Member of the Kentucky Auto and Truck Recyclers Association, and past president of the Central Hardin High School baseball boosters. For numerous years he has served as a youth baseball and basketball coach in Hardin County.

Personal remarks from Glenn Nichols: "As a lifelong resident of Hardin County, I will offer my business and educational experience to help Nolin RECC merge past successes with future ideas. I will work to keep our members' interests first, while looking toward future development. My hard work and family value will serve all of our members well."

DISTRICT 6 (The Northern Service Area)



JOHN TINDALL served 36 years in the U.S. Army, which included active duty and reserves. Originally from Memphis, Tennessee, he is a 1967 graduate of the University of Tennessee, Knoxville, and a 1993 graduate of the U.S. Army War College. John and his wife, Mary, have lived in Radcliff 42 years, and have five grown children and nine grandchildren (another due in June). The Tindalls attend St. Brigid Church in Vine Grove. He is managing partner in Five Star Consulting, which specializes in Department of Defense and government contracting. In addition, John works in real estate management and development.

Mr. Tindall is a member of the Hardin Memorial Health Foundation Board. In addition, he is chairman emeritus and board member of USA Cares, commissioner and treasurer of the Hardin County Water District #1, and vice chair of the CORE Committee. He is a past chair of North Hardin Economic Development Authority, a past president of the Radcliff Rotary Club, and served as co-chair of the Governor's 2005 BRAC Task Force.

Personal remarks from John Tindall: "Part of life's richest rewards is to be able to give back to the community in which one lives. I hope to draw against my experience in business, the military, and past community service to help our cooperative grow and prosper."



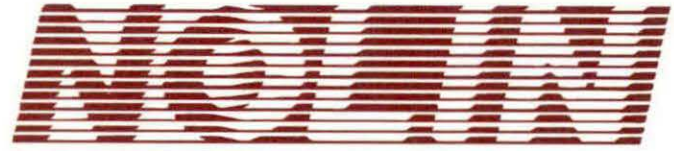
LAWRENCE IRELAND was appointed to the Board in 1987 and elected to the Board by the Nolin members in 1989. In 1991, he completed the Board of Directors Certification Program through the National Rural Electric Cooperative Association. Lawrence is a graduate of Sonora High School and grew up on the family farm

in Sonora. For the past 49 years he has owned and operated Ireland Heating & Cooling in Radcliff. He and his wife, Mayonia, have four sons, Steve, Larry, Tim, and Wayne. They also have eight grandchildren and 10 great-grandchildren.

The Irelands are members of Hodgenville Pentecostal Church, and for the past 38 years Mr. Ireland has been serving as a Board Member at the church. He currently serves as Church Assignment Secretary and is past Chaplin of the Otter Creek Gideon Camp. Mr. Ireland served as a past Board Member of the Pentecostal Children's Home for 40 years.

Personal remarks from Lawrence Ireland: "The members of Nolin RECC are what make this cooperative strong, and as a director representing Nolin members, I intend to keep your interests foremost when making any decisions at the co-op. I will continue to look for new ways to improve your quality of life, and I encourage your input on matters that affect your co-op."

Official Notice



RURAL ELECTRIC COOPERATIVE CORPORATION

ANNUAL MEMBERSHIP MEETING

Friday, June 24, 2016

John Hardin High School
W. A. Jenkins Road, Elizabethtown

ENTERTAINMENT

Children's Games & Rides
Free Health Fair and Exhibits

Annual Meeting Program

Exhibits, Displays, and
Health Fair
Open at 5:00 p.m.

Registration &
Early Entertainment
Begin at 5:30 p.m.-8:00 p.m.

Business Session 7:00 p.m.

PRIZE DRAWINGS

For Members Registering

- GRAND PRIZE-\$500 CASH
- TWO \$250 CASH PRIZE GIVEAWAYS
- TEN \$50 CASH PRIZE GIVEAWAYS
- EARLY BIRD DRAWING FOR
ELECTRIC BILL CREDITS
- BICYCLES FOR CHILDREN 12 & UNDER

FREE

11-QUART BUCKET
& LIGHT BULBS

to each member
registering.



COME TO THE COOKOUT!

Starting at 5:00 p.m. our friends the
Pork, Beef, and Dairy Producers
will sell their delicious pork burgers,
hamburgers, pork chops, rib-eye steaks,
and ice cream.

Have dinner with us!
Don't miss it
—it's your annual meeting!

RACHEL'S FACE PAINTING



FREE COMMUNITY HEALTH FAIR

AARP Smart Driver Program

Atria Senior Living

CASA of the Heartland

DaVita Dialysis

Elizabethtown Lions Club

Vision Screening

Hardin County Co-op Extension Service

Hardin County Diabetes Coalition

Hardin County Schools

Hardin County Sheriff

Hardin Memorial Health

HealthSouth Rehabilitation Hospital

Heartland Better Hearing

Helmwood Healthcare

Kentucky Organ Donation
Trust for Life

Lincoln Trail District Health
Department/Nutrition

Radcliff Fire Department

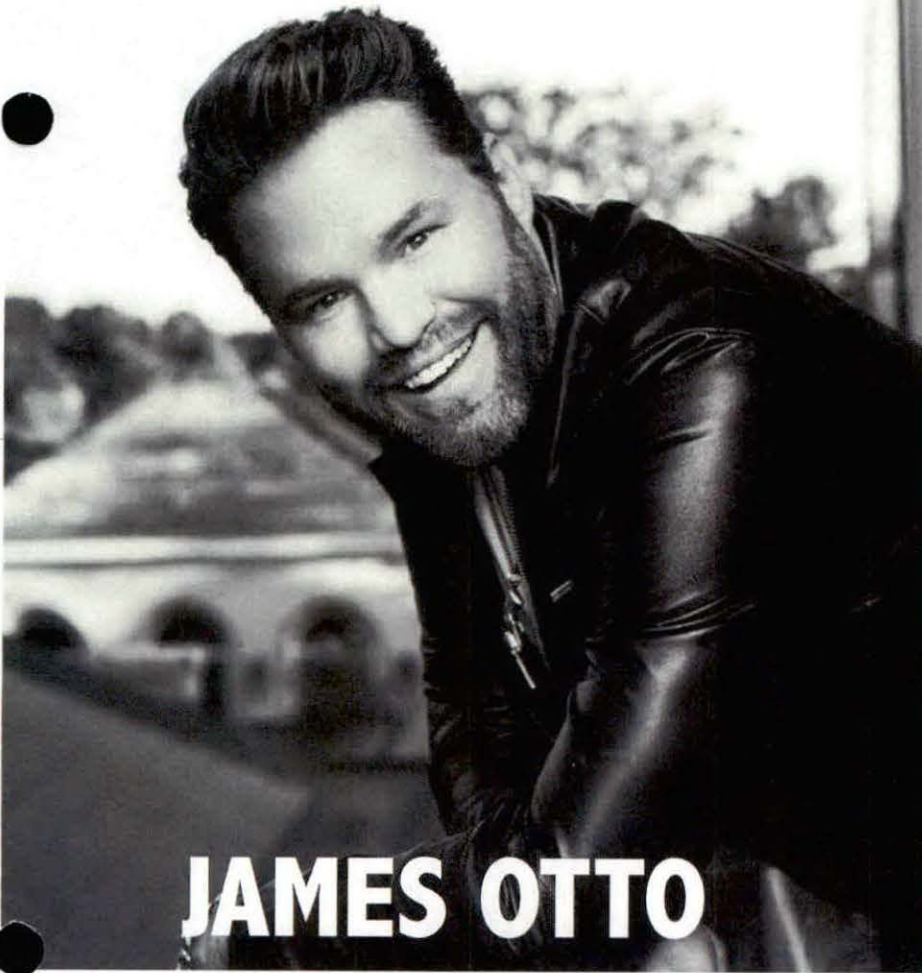
Richard Gilbert - Cranial Reflexologist

Sam's Club

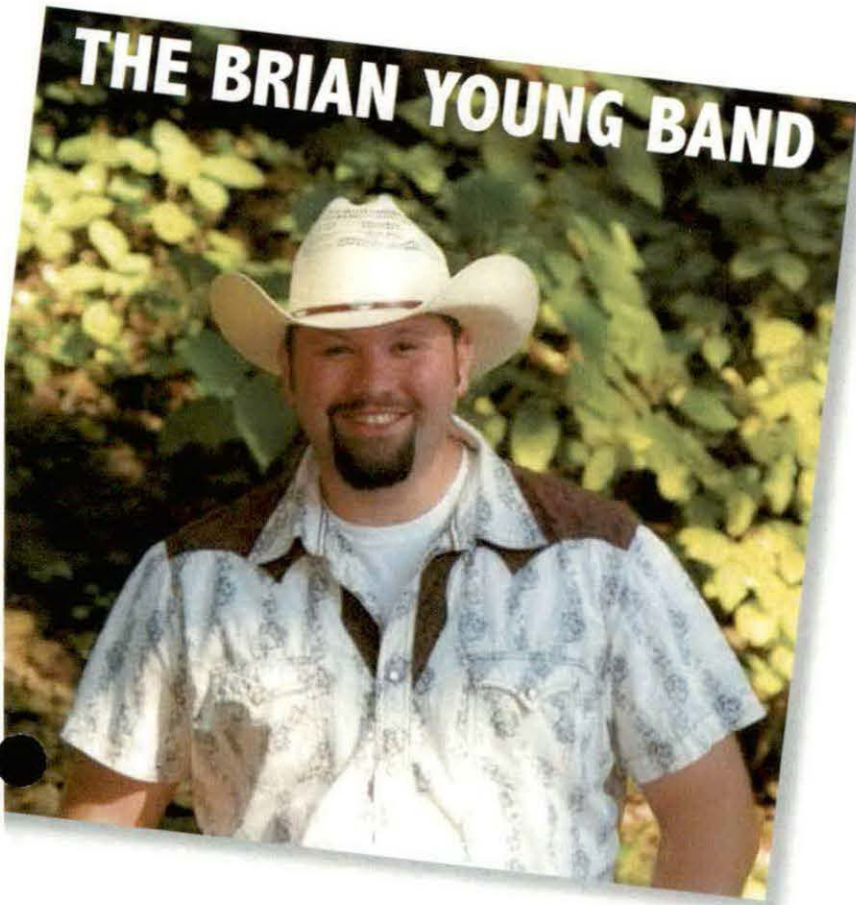
Sick Call Mobile Clinic

Sleep Telemedicine Services

Tender Touch Senior Services



JAMES OTTO



THE BRIAN YOUNG BAND

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2015

Operating Revenue.....	\$73,097,168.00
Operating Expense	
Purchased Power.....	\$53,516,376.00
Operating System.....	15,848,280.00
Depreciation.....	4,098,824.00
Interest on Loans.....	2,921,143.00
Other Deductions.....	6,869,693.00
Total Cost of Electric Service.....	\$83,254,316.00
Operating Margins.....	\$(10,157,148.00)
Non-Operating Margins.....	2,023,978.00
Other Capital Credits.....	3,818,427.00
Patronage Capital and Margins.....	-4,314,743.00

BALANCE SHEET

For the Year Ending December 31, 2015

ASSETS

Total Utility Plant.....	\$112,927,352.00
Less Depreciation.....	43,172,359.00
Net Utility Plant.....	\$69,754,993.00

Investment in Assoc. Organization.....	\$38,474,598.00
Cash.....	1,706,407.00
Notes Receivable.....	74,804,283.00
Inventory.....	1,077,448.00
Total Assets.....	\$185,817,729.00

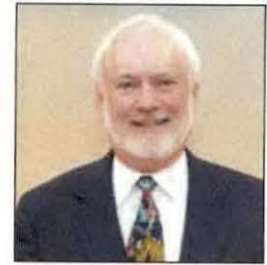
LIABILITIES

Membership and Other Equities.....	67,493,771.00
Long-Term Debt.....	92,346,766.00
Notes and Accounts Payable.....	13,205,308.00
Other Current Liabilities.....	4,058,279.00
Noncurrent Liabilities.....	8,713,605.00
Total Liabilities.....	\$185,817,729.00

BOARD OF DIRECTORS



David P. Brown
Chair



Gene Straney
Vice Chair



A.L. "Buddy" Rosenberger
Sec-Treasurer



Lawrence Ireland



R.E. "Rick" Thomas



Linda Grimes

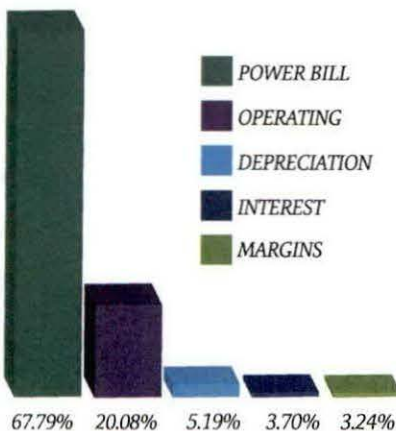


John J. Scott
Attorney

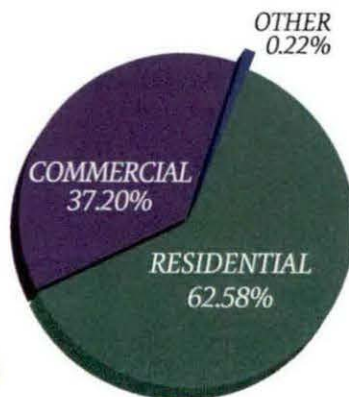


Mickey Miller
President and CEO

MAJOR COSTS



REVENUE SOURCES





2014 ANNUAL REPORT

RELIABLE & AFFORDABLE



A HERITAGE OF
MAKING YOUR
POWER THE
TOP PRIORITY

Reliability and Affordability: a heritage of making your power the top priority

Cheryl Thomas, vice president of Office Services; Mickey Miller, president and CEO; and Rick Ryan, vice president of Marketing and Member Services are part of the Nolin Rural Electric Cooperative team that brings you reliable and affordable electricity.
Photo: Joe Imel



Nothing is more important for Nolin Rural Electric Cooperative Corporation than making sure you have electricity when you want it, at the most reasonable cost possible.

Reliable and affordable electricity motivated farmers more than 75 years ago, when batteries, generators, or no power at all separated them from the people in town. They organized themselves into user-owned utilities so they could be part of modern American society.

A lot has changed over the decades. But what will never change is Nolin RECC's mission of making your power the top priority.

This annual report gives you the basics of the past year. For an even better sense of Nolin's operation, come to this year's annual meeting for some important business, and an entertaining and fulfilling sense of community.

ON THE COVER: Nolin Rural Electric Cooperative line technicians Jeremy Jones, Nathan Yates, and Tommy Sullivan pose for a photo just prior to a pre-job briefing. Photo: Joe Imel

Fuel factor

Over the past year you've heard a lot from Nolin about the effects of environmental rules, especially about the Environmental Protection Agency proposals to regulate carbon dioxide emissions from coal-fired power plants.

There's a good reason for that attention: those proposals will affect the reliability and affordability of your electricity.

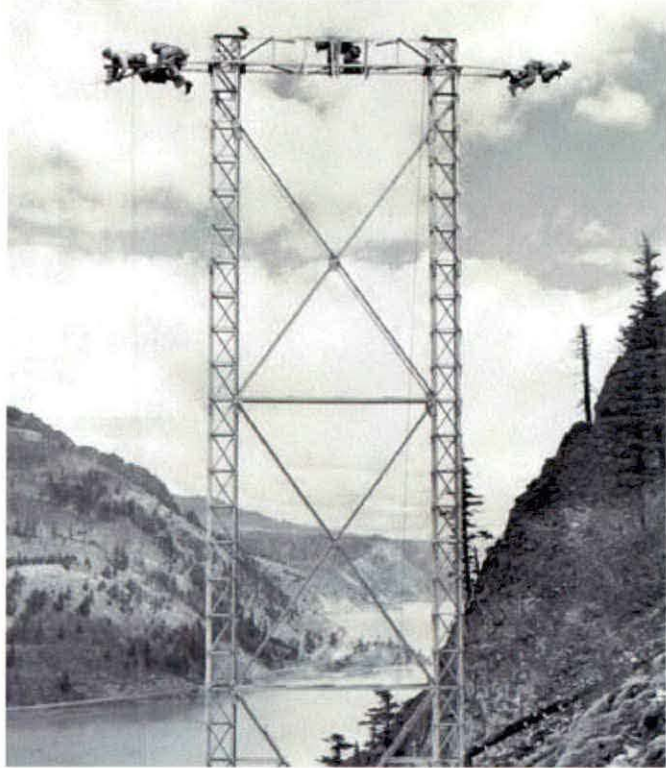
During the past two winters we've had extended cold spells that required Nolin to use all its available sources of electricity to allow you to heat your home.

The EPA's proposed regulations make it so difficult to continue to operate coal power plants that some of them are being shut down, even here in Kentucky, where coal provides the fuel for nearly all of our electricity.

Replacing coal with renewable fuels like solar and wind energy would be extremely expensive and difficult, and maybe even impossible. For now, natural gas is currently being used to meet near-term needs.

In other words, the actions of the federal government are threatening the reliability and affordability of your electricity.

Nolin RECC will continue working with co-ops and other utilities across the state and nation to make any proposed rules as fair as possible to our community. Electric co-op representatives in Frankfort and Washington, D.C., will continue to work with officials at all levels to protect the reliability and affordability of your electricity.



The heritage of electric co-ops' reliable and affordable electricity in America goes back more than 75 years, shown in these photos. Top, death-defying crews built transmission lines in the fast-growth years after World War II. Today, workers follow much stricter safety procedures. Above, workers in the 1930s hard at work installing power lines. But before that could happen, shown at the top of the next page, rural people had to learn about the new technology of electricity, and be persuaded to part with a precious \$5 deposit—a tough decision during The Great Depression. Bottom of the next page, a co-op truck and substation in the 1940s. During World War II the co-op program changed its focus to the "electro-economy," using rural electrification to increase farm productivity for the war effort. Photos: National Rural Electric Cooperative Association

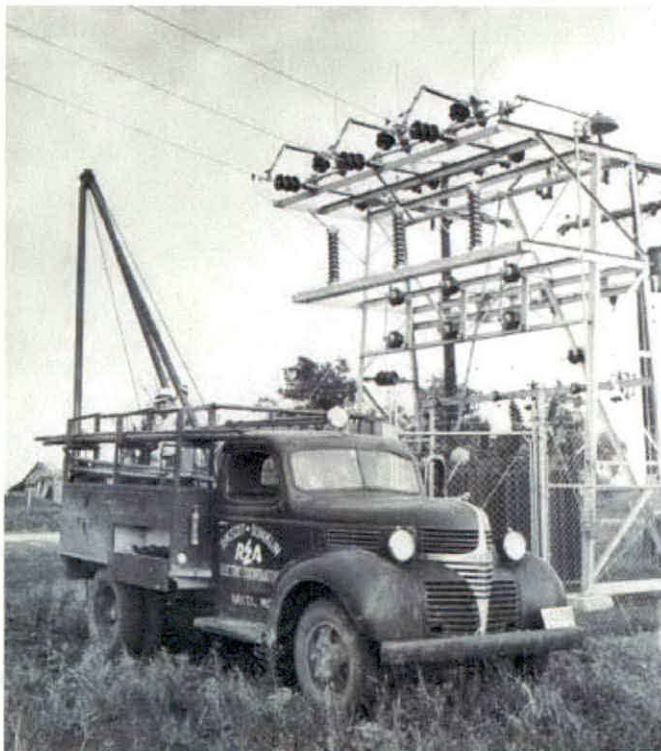


24/7 safety

Nolin places a tremendous amount of focus on safety around electricity all the time. For employees, especially technicians regularly out in the field, strict procedures are followed. No shortcuts allowed. They regularly attend training and awareness sessions. For you at home, Nolin uses every means of communication to remind you how to stay safe around electricity. Schools and civic groups regularly schedule electrical safety demonstrations throughout the year.

Save energy, save money

Nolin helps you use your electricity as efficiently as possible through information and incentive programs. It's good business, making the best use of resources, and it's good for your budget. Contact a Nolin RECC energy advisor for advice on getting the best value from your energy dollar.



Community neighbor

Electricity means more than lights. As your member-owned utility, Nolin Rural Electric Cooperative sees reliable and affordable electricity as an essential part of a strong community. Involvement in economic development, youth and scholarship programs, and other local priorities are part of what makes Nolin a good neighbor in the community.



Director Candidate Profile
DISTRICT 3
(The Southwest Service Area)

RAYMOND E. "RICK" THOMAS is a lifelong resident of Hardin County. He graduated from West Hardin High School and received an associate degree in business from Elizabethtown Commu-

nity College. Rick is also a graduate of the Philip Morris Agricultural Leadership Development Program at the University of Kentucky, and the Kentucky Cattlemen's Association Leadership Development Program.

Rick has served as director on Nolin RECC's board since December 2004, being appointed then to replace retiring board member Bob Wade Sr. Rick and his wife, Donna, purchased the Bethlehem Academy Farm in 1988 and farm full time. Their diversified farming operation consists of approximately 1,000 acres. They

raise corn, soybeans, wheat, alfalfa, and registered Angus cattle.

Rick is a Credentialed Cooperative Director through the National Rural Electric Cooperative Association Director Education Program. He and Donna are members of St. James Catholic Church, where Rick serves on the Administration Committee. The couple received the Distinguished Farm City Relations Award in 2003. Rick is a recipient of the Jack Snyder Award (presented by the Elizabethtown Rotary Club) and the Farm Bureau Service Award. He is a past vice chairman of the Hardin County Planning Commission, a past director for Farm Bureau, a past president of the Mid-Kentucky Angus Association, and a past chairman of the Hardin County Extension Foundation.

Personal remarks from Rick Thomas: *"I have appreciated the opportunity to serve as the District 3 director. I am committed to the co-op members' interest in maintaining and improving the services available and keeping our rates as low as possible. With significant challenges confronting all coal-based power providers, like Nolin RECC, I pledge to do my best to ensure safe, reliable, and affordable electricity for present and future co-op members."*



Director Candidate Profile
DISTRICT 5
(The Southern Service Area)

LINDA GRIMES along with her husband, Coleman, and brother-in-law and his wife, own and operate Grimes Farms in LaRue County. They grow corn and soybeans, and have Red Angus beef cattle.

Linda is involved in the daily activities on the family farm from operating the machinery, to animal husbandry and keeping the books.

Linda and Coleman have two children, Joyce Goode and Warren. Joyce and her husband, Greg, who farm in Liberty, Kentucky, have three daughters: Emily (9), Leann (4), and Breanna (6 months). Warren is single and works on the family farm. The Grimeses are members of Mt. Tabor Baptist Church in Buffalo. Linda is currently serving as the minister of music, and is very active in the Wednesday night youth program.

Linda was elected by Nolin members to serve as director of District 5 in June 2009. She has completed the Credentialed Cooperative Director Program and the Board Leadership Program through the National Rural Electric Cooperative Association.

A lifelong member of her community and graduate of LaRue County High School, Linda is very active in several organizations. She has been involved with Lincoln Days Celebration for many years from providing entertainment on Saturday to helping coordinate the community worship service on Sunday morning. Linda is a member of the Music City Christian Fellowship. She previously served on the LaRue County Extension Service District board, and the 4-H Council. Linda is past president of the LaRue County Dairy Association, past director of LaRue County Farm Bureau, past chair of LaRue County Farm Bureau Women's Committee, and past 4-H Dairy Club leader. In 2010, Linda earned the honor of receiving the Bobby McDowell Award of Excellence.

Linda's love for music and singing takes her across the local area to churches, assisted living homes, and nursing homes, performing with the bluegrass-country gospel group Brighter Day. She has also been honored to sing on the stage of the Ryman Auditorium in Nashville. Linda also enjoys riding motorcycles, and most of all playing with her grandchildren.

Personal remarks from Linda Grimes: *"It is a great honor to serve as your director. I feel the directors have an obligation to, and are accountable for, decisions made for the cooperative members. I have gained knowledge of the workings of the business of delivering reliable and affordable electric to our members, by attending educational programs and meetings to better serve you. I will continue to keep the members' needs foremost when helping make decisions for our cooperative. I ask for your support and thank you for allowing me to continue to be your director."*

Annual Meeting Program

Exhibits, Displays, and
Health Fair
Open at 5:00 p.m.

Registration &
Early Entertainment
Begin at 5:30 p.m.-8:00 p.m.

Business Session 7:00 p.m.

PRIZE DRAWINGS

For Members Registering

- GRAND PRIZE - \$500 CASH
- TWO \$250 CASH PRIZE GIVEAWAYS
- TEN \$50 CASH PRIZE GIVEAWAYS
- EARLY BIRD DRAWING FOR
ELECTRIC BILL CREDITS
- BICYCLES FOR CHILDREN 12 & UNDER

FREE

11-QUART BUCKET
& LIGHT BULBS
to each member
registering.

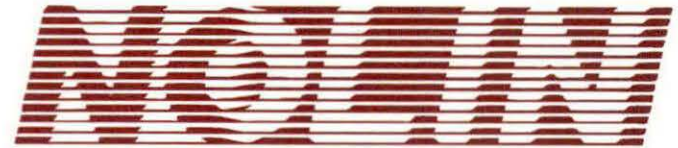


COME TO THE COOKOUT!

Starting at 5:00 p.m. our friends the
Pork, Beef, and Dairy Producers
will sell their delicious pork burgers,
hamburgers, pork chops, rib-eye steaks,
and ice cream.

Have dinner with us!
Don't miss it
—it's your annual meeting!

Official Notice



RURAL ELECTRIC COOPERATIVE CORPORATION

ANNUAL MEMBERSHIP MEETING

Friday, June 26, 2015

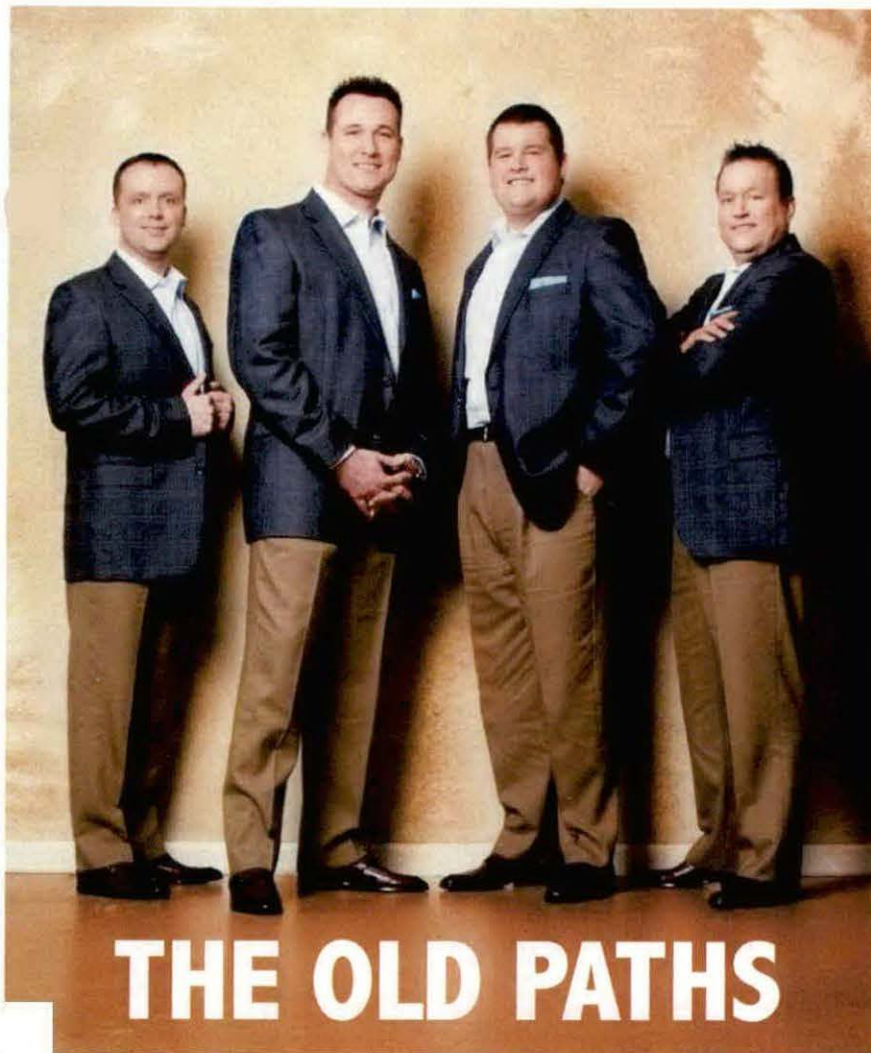
John Hardin High School
W. A. Jenkins Road, Elizabethtown

ENTERTAINMENT

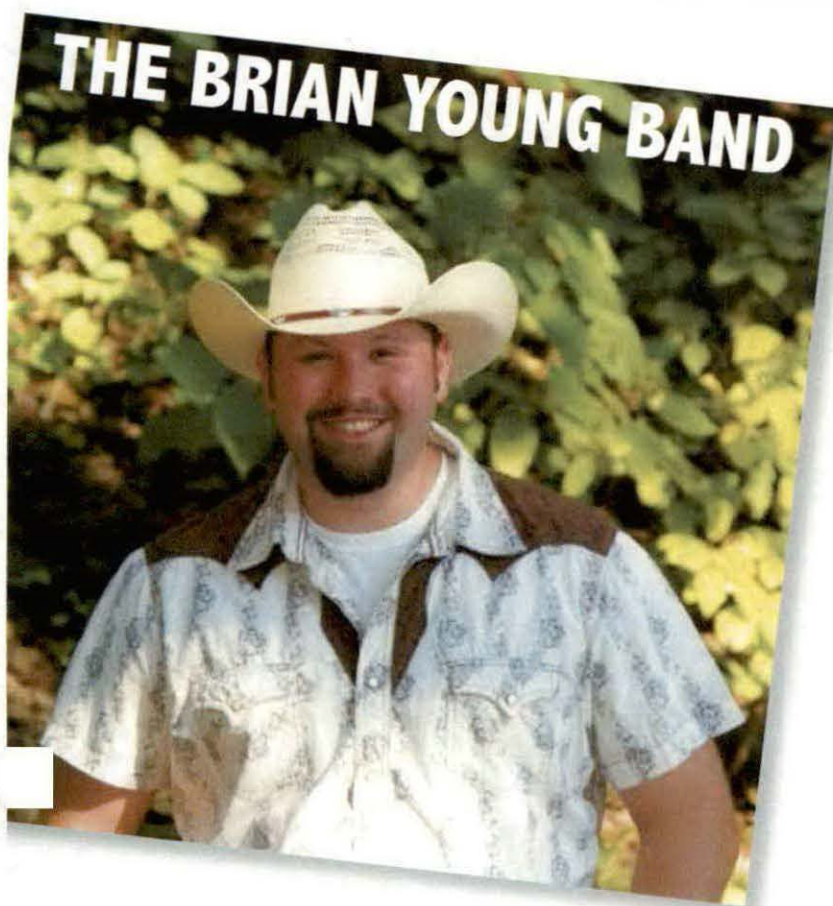
Children's Games & Rides
Free Health Fair and Exhibits

RACHEL'S FACE PAINTING





THE OLD PATHS



THE BRIAN YOUNG BAND

FREE COMMUNITY HEALTH FAIR

- AARP Smart Driver Program
- Anthem Blue Cross & Blue Shield
- Atria Senior Living
- CASA of the Heartland
- DaVita Dialysis
- Elizabethtown Lions Club
Vision Screening
- Hardin County Co-op Extension Service
- Hardin County Diabetes Coalition
- Hardin County Schools
- Hardin Memorial Health
- HealthSouth Rehabilitation Hospital
- Helmwood Healthcare
- Kentucky Organ Donation Trust for Life
- Lifeline Home Healthcare
- Lincoln Trail District Health
Department/Nutrition
- Lincoln Trail Medical Reserve Corp.
Special Needs Project
- Radcliff Fire Department
- Sam's Club
- Sick Call Mobile Clinic
- Sleep Telemedicine Services
- Tender Touch Senior Services

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2014

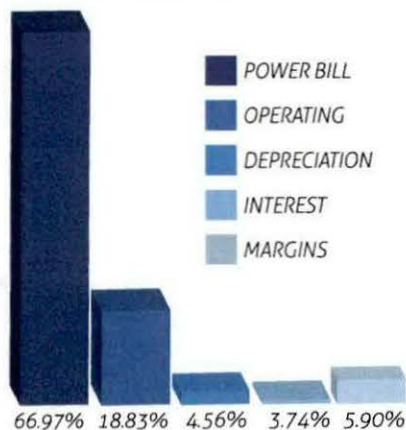
Operating Revenue.....	\$80,376,512.00
Operating Expense	
Purchased Power.....	\$58,435,007.00
Operating System.....	16,426,123.00
Depreciation.....	3,976,726.00
Interest on Loans.....	3,265,130.00
Other Deductions.....	24,021.00
Total Cost of Electric Service.....	\$82,127,007.00
Operating Margins.....	(1,750,495.00)
Non-Operating Margins.....	2,563,500.00
Other Capital Credits.....	4,312,013.00
Patronage Capital and Margins.....	\$5,125,018.00

BALANCE SHEET

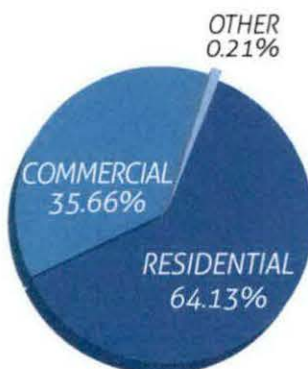
For the Year Ending December 31, 2014

ASSETS	
Total Utility Plant.....	\$107,205,141.00
Less Depreciation.....	42,153,318.00
Net Utility Plant.....	\$65,051,823.00
Investment in Assoc. Organization.....	\$34,829,836.00
Cash.....	4,170,546.00
Notes and Accounts Receivable.....	77,852,484.00
Inventory.....	1,156,628.00
Total Assets.....	\$183,061,317.00
LIABILITIES	
Membership and Other Equities.....	70,643,167.00
Long-Term Debt.....	91,804,909.00
Notes and Accounts Payable.....	6,708,197.00
Other Current Liabilities.....	5,069,479.00
Noncurrent Liabilities.....	8,835,565.00
Total Liabilities.....	\$183,061,317.00

MAJOR COSTS



REVENUE SOURCES



BOARD OF DIRECTORS



David P. Brown
Chair



Gene Straney
Vice Chair



A.L. "Buddy" Rosenberger
Sec-Treasurer



Lawrence Ireland



R.E. "Rick" Thomas



Linda Grimes



John J. Scott
Attorney



Mickey Miller
President and CEO

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR MAY 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,196,942.48	107,421,891.39	2,224,948.91
2. Construction Work in Progress	969,530.62	1,380,989.43	411,458.81
3. Total Utility Plant (1 + 2)	106,166,473.10	108,802,880.82	2,636,407.72
4. Accum. Provision for Depreciation and Amort.	-41,208,932.14	-43,357,448.74	-2,148,516.60
5. Net Utility Plant (3 - 4)	64,957,540.96	65,445,432.08	487,891.12
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,029,876.70	33,434,873.29	4,404,996.59
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,456,592.17	1,455,121.84	-1,470.33
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,705,552.68	35,145,551.94	4,439,999.26
15. Cash - General Funds	1,440,178.92	3,864,336.87	2,424,157.95
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	3,269.95	925.16	-2,344.79
20. Accounts Receivable - Sales of Energy (Net)	8,543,252.36	6,764,001.02	-1,779,251.34
21. Accounts Receivable - Other (Net)	87,259,722.67	61,407,182.40	-25,852,540.27
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,565,051.95	1,295,003.99	-270,047.96
24. Prepayments	325,943.65	319,255.62	-6,688.03
25. Other Current and Accrued Assets	-5,242.06	-6,121.61	-879.55
26. Total Current and Accrued Assets (15 thru 25)	99,137,177.44	73,649,583.45	-25,487,593.99
27. Deferred Debits	3,194,563.73	2,832,377.18	-362,186.55
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	197,994,834.81	177,072,944.65	-20,921,890.16
LIABILITIES AND OTHER CREDITS			
29. Memberships	279,765.00	276,235.00	-3,530.00
30. Patronage Capital	66,189,314.97	71,089,597.38	4,900,282.41
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	40,907.04	-8,016,999.43	-8,057,906.47
33. Non-Operating Margins	1,042,306.57	807,838.57	-234,468.00
34. Other Margins and Equities	-991,471.28	-688,003.31	303,467.97
35. Total Margins & Equities (29 thru 34)	66,560,822.30	63,468,668.21	-3,092,154.09
36. Long-Term Debt - CFC (Net)	112,185,627.89	96,892,394.34	-15,293,233.55
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	112,185,627.89	96,892,394.34	-15,293,233.55
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,703,328.28	6,827,080.39	123,752.11
41. Total Other Noncurrent Liabilities (39 + 40)	6,703,328.28	6,827,080.39	123,752.11
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable	5,119,942.33	4,262,141.85	-857,800.48
44. Consumers Deposits	2,197,840.84	2,327,119.29	129,278.45
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,746,146.33	2,708,549.76	-37,596.57
49. Total Current & Accrued Liabilities (42 thru 48)	10,063,929.50	9,297,810.90	-766,118.60
50. Deferred Credits	2,481,126.84	586,990.81	-1,894,136.03
51. Total Liab. & Other Credits (35+38+41+49+50)	197,994,834.81	177,072,944.65	-20,921,890.16

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR MAY 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	35,207,059.92	31,435,797.73	32,806,232.00	4,959,281.36	5,716,743.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	25,621,833.00	23,216,996.00	23,354,507.00	3,464,917.00	4,124,989.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,413,026.48	1,848,583.89	1,804,500.00	454,827.73	360,900.00
7. Distribution Expense - Maintenance	1,932,104.64	1,716,249.38	1,775,770.00	556,839.16	355,154.00
8. Customer Accounts Expense	1,077,622.00	1,082,977.21	1,149,709.00	207,291.43	226,733.00
9. Customer Service and Informational Expense	368,005.23	363,659.79	371,445.00	54,136.38	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	1,760,302.27	1,885,064.73	1,714,275.00	382,867.27	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	32,172,893.62	30,113,531.00	30,170,206.00	5,120,878.97	5,484,920.00
13. Depreciation & Amortization Expense	1,650,166.19	1,672,870.40	1,687,930.00	336,580.66	338,861.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	1,347,398.08	1,172,038.96	1,168,584.00	243,114.81	237,807.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,108.11	1,147.21	1,710.00	229.49	342.00
19. Other Deductions	13,978.07	6,829,500.06	10,000.00	2,753.18	2,000.00
20. Total Cost of Electric Service (12 thru 19)	35,186,544.07	39,789,087.63	33,038,430.00	5,703,557.11	6,063,930.00
21. Patronage Capital & Operating Margins (1 minus 20)	20,515.85	-8,353,289.90	-232,198.00	-744,275.75	-347,187.00
22. Non Operating Margins - Interest	910,405.97	679,184.64	1,137,040.00	154,761.66	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	131,584.36	128,653.93	30,625.00	18,518.75	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	95,747.18	336,290.47	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	1,083,213.61	-7,209,160.86	935,467.00	-570,995.34	-113,654.00
Operating - Margin	40,907.04	-8,016,999.43	-232,198.00	-744,275.75	-347,187.00
Non Operating - Margin	1,042,306.57	807,838.57	1,167,665.00	173,280.41	233,533.00
Times Interest Earned Ratio - Operating	1.02	-6.13			
Times Interest Earned Ratio - Net	1.80	-5.15			
Times Interest Earned Ratio - Modified	1.79	-5.44			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR JUN 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,405,286.02	107,832,580.01	2,427,293.99
2. Construction Work in Progress	1,028,661.53	1,746,344.12	717,682.59
3. Total Utility Plant (1 + 2)	106,433,947.55	109,578,924.13	3,144,976.58
4. Accum. Provision for Depreciation and Amort.	-41,513,478.49	-43,659,766.55	-2,146,288.06
5. Net Utility Plant (3 - 4)	64,920,469.06	65,919,157.58	998,688.52
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,029,876.70	33,434,873.29	4,404,996.59
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,704,239.40	35,144,246.75	4,440,007.35
15. Cash - General Funds	2,885,165.16	2,820,486.44	-64,678.72
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	2,974.79	751.94	-2,222.85
20. Accounts Receivable - Sales of Energy (Net)	10,006,686.63	7,681,401.51	-2,325,285.12
21. Accounts Receivable - Other (Net)	85,530,316.29	61,981,979.70	-23,548,336.59
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,511,274.67	1,302,281.42	-208,993.25
24. Prepayments	287,751.48	279,401.14	-8,350.34
25. Other Current and Accrued Assets	-2,012.73	-2,990.61	-977.88
26. Total Current and Accrued Assets (15 thru 25)	100,227,156.29	74,068,311.54	-26,158,844.75
27. Deferred Debits	3,218,519.87	2,868,686.51	-349,833.36
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	199,070,384.62	178,000,402.38	-21,069,982.24
LIABILITIES AND OTHER CREDITS			
29. Memberships	279,030.00	276,070.00	-2,960.00
30. Patronage Capital	66,149,421.99	71,075,501.46	4,926,079.47
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-264,140.39	-8,592,879.00	-8,328,738.61
33. Non-Operating Margins	1,368,807.08	964,676.62	-404,130.46
34. Other Margins and Equities	-955,654.61	-665,667.09	289,987.52
35. Total Margins & Equities (29 thru 34)	66,577,464.07	63,057,701.99	-3,519,762.08
36. Long-Term Debt - CFC (Net)	112,185,627.89	96,892,394.34	-15,293,233.55
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	112,185,627.89	96,892,394.34	-15,293,233.55
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,715,299.43	6,837,054.11	121,754.68
41. Total Other Noncurrent Liabilities (39 + 40)	6,715,299.43	6,837,054.11	121,754.68
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable	6,080,397.54	5,196,122.93	-884,274.61
44. Consumers Deposits	2,180,493.34	2,333,464.77	152,971.43
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,998,000.97	3,013,463.21	15,462.24
49. Total Current & Accrued Liabilities (42 thru 48)	11,258,891.85	10,543,050.91	-715,840.94
50. Deferred Credits	2,333,101.38	670,201.03	-1,662,900.35
51. Total Liab. & Other Credits (35+38+41+49+50)	199,070,384.62	178,000,402.38	-21,069,982.24

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR JUN 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	41,716,097.56	37,233,727.70	39,405,264.00	5,797,929.97	6,599,032.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	30,432,772.00	27,763,423.00	28,062,447.00	4,546,427.00	4,707,940.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,905,036.77	2,232,881.95	2,165,400.00	384,298.06	360,900.00
7. Distribution Expense - Maintenance	2,220,335.04	1,932,156.23	2,130,924.00	215,906.85	355,154.00
8. Customer Accounts Expense	1,290,596.24	1,288,893.88	1,379,328.00	205,916.67	229,619.00
9. Customer Service and Informational Expense	449,546.49	440,396.78	445,734.00	76,736.99	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	2,076,818.77	2,234,882.02	2,057,130.00	349,817.29	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	38,375,105.31	35,892,633.86	36,240,963.00	5,779,102.86	6,070,757.00
13. Depreciation & Amortization Expense	1,982,982.27	2,009,131.10	2,027,432.00	336,260.70	339,502.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	1,626,240.14	1,424,634.26	1,398,720.00	252,595.30	230,136.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,323.35	1,377.89	2,052.00	230.68	342.00
19. Other Deductions	13,978.07	6,835,120.06	12,000.00	5,620.00	2,000.00
20. Total Cost of Electric Service (12 thru 19)	42,000,629.14	46,162,897.17	39,681,167.00	6,373,809.54	6,642,737.00
21. Patronage Capital & Operating Margins (1 minus 20)	-284,531.58	-8,929,169.47	-275,903.00	-575,879.57	-43,705.00
22. Non Operating Margins - Interest	1,288,289.78	829,876.90	1,364,448.00	150,692.26	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	80,201.06	134,799.72	36,750.00	6,145.79	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	95,747.18	336,290.47	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	1,104,666.69	-7,628,202.38	1,125,295.00	-419,041.52	189,828.00
Operating - Margin	-264,140.39	-8,592,879.00	-275,903.00	-575,879.57	-43,705.00
Non Operating - Margin	1,368,807.08	964,676.62	1,401,198.00	156,838.05	233,533.00
Times Interest Earned Ratio - Operating	0.83	-5.27			
Times Interest Earned Ratio - Net	1.68	-4.35			
Times Interest Earned Ratio - Modified	1.67	-4.59			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR JUL 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,726,253.73	108,425,011.48	2,698,757.75
2. Construction Work in Progress	970,337.51	1,505,178.29	534,840.78
3. Total Utility Plant (1 + 2)	106,696,591.24	109,930,189.77	3,233,598.53
4. Accum. Provision for Depreciation and Amort.	-41,765,123.99	-43,915,188.33	-2,150,064.34
5. Net Utility Plant (3 - 4)	64,931,467.25	66,015,001.44	1,083,534.19
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,029,876.70	33,434,873.29	4,404,996.59
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,704,239.40	35,144,246.75	4,440,007.35
15. Cash - General Funds	4,207,290.74	2,474,182.49	-1,733,108.25
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	2,679.63	2,524.23	-155.40
20. Accounts Receivable - Sales of Energy (Net)	10,276,503.13	8,664,352.54	-1,612,150.59
21. Accounts Receivable - Other (Net)	84,079,836.60	61,637,311.21	-22,442,525.39
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,519,033.37	1,315,745.35	-203,288.02
24. Prepayments	247,428.37	197,422.77	-50,005.60
25. Other Current and Accrued Assets	898.47	-178.74	-1,077.21
26. Total Current and Accrued Assets (15 thru 25)	100,338,670.31	74,296,359.85	-26,042,310.46
27. Deferred Debits	3,228,039.35	2,829,559.25	-398,480.10
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	199,202,416.31	178,285,167.29	-20,917,249.02
LIABILITIES AND OTHER CREDITS			
29. Memberships	278,190.00	275,975.00 ¹	-2,215.00
30. Patronage Capital	66,129,353.26	71,063,391.90	4,934,038.64
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-633,774.12	-8,890,829.90	-8,257,055.78
33. Non-Operating Margins	1,589,378.54	1,129,929.54	-459,449.00
34. Other Margins and Equities	-929,497.62	-644,933.56	284,564.06
35. Total Margins & Equities (29 thru 34)	66,433,650.06	62,933,532.98	-3,500,117.08
36. Long-Term Debt - CFC (Net)	112,185,627.89	96,892,394.34	-15,293,233.55
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	112,185,627.89	96,892,394.34	-15,293,233.55
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,727,270.58	6,847,027.83	119,757.25
41. Total Other Noncurrent Liabilities (39 + 40)	6,727,270.58	6,847,027.83	119,757.25
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable	6,252,008.43	5,584,504.86	-667,503.57
44. Consumers Deposits	2,167,552.52	2,340,665.75	173,113.23
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	3,126,955.06	3,121,287.95	-5,667.11
49. Total Current & Accrued Liabilities (42 thru 48)	11,546,516.01	11,046,458.56	-500,057.45
50. Deferred Credits	2,309,351.77	565,753.58	-1,743,598.19
51. Total Liab. & Other Credits (35+38+41+49+50)	199,202,416.31	178,285,167.29	-20,917,249.02

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR JUL 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	48,182,355.43	43,959,807.44	46,676,600.00	6,726,079.74	7,271,336.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	35,337,927.00	32,743,632.00	33,229,508.00	4,980,209.00	5,167,061.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	2,208,902.94	2,632,500.09	2,526,300.00	399,618.14	360,900.00
7. Distribution Expense - Maintenance	2,532,251.65	2,341,980.58	2,486,078.00	409,824.35	355,154.00
8. Customer Accounts Expense	1,538,440.22	1,504,345.57	1,611,014.00	215,451.69	231,686.00
9. Customer Service and Informational Expense	513,013.23	513,045.81	520,023.00	72,649.03	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	2,457,874.64	2,581,110.37	2,399,985.00	346,228.35	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	44,588,409.68	42,316,614.42	42,772,908.00	6,423,980.56	6,531,945.00
13. Depreciation & Amortization Expense	2,315,525.81	2,346,534.27	2,367,575.00	337,403.17	340,143.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	1,914,376.93	1,685,649.40	1,631,226.00	261,015.14	232,506.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,538.15	1,609.66	2,394.00	231.77	342.00
19. Other Deductions	15,670.17	6,836,520.06	14,000.00	1,400.00	2,000.00
20. Total Cost of Electric Service (12 thru 19)	48,836,520.74	53,186,927.81	46,788,103.00	7,024,030.64	7,106,936.00
21. Patronage Capital & Operating Margins (1 minus 20)	-654,165.31	-9,227,120.37	-111,503.00	-297,950.90	164,400.00
22. Non Operating Margins - Interest	1,505,748.03	983,365.81	1,591,856.00	153,488.91	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	83,314.27	146,563.73	42,875.00	11,764.01	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	95,747.18	336,290.47	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	955,604.42	-7,760,900.36	1,523,228.00	-132,697.98	397,933.00
Operating - Margin	-633,774.12	-8,890,829.90	-111,503.00	-297,950.90	164,400.00
Non Operating - Margin	1,589,378.54	1,129,929.54	1,634,731.00	165,252.92	233,533.00
Times Interest Earned Ratio - Operating	0.66	-4.47			
Times Interest Earned Ratio - Net	1.50	-3.60			
Times Interest Earned Ratio - Modified	1.49	-3.80			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR AUG 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,885,021.80	108,631,021.20	2,745,999.40
2. Construction Work in Progress	1,185,244.20	1,498,242.97	312,998.77
3. Total Utility Plant (1 + 2)	107,070,266.00	110,129,264.17	3,058,998.17
4. Accum. Provision for Depreciation and Amort.	-42,047,478.47	-44,161,965.64	-2,114,487.17
5. Net Utility Plant (3 - 4)	65,022,787.53	65,967,298.53	944,511.00
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,029,876.70	33,570,992.40	4,541,115.70
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,704,239.40	35,280,365.86	4,576,126.46
15. Cash - General Funds	1,355,735.93	1,127,363.47	-228,372.46
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	2,384.47	2,359.75	-24.72
20. Accounts Receivable - Sales of Energy (Net)	10,439,409.19	9,262,274.18	-1,177,135.01
21. Accounts Receivable - Other (Net)	88,062,906.68	60,775,100.32	-27,287,806.36
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,401,002.01	1,380,554.79	-20,447.22
24. Prepayments	180,245.77	174,254.35	-5,991.42
25. Other Current and Accrued Assets	4,127.80	2,952.26	-1,175.54
26. Total Current and Accrued Assets (15 thru 25)	101,450,811.85	72,729,859.12	-28,720,952.73
27. Deferred Debits	3,193,479.02	2,781,130.12	-412,348.90
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	200,371,317.80	176,758,653.63	-23,612,664.17
LIABILITIES AND OTHER CREDITS			
29. Memberships	278,055.00	276,000.00	-2,055.00
30. Patronage Capital	66,107,368.31	71,044,625.37	4,937,257.06
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-599,276.92	-8,723,761.30	-8,124,484.38
33. Non-Operating Margins	1,827,557.66	1,293,389.57	-534,168.09
34. Other Margins and Equities	-902,721.44	-620,680.24	282,041.20
35. Total Margins & Equities (29 thru 34)	66,710,982.61	63,269,573.40	-3,441,409.21
36. Long-Term Debt - CFC (Net)	114,017,726.14	95,362,353.26	-18,655,372.88
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	114,017,726.14	95,362,353.26	-18,655,372.88
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,737,168.12	6,857,001.57	119,833.45
41. Total Other Noncurrent Liabilities (39 + 40)	6,737,168.12	6,857,001.57	119,833.45
42. Notes Payable	0.00	500,000.00	500,000.00
43. Accounts Payable	5,874,985.24	5,276,688.92	-598,296.32
44. Consumers Deposits	2,191,061.97	2,347,008.87	155,946.90
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,628,625.16	2,684,517.84	55,892.68
49. Total Current & Accrued Liabilities (42 thru 48)	10,694,672.37	10,808,215.63	113,543.26
50. Deferred Credits	2,210,768.56	461,509.77	-1,749,258.79
51. Total Liab. & Other Credits (35+38+41+49+50)	200,371,317.80	176,758,653.63	-23,612,664.17

General Ledger

CFC Form 7

INCOME STATEMENT FOR AUG 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	55,086,573.90	50,295,427.77	53,809,737.00	6,335,620.33	7,133,137.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	40,361,662.00	37,268,905.00	38,354,091.00	4,525,273.00	5,124,583.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	2,510,535.31	3,021,167.76	2,887,200.00	388,667.67	360,900.00
7. Distribution Expense - Maintenance	2,824,993.19	2,635,186.24	2,841,232.00	293,205.66	355,154.00
8. Customer Accounts Expense	1,763,532.80	1,716,805.57	1,841,867.00	212,460.00	230,853.00
9. Customer Service and Informational Expense	595,628.71	594,518.96	594,312.00	81,473.15	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	2,805,052.61	2,933,508.68	2,742,840.00	352,398.31	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	50,861,404.62	48,170,092.21	49,261,542.00	5,853,477.79	6,488,634.00
13. Depreciation & Amortization Expense	2,647,680.35	2,685,979.73	2,708,361.00	339,445.46	340,786.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	2,177,633.42	1,922,227.51	1,863,732.00	236,578.11	232,506.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,753.45	1,842.30	2,736.00	232.64	342.00
19. Other Deductions	16,770.17	6,847,576.02	16,000.00	11,055.96	2,000.00
20. Total Cost of Electric Service (12 thru 19)	55,706,242.01	59,627,717.77	53,852,371.00	6,440,789.96	7,064,268.00
21. Patronage Capital & Operating Margins (1 minus 20)	-619,668.11	-9,332,290.00	-42,634.00	-105,169.63	68,869.00
22. Non Operating Margins - Interest	1,734,991.30	1,135,471.02	1,819,264.00	152,105.21	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	92,250.12	157,918.55	49,000.00	11,354.82	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	95,747.18	608,528.70	0.00	272,238.23	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	1,228,280.74	-7,430,371.73	1,825,630.00	330,528.63	302,402.00
Operating - Margin	-599,276.92	-8,723,761.30	-42,634.00	167,068.60	68,869.00
Non Operating - Margin	1,827,557.66	1,293,389.57	1,868,264.00	163,460.03	233,533.00
Times Interest Earned Ratio - Operating	0.72	-3.85			
Times Interest Earned Ratio - Net	1.56	-2.87			
Times Interest Earned Ratio - Modified	1.55	-3.18			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR SEP 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	106,377,782.96	111,192,440.51	4,814,657.55
2. Construction Work in Progress	1,031,420.61	1,677,600.08	646,179.47
3. Total Utility Plant (1 + 2)	107,409,203.57	112,870,040.59	5,460,837.02
4. Accum. Provision for Depreciation and Amort.	-42,296,275.21	-44,449,478.88	-2,153,203.67
5. Net Utility Plant (3 - 4)	65,112,928.36	68,420,561.71	3,307,633.35
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,193,058.66	33,576,165.83	4,383,107.17
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,867,421.36	35,285,539.29	4,418,117.93
15. Cash - General Funds	1,203,857.95	2,150,084.17	946,226.22
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	3,421.13	4,171.09	749.96
20. Accounts Receivable - Sales of Energy (Net)	10,031,833.73	7,549,554.79	-2,482,278.94
21. Accounts Receivable - Other (Net)	88,150,937.57	61,484,784.66	-26,666,152.91
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,480,586.88	1,234,173.71	-246,413.17
24. Prepayments	161,074.80	140,801.73	-20,273.07
25. Other Current and Accrued Assets	7,357.13	6,083.26	-1,273.87
26. Total Current and Accrued Assets (15 thru 25)	101,044,069.19	72,574,653.41	-28,469,415.78
27. Deferred Debits	3,145,294.89	2,750,482.64	-394,812.25
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	200,169,713.80	179,031,237.05	-21,138,476.75
LIABILITIES AND OTHER CREDITS			
29. Memberships	277,655.00	275,545.00	-2,110.00
30. Patronage Capital	66,085,325.59	71,028,137.27	4,942,811.68
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-1,395,416.07	-8,517,488.50	-7,122,072.43
33. Non-Operating Margins	2,049,592.10	1,454,234.26	-595,357.84
34. Other Margins and Equities	-876,874.74	-598,127.57	278,747.17
35. Total Margins & Equities (29 thru 34)	66,140,281.88	63,642,300.46	-2,497,981.42
36. Long-Term Debt - CFC (Net)	114,017,726.14	95,362,353.26	-18,655,372.88
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	114,017,726.14	95,362,353.26	-18,655,372.88
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,747,065.66	6,866,975.29	119,909.63
41. Total Other Noncurrent Liabilities (39 + 40)	6,747,065.66	6,866,975.29	119,909.63
42. Notes Payable	0.00	1,000,000.00	1,000,000.00
43. Accounts Payable	6,034,686.89	6,307,643.53	272,956.64
44. Consumers Deposits	2,189,007.07	2,379,832.43	190,825.36
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,859,047.11	3,039,416.59	180,369.48
49. Total Current & Accrued Liabilities (42 thru 48)	11,082,741.07	12,726,892.55	1,644,151.48
50. Deferred Credits	2,181,899.05	432,715.49	-1,749,183.56
51. Total Liab. & Other Credits (35+38+41+49+50)	200,169,713.80	179,031,237.05	-21,138,476.75

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR SEP 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	60,552,985.76	55,600,480.66	59,717,861.00	5,305,052.89	5,908,124.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	44,646,578.00	41,425,175.00	42,630,055.00	4,156,270.00	4,275,964.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	2,753,283.71	2,509,350.16	3,248,100.00	-511,817.60	360,900.00
7. Distribution Expense - Maintenance	3,635,170.54	2,958,435.37	3,196,386.00	323,249.13	355,154.00
8. Customer Accounts Expense	1,958,698.01	1,901,240.98	2,069,059.00	184,435.41	227,192.00
9. Customer Service and Informational Expense	670,303.27	653,553.54	668,601.00	59,034.58	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	3,142,045.09	3,234,396.55	3,085,695.00	300,887.87	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	56,806,078.62	52,682,151.60	54,897,896.00	4,512,059.39	5,636,354.00
13. Depreciation & Amortization Expense	2,979,986.29	3,027,723.57	3,049,792.00	341,743.84	341,431.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	2,472,378.42	2,171,301.51	2,088,738.00	249,074.00	225,006.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,969.61	2,871.94	3,078.00	1,029.64	342.00
19. Other Deductions	22,620.17	6,848,916.02	18,000.00	1,340.00	2,000.00
20. Total Cost of Electric Service (12 thru 19)	62,284,033.11	64,732,964.64	60,057,504.00	5,105,246.87	6,205,133.00
21. Patronage Capital & Operating Margins (1 minus 20)	-1,731,047.35	-9,132,483.98	-339,643.00	199,806.02	-297,009.00
22. Non Operating Margins - Interest	1,952,586.59	1,286,758.88	2,046,672.00	151,287.86	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	96,689.27	167,475.38	55,125.00	9,556.83	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	410,987.27	614,995.48	0.00	6,466.78	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	654,176.03	-7,063,254.24	1,762,154.00	367,117.49	-63,476.00
Operating - Margin	-1,395,416.07	-8,517,488.50	-339,643.00	206,272.80	-297,009.00
Non Operating - Margin	2,049,592.10	1,454,234.26	2,101,797.00	160,844.69	233,533.00
Times Interest Earned Ratio - Operating	0.30	-3.21			
Times Interest Earned Ratio - Net	1.26	-2.25			
Times Interest Earned Ratio - Modified	1.13	-2.54			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR OCT 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	106,505,325.23	112,639,836.68	6,134,511.45
2. Construction Work in Progress	1,108,455.73	2,114,637.94	1,006,182.21
3. Total Utility Plant (1 + 2)	107,613,780.96	114,754,474.62	7,140,693.66
4. Accum. Provision for Depreciation and Amort.	-42,616,133.63	-44,687,883.32	-2,071,749.69
5. Net Utility Plant (3 - 4)	64,997,647.33	70,066,591.30	5,068,943.97
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,193,058.66	33,576,165.83	4,383,107.17
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,867,421.36	35,285,539.29	4,418,117.93
15. Cash - General Funds	28,107,753.49	1,273,329.33	-26,834,424.16
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	3,049.85	3,933.99	884.14
20. Accounts Receivable - Sales of Energy (Net)	7,807,105.43	6,660,292.58	-1,146,812.85
21. Accounts Receivable - Other (Net)	63,676,048.85	59,986,438.88	-3,689,609.97
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,329,884.37	1,266,209.91	-63,674.46
24. Prepayments	118,484.54	121,390.61	2,906.07
25. Other Current and Accrued Assets	-8,667.70	-9,942.94	-1,275.24
26. Total Current and Accrued Assets (15 thru 25)	101,038,658.83	69,306,652.36	-31,732,006.47
27. Deferred Debits	3,092,406.51	2,694,544.01	-397,862.50
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	199,996,134.03	177,353,326.96	-22,642,807.07
LIABILITIES AND OTHER CREDITS			
29. Memberships	277,590.00	275,525.00	-2,065.00
30. Patronage Capital	66,067,301.49	71,003,090.42	4,935,788.93
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-1,267,426.57	-8,250,699.59	-6,983,273.02
33. Non-Operating Margins	2,224,916.01	1,612,310.73	-612,605.28
34. Other Margins and Equities	-850,942.11	517,844.78	1,368,786.89
35. Total Margins & Equities (29 thru 34)	66,451,438.82	65,158,071.34	-1,293,367.48
36. Long-Term Debt - CFC (Net)	114,017,726.14	95,362,353.26	-18,655,372.88
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	114,017,726.14	95,362,353.26	-18,655,372.88
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,756,963.20	6,876,949.01	119,985.81
41. Total Other Noncurrent Liabilities (39 + 40)	6,756,963.20	6,876,949.01	119,985.81
42. Notes Payable	0.00	1,000,000.00	1,000,000.00
43. Accounts Payable	5,439,397.78	4,130,412.26	-1,308,985.52
44. Consumers Deposits	2,243,852.28	2,359,500.20	115,647.92
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,938,791.65	2,130,511.18	-808,280.47
49. Total Current & Accrued Liabilities (42 thru 48)	10,622,041.71	9,620,423.64	-1,001,618.07
50. Deferred Credits	2,147,964.16	335,529.71	-1,812,434.45
51. Total Liab. & Other Credits (35+38+41+49+50)	199,996,134.03	177,353,326.96	-22,642,807.07

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR OCT 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	66,072,383.45	60,645,766.85	65,459,688.00	5,045,286.19	5,741,827.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	48,349,313.00	44,929,678.00	46,806,124.00	3,504,503.00	4,176,069.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,024,778.90	2,383,079.02	3,609,000.00	-126,271.14	360,900.00
7. Distribution Expense - Maintenance	3,705,046.69	3,174,651.61	3,551,540.00	216,216.24	355,154.00
8. Customer Accounts Expense	2,165,441.46	2,089,571.03	2,295,797.00	188,330.05	226,738.00
9. Customer Service and Informational Expense	692,272.57	654,851.29	742,890.00	1,297.75	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	3,631,537.95	3,620,757.04	3,428,550.00	386,360.49	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	61,568,390.57	56,852,587.99	60,433,901.00	4,170,436.39	5,536,005.00
13. Depreciation & Amortization Expense	3,313,267.48	3,375,711.20	3,391,868.00	347,987.63	342,076.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	2,767,123.42	2,428,677.98	2,317,154.00	257,376.47	228,416.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	3,189.66	5,568.73	3,420.00	2,696.79	342.00
19. Other Deductions	23,470.17	6,848,916.02	20,000.00	0.00	2,000.00
20. Total Cost of Electric Service (12 thru 19)	67,675,441.30	69,511,461.92	66,166,343.00	4,778,497.28	6,108,839.00
21. Patronage Capital & Operating Margins (1 minus 20)	-1,603,057.85	-8,865,695.07	-706,655.00	266,788.91	-367,012.00
22. Non Operating Margins - Interest	2,114,239.42	1,434,487.24	2,274,080.00	147,728.36	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	110,360.35	177,823.49	61,250.00	10,348.11	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	410,987.27	614,995.48	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	957,489.44	-6,638,388.86	1,628,675.00	424,865.38	-133,479.00
Operating - Margin	-1,267,426.57	-8,250,699.59	-706,655.00	266,788.91	-367,012.00
Non Operating - Margin	2,224,916.01	1,612,310.73	2,335,330.00	158,076.47	233,533.00
Times Interest Earned Ratio - Operating	0.42	-2.65			
Times Interest Earned Ratio - Net	1.35	-1.73			
Times Interest Earned Ratio - Modified	1.22	-1.99			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR NOV 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,633,638.52	110,839,381.27	5,205,742.75
2. Construction Work in Progress	2,076,024.64	2,290,339.65	214,315.01
3. Total Utility Plant (1 + 2)	107,709,663.16	113,129,720.92	5,420,057.76
4. Accum. Provision for Depreciation and Amort.	-41,960,781.25	-43,036,448.51	-1,075,667.26
5. Net Utility Plant (3 - 4)	65,748,881.91	70,093,272.41	4,344,390.50
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	29,193,058.66	33,576,165.83	4,383,107.17
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,816.65	-1,462.24
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	219,083.81	255,556.81	36,473.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	30,867,421.36	35,285,539.29	4,418,117.93
15. Cash - General Funds	23,320,428.22	641,658.95	-22,678,769.27
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	2,678.57	3,640.63	962.06
20. Accounts Receivable - Sales of Energy (Net)	10,168,906.68	7,470,691.08	-2,698,215.60
21. Accounts Receivable - Other (Net)	64,053,388.87	63,047,094.14	-1,006,294.73
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,069,877.08	1,085,710.74	15,833.66
24. Prepayments	71,716.18	97,665.80	25,949.62
25. Other Current and Accrued Assets	-5,536.70	-6,811.94	-1,275.24
26. Total Current and Accrued Assets (15 thru 25)	98,686,458.90	72,344,649.40	-26,341,809.50
27. Deferred Debits	3,016,038.68	2,651,264.03	-364,774.65
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	198,318,800.85	180,374,725.13	-17,944,075.72
LIABILITIES AND OTHER CREDITS			
29. Memberships	277,300.00	275,420.00	-1,880.00
30. Patronage Capital	66,061,532.86	70,990,716.56	4,929,183.70
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-1,209,017.98	-5,337,169.46	-4,128,151.48
33. Non-Operating Margins	2,387,360.35	1,871,713.75	-515,646.60
34. Other Margins and Equities	-834,225.30	537,441.57	1,371,666.87
35. Total Margins & Equities (29 thru 34)	66,682,949.93	68,338,122.42	1,655,172.49
36. Long-Term Debt - CFC (Net)	111,804,908.89	93,838,719.82	-17,966,189.07
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	111,804,908.89	93,838,719.82	-17,966,189.07
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,766,860.74	6,884,440.76	117,580.02
41. Total Other Noncurrent Liabilities (39 + 40)	6,766,860.74	6,884,440.76	117,580.02
42. Notes Payable	0.00	2,000,000.00	2,000,000.00
43. Accounts Payable	6,264,113.71	5,271,409.05	-992,704.66
44. Consumers Deposits	2,288,298.60	2,363,436.86	75,138.26
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,372,311.03	1,346,233.30	-1,026,077.73
49. Total Current & Accrued Liabilities (42 thru 48)	10,924,723.34	10,981,079.21	56,355.87
50. Deferred Credits	2,139,357.95	332,362.92	-1,806,995.03
51. Total Liab. & Other Credits (35+38+41+49+50)	198,318,800.85	180,374,725.13	-17,944,075.72

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR NOV 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	72,928,505.82	69,730,816.41	72,280,798.00	9,085,049.56	6,821,110.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	53,256,542.00	49,017,985.00	51,677,586.00	4,088,307.00	4,871,462.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,348,000.82	2,777,211.00	3,969,900.00	394,131.98	360,900.00
7. Distribution Expense - Maintenance	4,000,644.91	3,678,781.76	3,906,694.00	504,130.15	355,154.00
8. Customer Accounts Expense	2,368,146.97	2,279,629.02	2,526,322.00	190,057.99	230,525.00
9. Customer Service and Informational Expense	781,455.25	714,585.65	817,179.00	59,734.36	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	4,025,063.35	3,973,497.01	3,771,405.00	352,739.97	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	67,779,853.30	62,441,689.44	66,669,086.00	5,589,101.45	6,235,185.00
13. Depreciation & Amortization Expense	3,644,878.18	3,722,152.24	3,734,592.00	346,441.04	342,724.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	3,021,238.97	2,661,058.82	2,538,202.00	232,380.84	221,048.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	3,414.46	7,390.88	3,762.00	1,822.15	342.00
19. Other Deductions	23,770.17	6,850,689.97	22,000.00	1,773.95	2,000.00
20. Total Cost of Electric Service (12 thru 19)	74,473,155.08	75,682,981.35	72,967,642.00	6,171,519.43	6,801,299.00
21. Patronage Capital & Operating Margins (1 minus 20)	-1,544,649.26	-5,952,164.94	-686,844.00	2,913,530.13	19,811.00
22. Non Operating Margins - Interest	2,267,329.75	1,688,489.68	2,501,488.00	254,002.44	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	119,714.36	183,224.07	67,375.00	5,400.58	6,125.00
26. Generation and Transmission Capital Credits	-75,355.99	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	410,987.27	614,995.48	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	1,178,342.37	-3,465,455.71	1,882,019.00	3,172,933.15	253,344.00
Operating - Margin	-1,209,017.98	-5,337,169.46	-686,844.00	2,913,530.13	19,811.00
Non Operating - Margin	2,387,360.35	1,871,713.75	2,568,863.00	259,403.02	233,533.00
Times Interest Earned Ratio - Operating	0.49	-1.24			
Times Interest Earned Ratio - Net	1.39	-0.30			
Times Interest Earned Ratio - Modified	1.28	-0.53			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR DEC 2015

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,819,746.60	110,000,364.56	4,180,617.96
2. Construction Work in Progress	1,385,394.21	2,926,987.47	1,541,593.26
3. Total Utility Plant (1 + 2)	107,205,140.81	112,927,352.03	5,722,211.22
4. Accum. Provision for Depreciation and Amort.	-42,153,317.74	-43,172,358.97	-1,019,041.23
5. Net Utility Plant (3 - 4)	65,051,823.07	69,754,993.06	4,703,169.99
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	33,169,440.91	36,779,439.84	3,609,998.93
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,278.89	1,453,751.45	-1,527.44
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	205,115.81	241,406.81	36,291.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	34,829,835.61	38,474,598.10	3,644,762.49
15. Cash - General Funds	4,165,546.14	1,701,406.70	-2,464,139.44
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	2,307.46	4,621.10	2,313.64
20. Accounts Receivable - Sales of Energy (Net)	10,444,782.97	7,979,448.17	-2,465,334.80
21. Accounts Receivable - Other (Net)	64,395,380.78	64,185,146.32	-210,234.46
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,156,627.72	1,077,448.09	-79,179.63
24. Prepayments	36,249.61	30,765.22	-5,484.39
25. Other Current and Accrued Assets	-2,405.70	-3,680.94	-1,275.24
26. Total Current and Accrued Assets (15 thru 25)	80,203,488.98	74,980,154.66	-5,223,334.32
27. Deferred Debits	2,976,170.09	2,607,984.05	-368,186.04
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	183,061,317.75	185,817,729.87	2,756,412.12
LIABILITIES AND OTHER CREDITS			
29. Memberships	276,825.00	275,020.00	-1,805.00
30. Patronage Capital	66,047,631.19	70,971,940.31	4,924,309.12
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	2,561,518.59	-6,338,721.31	-8,900,239.90
33. Non-Operating Margins	2,563,500.72	2,023,977.31	-539,523.41
34. Other Margins and Equities	-806,308.36	561,555.28	1,367,863.64
35. Total Margins & Equities (29 thru 34)	70,643,167.14	67,493,771.59	-3,149,395.55
36. Long-Term Debt - CFC (Net)	91,804,908.89	93,838,719.82	2,033,810.93
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	91,804,908.89	93,838,719.82	2,033,810.93
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,776,758.28	6,892,506.81	115,748.53
41. Total Other Noncurrent Liabilities (39 + 40)	6,776,758.28	6,892,506.81	115,748.53
42. Notes Payable	0.00	4,000,000.00	4,000,000.00
43. Accounts Payable	6,708,197.09	9,205,308.12	2,497,111.03
44. Consumers Deposits	2,283,376.92	2,349,993.52	66,616.60
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devl.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,786,102.91	1,708,285.78	-1,077,817.13
49. Total Current & Accrued Liabilities (42 thru 48)	11,777,676.92	17,263,587.42	5,485,910.50
50. Deferred Credits	2,058,806.52	329,144.23	-1,729,662.29
51. Total Liab. & Other Credits (35+38+41+49+50)	183,061,317.75	185,817,729.87	2,756,412.12

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR DEC 2015

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	80,376,512.39	73,097,167.82	80,591,915.00	3,366,351.41	8,311,117.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	58,435,007.00	53,516,376.00	57,525,374.00	4,498,391.00	5,847,788.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,674,218.59	4,379,661.05	4,330,800.00	1,602,450.05	360,900.00
7. Distribution Expense - Maintenance	4,847,089.38	3,882,739.83	4,261,848.00	203,958.07	355,154.00
8. Customer Accounts Expense	2,591,681.47	2,495,711.02	2,761,933.00	216,082.00	235,611.00
9. Customer Service and Informational Expense	852,565.11	741,358.62	891,468.00	26,772.97	74,289.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	4,460,568.39	4,348,808.90	4,114,260.00	375,311.89	342,855.00
12. Total Operation & Maintenance Expense (2 thru 11)	74,861,129.94	69,364,655.42	73,885,683.00	6,922,965.98	7,216,597.00
13. Depreciation & Amortization Expense	3,976,726.09	4,098,824.49	4,077,964.00	376,672.25	343,372.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	3,261,489.47	2,921,143.32	2,766,618.00	260,084.50	228,416.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	3,640.81	14,615.04	4,104.00	7,224.16	342.00
19. Other Deductions	24,021.02	6,855,078.35	24,000.00	4,388.38	2,000.00
20. Total Cost of Electric Service (12 thru 19)	82,127,007.33	83,254,316.62	80,758,369.00	7,571,335.27	7,790,727.00
21. Patronage Capital & Operating Margins (1 minus 20)	-1,750,494.94	-10,157,148.80	-166,454.00	-4,204,983.86	520,390.00
22. Non Operating Margins - Interest	2,434,172.47	1,863,085.80	2,728,896.00	174,596.12	227,408.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	316.24	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	129,012.01	160,891.51	73,500.00	-22,332.56	6,125.00
26. Generation and Transmission Capital Credits	3,873,555.97	3,476,947.48	0.00	3,476,947.48	0.00
27. Other Capital Credits and Patronage Dividends	438,457.56	341,480.01	0.00	-273,515.47	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	5,125,019.31	-4,314,744.00	2,635,942.00	-849,288.29	753,923.00
Operating - Margin	2,561,518.59	-6,338,721.31	-166,454.00	-1,001,551.85	520,390.00
Non Operating - Margin	2,563,500.72	2,023,977.31	2,802,396.00	152,263.56	233,533.00
Times Interest Earned Ratio - Operating	0.46	-2.48			
Times Interest Earned Ratio - Net	2.57	-0.48			
Times Interest Earned Ratio - Modified	1.25	-1.78			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR JAN 2016

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	105,997,283.81	111,257,981.96	5,260,698.15
2. Construction Work in Progress	1,327,544.55	1,594,274.47	266,729.92
3. Total Utility Plant (1 + 2)	107,324,828.36	112,852,256.43	5,527,428.07
4. Accum. Provision for Depreciation and Amort.	-42,395,727.54	-43,170,502.22	-774,774.68
5. Net Utility Plant (3 - 4)	64,929,100.82	69,681,754.21	4,752,653.39
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	33,169,440.91	36,779,439.84	3,609,998.93
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,121.84	1,453,751.45	-1,370.39
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	205,115.81	241,406.81	36,291.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	34,829,678.56	38,474,598.10	3,644,919.54
15. Cash - General Funds	2,292,275.05	2,047,771.53	-244,503.52
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	1,974.24	4,568.13	2,593.89
20. Accounts Receivable - Sales of Energy (Net)	11,682,188.83	10,384,083.27	-1,298,105.56
21. Accounts Receivable - Other (Net)	66,082,570.02	62,936,723.65	-3,145,846.37
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,177,964.92	1,120,216.31	-57,748.61
24. Prepayments	231,114.82	297,553.80	66,438.98
25. Other Current and Accrued Assets	407.17	-870.07	-1,277.24
26. Total Current and Accrued Assets (15 thru 25)	81,473,495.05	76,795,046.62	-4,678,448.43
27. Deferred Debits	2,945,487.92	2,577,301.88	-368,186.04
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	184,177,762.35	187,528,700.81	3,350,938.46
LIABILITIES AND OTHER CREDITS			
29. Memberships	276,685.00	274,740.00	-1,945.00
30. Patronage Capital	71,160,969.15	66,634,123.75	-4,526,845.40
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	131,942.60	103,622.29	-28,320.31
33. Non-Operating Margins	104,307.69	164,162.22	59,854.53
34. Other Margins and Equities	-784,769.01	588,823.18	1,373,592.19
35. Total Margins & Equities (29 thru 34)	70,889,135.43	67,765,471.44	-3,123,663.99
36. Long-Term Debt - CFC (Net)	91,804,908.89	93,838,719.82	2,033,810.93
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	91,804,908.89	93,838,719.82	2,033,810.93
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,786,069.61	6,884,823.19	98,753.58
41. Total Other Noncurrent Liabilities (39 + 40)	6,786,069.61	6,884,823.19	98,753.58
42. Notes Payable	0.00	4,000,000.00	4,000,000.00
43. Accounts Payable	6,697,413.52	10,268,674.72	3,571,261.20
44. Consumers Deposits	2,302,018.47	2,331,921.43	29,902.96
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	3,116,446.09	2,119,497.75	-996,948.34
49. Total Current & Accrued Liabilities (42 thru 48)	12,115,878.08	18,720,093.90	6,604,215.82
50. Deferred Credits	2,581,770.34	319,592.46	-2,262,177.88
51. Total Liab. & Other Credits (35+38+41+49+50)	184,177,762.35	187,528,700.81	3,350,938.46

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR JAN 2016

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	7,810,157.69	8,195,704.97	7,973,736.00	8,195,704.97	7,973,736.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	5,959,927.00	5,877,808.00	5,709,865.00	5,877,808.00	5,709,865.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	372,905.24	406,423.32	364,906.00	406,423.32	364,906.00
7. Distribution Expense - Maintenance	192,274.96	474,501.61	383,013.00	474,501.61	383,013.00
8. Customer Accounts Expense	205,847.75	232,800.86	217,958.00	232,800.86	217,958.00
9. Customer Service and Informational Expense	46,600.28	89,375.90	74,590.00	89,375.90	74,590.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	326,504.79	367,095.46	381,666.00	367,095.46	381,666.00
12. Total Operation & Maintenance Expense (2 thru 11)	7,104,060.02	7,448,005.15	7,131,998.00	7,448,005.15	7,131,998.00
13. Depreciation & Amortization Expense	332,338.86	370,339.57	342,677.00	370,339.57	342,677.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	240,250.50	260,084.50	384,715.00	260,084.50	384,715.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	228.99	10,501.70	234.00	10,501.70	234.00
19. Other Deductions	1,336.72	3,151.76	2,000.00	3,151.76	2,000.00
20. Total Cost of Electric Service (12 thru 19)	7,678,215.09	8,092,082.68	7,861,624.00	8,092,082.68	7,861,624.00
21. Patronage Capital & Operating Margins (1 minus 20)	131,942.60	103,622.29	112,112.00	103,622.29	112,112.00
22. Non Operating Margins - Interest	59,805.34	157,270.84	146,923.00	157,270.84	146,923.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	44,502.35	6,891.38	1,308.00	6,891.38	1,308.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	0.00	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	236,250.29	267,784.51	260,343.00	267,784.51	260,343.00
Operating - Margin	131,942.60	103,622.29	112,112.00	103,622.29	112,112.00
Non Operating - Margin	104,307.69	164,162.22	148,231.00	164,162.22	148,231.00
Times Interest Earned Ratio - Operating	1.55	1.40			
Times Interest Earned Ratio - Net	1.98	2.03			
Times Interest Earned Ratio - Modified	1.98	2.03			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR FEB 2016

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	106,629,829.76	111,225,761.28	4,595,931.52
2. Construction Work in Progress	1,041,547.18	1,604,814.06	563,266.88
3. Total Utility Plant (1 + 2)	107,671,376.94	112,830,575.34	5,159,198.40
4. Accum. Provision for Depreciation and Amort.	-42,468,854.10	-43,424,275.32	-955,421.22
5. Net Utility Plant (3 - 4)	65,202,522.84	69,406,300.02	4,203,777.18
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	33,161,199.82	36,796,450.15	3,635,250.33
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,121.84	1,453,751.45	-1,370.39
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	205,115.81	241,406.81	36,291.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	34,821,437.47	38,491,608.41	3,670,170.94
15. Cash - General Funds	2,547,398.07	2,011,215.34	-536,182.73
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	5,000.00	0.00
19. Notes Receivable (Net)	1,641.02	4,148.57	2,507.55
20. Accounts Receivable - Sales of Energy (Net)	11,899,125.17	9,714,606.90	-2,184,518.27
21. Accounts Receivable - Other (Net)	64,289,912.99	63,024,933.55	-1,264,979.44
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,402,257.21	1,112,964.28	-289,292.93
24. Prepayments	410,273.71	169,393.86	-240,879.85
25. Other Current and Accrued Assets	3,538.17	2,260.93	-1,277.24
26. Total Current and Accrued Assets (15 thru 25)	80,559,146.34	76,044,523.43	-4,514,622.91
27. Deferred Debits	2,934,611.59	2,516,619.71	-417,991.88
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	183,517,718.24	186,459,051.57	2,941,333.33
LIABILITIES AND OTHER CREDITS			
29. Memberships	277,035.00	274,810.00	-2,225.00
30. Patronage Capital	71,145,978.01	66,625,443.91	-4,520,534.10
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	246,730.86	-236,749.34	-483,480.20
33. Non-Operating Margins	275,349.88	337,505.23	62,155.35
34. Other Margins and Equities	-760,863.90	608,542.79	1,369,406.69
35. Total Margins & Equities (29 thru 34)	71,184,229.85	67,609,552.59	-3,574,677.26
36. Long-Term Debt - CFC (Net)	90,353,593.91	92,544,778.13	2,191,184.22
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	90,353,593.91	92,544,778.13	2,191,184.22
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,796,601.28	6,907,448.19	110,846.91
41. Total Other Noncurrent Liabilities (39 + 40)	6,796,601.28	6,907,448.19	110,846.91
42. Notes Payable	0.00	6,000,000.00	6,000,000.00
43. Accounts Payable	7,863,340.21	9,110,904.56	1,247,564.35
44. Consumers Deposits	2,326,518.35	2,349,719.68	23,201.33
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,714,607.70	1,614,743.16	-1,099,864.54
49. Total Current & Accrued Liabilities (42 thru 48)	12,904,466.26	19,075,367.40	6,170,901.14
50. Deferred Credits	2,278,826.94	321,905.26	-1,956,921.68
51. Total Liab. & Other Credits (35+38+41+49+50)	183,517,718.24	186,459,051.57	2,941,333.33

Nolin Rural Electric Coop

General Ledger

06/02/2016 3:18:31 PM

Page: 1

CFC Form 7

INCOME STATEMENT FOR FEB 2016

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	15,867,995.65	14,871,276.18	14,949,695.00	6,675,571.21	6,975,959.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	11,917,712.00	10,901,415.00	10,713,039.00	5,023,607.00	5,003,174.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	680,853.29	813,441.51	729,812.00	407,018.19	364,906.00
7. Distribution Expense - Maintenance	639,355.55	788,745.74	766,026.00	314,244.13	383,013.00
8. Customer Accounts Expense	437,069.58	456,096.91	432,904.00	223,296.05	214,946.00
9. Customer Service and Informational Expense	153,494.15	121,604.91	149,180.00	32,229.01	74,590.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	663,421.66	804,524.61	763,332.00	437,429.15	381,666.00
12. Total Operation & Maintenance Expense (2 thru 11)	14,491,906.23	13,885,828.68	13,554,293.00	6,437,823.53	6,422,295.00
13. Depreciation & Amortization Expense	665,158.24	744,828.71	685,348.00	374,489.14	342,671.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	462,155.42	473,488.67	732,200.00	213,404.17	347,485.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	458.18	25,028.15	468.00	14,526.45	234.00
19. Other Deductions	1,586.72	3,151.76	4,000.00	0.00	2,000.00
20. Total Cost of Electric Service (12 thru 19)	15,621,264.79	15,132,325.97	14,976,309.00	7,040,243.29	7,114,685.00
21. Patronage Capital & Operating Margins (1 minus 20)	246,730.86	-261,049.79	-26,614.00	-364,672.08	-138,726.00
22. Non Operating Margins - Interest	214,425.72	314,540.46	293,846.00	157,269.62	146,923.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	60,924.16	22,964.77	2,616.00	16,073.39	1,308.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	24,300.45	0.00	24,300.45	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	522,080.74	100,755.89	269,848.00	-167,028.62	9,505.00
Operating - Margin	246,730.86	-236,749.34	-26,614.00	-340,371.63	-138,726.00
Non Operating - Margin	275,349.88	337,505.23	296,462.00	173,343.01	148,231.00
Times Interest Earned Ratio - Operating	1.53	0.45			
Times Interest Earned Ratio - Net	2.13	1.21			
Times Interest Earned Ratio - Modified	2.13	1.16			

Nolin Rural Electric Coop

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CFC Form 7

BALANCE SHEET FOR MAR 2016

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	106,800,382.51	114,126,416.81	7,326,034.30
2. Construction Work in Progress	1,300,615.31	1,687,915.83	387,300.52
3. Total Utility Plant (1 + 2)	108,100,997.82	115,814,332.64	7,713,334.82
4. Accum. Provision for Depreciation and Amort.	-42,754,715.53	-43,775,455.71	-1,020,740.18
5. Net Utility Plant (3 - 4)	65,346,282.29	72,038,876.93	6,692,594.64
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	33,434,873.29	36,796,450.15	3,361,576.86
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,121.84	1,437,600.37	-17,521.47
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	255,556.81	294,781.81	39,225.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	35,145,551.94	38,528,832.33	3,383,280.39
15. Cash - General Funds	4,456,614.91	2,906,781.51	-1,549,833.40
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	0.00	-5,000.00
19. Notes Receivable (Net)	1,271.60	3,767.35	2,495.75
20. Accounts Receivable - Sales of Energy (Net)	9,370,162.85	7,427,726.30	-1,942,436.55
21. Accounts Receivable - Other (Net)	62,345,932.70	63,158,271.12	812,338.42
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,215,324.14	1,103,353.96	-111,970.18
24. Prepayments	404,779.85	142,645.37	-262,134.48
25. Other Current and Accrued Assets	6,669.17	5,176.17	-1,493.00
26. Total Current and Accrued Assets (15 thru 25)	77,805,755.22	74,747,721.78	-3,058,033.44
27. Deferred Debits	2,884,123.58	2,515,937.54	-368,186.04
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	181,181,713.03	187,831,368.58	6,649,655.55
LIABILITIES AND OTHER CREDITS			
29. Memberships	276,755.00	274,750.00	-2,005.00
30. Patronage Capital	71,117,881.32	66,611,519.20	-4,506,362.12
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-253,002.03	119,409.75	372,411.78
33. Non-Operating Margins	478,551.31	499,339.24	20,787.93
34. Other Margins and Equities	-730,986.16	630,442.19	1,361,428.35
35. Total Margins & Equities (29 thru 34)	70,889,199.44	68,135,460.38	-2,753,739.06
36. Long-Term Debt - CFC (Net)	90,353,593.91	100,544,778.13	10,191,184.22
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	90,353,593.91	100,544,778.13	10,191,184.22
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,807,132.95	6,914,918.88	107,785.93
41. Total Other Noncurrent Liabilities (39 + 40)	6,807,132.95	6,914,918.88	107,785.93
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable	6,211,253.32	7,693,881.46	1,482,628.14
44. Consumers Deposits	2,328,321.07	2,336,773.72	8,452.65
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	2,927,787.20	1,886,807.35	-1,040,979.85
49. Total Current & Accrued Liabilities (42 thru 48)	11,467,361.59	11,917,462.53	450,100.94
50. Deferred Credits	1,664,425.14	318,748.66	-1,345,676.48
51. Total Liab. & Other Credits (35+38+41+49+50)	181,181,713.03	187,831,368.58	6,649,655.55

Nolin Rural Electric Coop

General Ledger

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Page: 1

CFC Form 7

INCOME STATEMENT FOR MAR 2016

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	21,740,137.80	20,427,156.69	21,105,656.00	5,555,880.51	6,155,961.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	16,612,280.00	14,657,515.00	15,201,645.00	3,756,100.00	4,488,606.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,092,275.61	489,688.36	1,094,718.00	-323,753.15	364,906.00
7. Distribution Expense - Maintenance	900,977.55	1,296,584.94	1,149,039.00	507,839.20	383,013.00
8. Customer Accounts Expense	658,901.68	657,506.72	644,777.00	201,409.81	211,873.00
9. Customer Service and Informational Expense	221,947.51	191,196.24	223,770.00	69,591.33	74,590.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	1,139,758.43	1,195,343.04	1,144,998.00	390,818.43	381,666.00
12. Total Operation & Maintenance Expense (2 thru 11)	20,626,140.78	18,487,834.30	19,458,947.00	4,602,005.62	5,904,654.00
13. Depreciation & Amortization Expense	1,000,537.55	1,119,719.10	1,028,012.00	374,890.39	342,664.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	699,365.76	757,610.92	1,116,915.00	284,122.25	384,715.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	688.19	26,685.14	702.00	1,656.99	234.00
19. Other Deductions	2,698.02	4,123.93	6,000.00	972.17	2,000.00
20. Total Cost of Electric Service (12 thru 19)	22,329,430.30	20,395,973.39	21,610,576.00	5,263,647.42	6,634,267.00
21. Patronage Capital & Operating Margins (1 minus 20)	-589,292.50	31,183.30	-504,920.00	292,233.09	-478,306.00
22. Non Operating Margins - Interest	376,871.42	471,418.15	440,769.00	156,877.69	146,923.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	101,679.89	27,921.09	3,924.00	4,956.32	1,308.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	336,290.47	88,226.45	0.00	63,926.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	225,549.28	618,748.99	-60,227.00	517,993.10	-330,075.00
Operating - Margin	-253,002.03	119,409.75	-504,920.00	356,159.09	-478,306.00
Non Operating - Margin	478,551.31	499,339.24	444,693.00	161,834.01	148,231.00
Times Interest Earned Ratio - Operating	0.16	1.04			
Times Interest Earned Ratio - Net	1.32	1.82			
Times Interest Earned Ratio - Modified	0.84	1.70			

Nolin Rural Electric Coop

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Page: 1

CFC Form 7

BALANCE SHEET FOR APR 2016

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	107,221,329.73	112,032,579.21	4,811,249.48
2. Construction Work in Progress	1,392,713.39	1,738,455.89	345,742.50
3. Total Utility Plant (1 + 2)	108,614,043.12	113,771,035.10	5,156,991.98
4. Accum. Provision for Depreciation and Amort.	-43,063,065.28	-41,869,350.15	1,193,715.13
5. Net Utility Plant (3 - 4)	65,550,977.84	71,901,684.95	6,350,707.11
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	33,434,873.29	36,793,965.97	3,359,092.68
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,455,121.84	1,437,600.37	-17,521.47
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	255,556.81	294,781.81	39,225.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	35,145,551.94	38,526,348.15	3,380,796.21
15. Cash - General Funds	5,785,905.40	2,676,865.19	-3,109,040.21
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments	5,000.00	63,794.31	58,794.31
19. Notes Receivable (Net)	1,098.38	3,423.91	2,325.53
20. Accounts Receivable - Sales of Energy (Net)	7,437,442.55	6,603,617.09	-833,825.46
21. Accounts Receivable - Other (Net)	61,796,687.64	63,222,902.55	1,426,214.91
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,255,449.47	1,326,143.61	70,694.14
24. Prepayments	360,908.64	351,565.41	-9,343.23
25. Other Current and Accrued Assets	-9,252.61	-10,504.74	-1,252.13
26. Total Current and Accrued Assets (15 thru 25)	76,633,239.47	74,237,807.33	-2,395,432.14
27. Deferred Debits	2,860,544.42	2,483,741.51	-376,802.91
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	180,190,313.67	187,149,581.94	6,959,268.27
LIABILITIES AND OTHER CREDITS			
29. Memberships	276,375.00	274,455.00	-1,920.00
30. Patronage Capital	71,111,878.84	65,564,015.03	-5,547,863.81
31. Operating Margins - Prior Years	0.00	0.00	0.00
32. Operating Margins - Current Year	-7,272,723.68	-3,485,297.27	3,787,426.41
33. Non-Operating Margins	634,558.16	680,252.01	45,693.85
34. Other Margins and Equities	-715,181.70	661,127.41	1,376,309.11
35. Total Margins & Equities (29 thru 34)	64,034,906.62	63,694,552.18	-340,354.44
36. Long-Term Debt - CFC (Net)	98,353,593.91	100,544,778.13	2,191,184.22
37. Long-Term Debt - Other (Net)	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	98,353,593.91	100,544,778.13	2,191,184.22
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions	6,817,106.67	6,921,517.52	104,410.85
41. Total Other Noncurrent Liabilities (39 + 40)	6,817,106.67	6,921,517.52	104,410.85
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable	4,584,064.64	11,194,169.25	6,610,104.61
44. Consumers Deposits	2,332,471.48	2,330,006.47	-2,465.01
45. Current Maturities Long-Term Debt	0.00	0.00	0.00
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases	0.00	0.00	0.00
48. Other Current and Accrued Liabilities	3,121,058.36	2,146,758.88	-974,299.48
49. Total Current & Accrued Liabilities (42 thru 48)	10,037,594.48	15,670,934.60	5,633,340.12
50. Deferred Credits	947,111.99	317,799.51	-629,312.48
51. Total Liab. & Other Credits (35+38+41+49+50)	180,190,313.67	187,149,581.94	6,959,268.27

Nolin Rural Electric Coop

General Ledger

11/15/2016 9:56:12 AM

Page: 1

CFC Form 7

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	26,476,516.37	23,107,751.27	26,414,261.00	2,680,594.58	5,308,605.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	19,752,079.00	18,016,950.00	19,097,583.00	3,359,435.00	3,895,938.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,393,756.16	1,571,587.77	1,459,624.00	409,569.14	364,906.00
7. Distribution Expense - Maintenance	1,159,410.22	1,817,423.87	1,532,052.00	520,838.93	383,013.00
8. Customer Accounts Expense	875,685.78	884,063.55	853,901.00	226,556.83	209,124.00
9. Customer Service and Informational Expense	309,523.41	235,122.55	298,360.00	44,551.31	74,590.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	1,502,197.46	1,587,893.86	1,526,664.00	392,550.82	381,666.00
12. Total Operation & Maintenance Expense (2 thru 11)	24,992,652.03	24,113,041.60	24,768,184.00	4,953,502.03	5,309,237.00
13. Depreciation & Amortization Expense	1,336,289.74	1,499,520.18	1,370,670.00	379,801.08	342,658.00
14. Tax Expense - Property	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	928,924.15	1,032,567.94	1,484,657.00	274,957.02	367,742.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	917.72	27,388.66	936.00	703.52	234.00
19. Other Deductions	6,826,746.88	6,272.43	8,000.00	2,148.50	2,000.00
20. Total Cost of Electric Service (12 thru 19)	34,085,530.52	26,678,790.81	27,632,447.00	5,611,112.15	6,021,871.00
21. Patronage Capital & Operating Margins (1 minus 20)	-7,609,014.15	-3,571,039.54	-1,218,186.00	-2,930,517.57	-713,266.00
22. Non Operating Margins - Interest	524,422.98	627,977.40	587,692.00	156,559.25	146,923.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	110,135.18	52,274.61	5,232.00	24,353.52	1,308.00
26. Generation and Transmission Capital Credits	0.00	-2,484.18	0.00	-2,484.18	0.00
27. Other Capital Credits and Patronage Dividends	336,290.47	88,226.45	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	-6,638,165.52	-2,805,045.26	-625,262.00	-2,752,088.98	-565,035.00
Operating - Margin	-7,272,723.68	-3,485,297.27	-1,218,186.00	-2,933,001.75	-713,266.00
Non Operating - Margin	634,558.16	680,252.01	592,924.00	180,912.77	148,231.00
Times Interest Earned Ratio - Operating	-7.19	-2.46			
Times Interest Earned Ratio - Net	-6.15	-1.72			
Times Interest Earned Ratio - Modified	-6.51	-1.80			

NOLIN RECC
ELIZABETHTOWN, KY

Case No. 2016-00367

COST OF SERVICE STUDY

Test Year -

Twelve Months Ending April 2016

Prepared by: August 2016

**NOLIN RECC
CASE NO. 2016-00367**

**Cost of Service Study
Outline**

Schedule

- A Test Year - Actual & Adjusted
- B Test Year Adjustments
- C Functionalization of Expenses
- D Funtionalization Footnotes
- E Rate Base Functionalized
- F Classification of Expenses
- G Determination of Demand & Consumer Related Plant Investments
- H Allocation of Costs
- I Demand & Energy Allocators
- J Consumer Allcators
- K Unbundled Statement of Operations
- L Increase Amounts by Rate Class & Rate Design
- M Rate Base for Each Rate Class

ACTUAL TEST YEAR ADJUSTED TEST YEAR

Acct No.	Description	Actual \$\$\$\$	Test Year Adjustments					Pro Forma \$\$\$\$
			<u>Adjustment</u> 1, 2, 5 & 6	<u>Adjustments</u> 3, 4, 7 & 8	<u>Adjustment</u> 9, 10 & 11	<u>Adjustment</u> 12	<u>Adjustments</u> 13	
555	Demand Charges	10,142,289				(60,088)		10,082,201
	Energy Charges	40,789,022				(4,086,292)		36,702,730
	Load Center Charges	849,936						849,936
								-
	Total Purchased Power	51,781,247			-	(4,146,380)		47,634,867
								-
580	Super & Eng	188,423	2,220				(24,377)	166,265
582	Station Expnese	3,451					(3,451)	-
583	O/H Line	1,703,511	8,011				(160,593)	1,550,929
584	U/G line	173,256	1,390				(74,444)	100,202
586	Meter	708,507	8,107				(2,668)	713,946
587	Constr Install Eqt	89,606	254					89,860
588	Misc. Distribution Plant	1,690,739	14,721	2,376			(90,816)	1,617,021
	Total Operations	4,557,493	34,702	2,376	-	-	(356,349)	4,238,222
								-
590	Supervision	241,342	3,022				(77,598)	166,766
592	Station Equipment	382,046	485				(382,095)	436
593.	O/H Lines	2,889,367	16,055				(357,356)	2,548,066
594	Underground Lines	90,718	722				(54,671)	36,769
595	Transformers	34,362	2,017				4,625	41,004
596	Maintence of Street Lights	285,737					(169,686)	116,050
597	Meters	127,521	1,614				(4,269)	124,867
598	Misc. Distribution Plant	489,659	1,139	4,248			(136,540)	358,507
	Total Distribut Maintenance	4,540,753	25,054	4,248	-	-	(1,177,591)	3,392,464

ACTUAL TEST YEAR ADJUSTED TEST YEAR

Acct	Description	Actual \$\$\$\$	Test Year Adjustments					Pro Forma \$\$\$\$
			Adjustment 1, 2, 5 & 6	Adjustments 3, 4, 7 & 8	Adjustment 9, 10 & 11	Adjustment 12	Adjustments 13	
								-
901	Supervision	168,699	2,251					170,950
902	Meter Reading Expense	170,070	2,156	1,092			(28,398)	144,920
903	Cons Recds & Collections	1,989,558	20,556				(8,088)	2,002,027
904	Uncollectible Accounts	175,762	-					175,762
								-
	Total Consumer Accounts	2,504,089	24,963	1,092	-	-	(36,485)	2,493,658
								-
907	Supervision, Customer Service	52,161	686					52,848
908	Customer Assist. Expense	128,704	4,246	902				133,852
909	Advertising	29,408						29,408
910	Misc. Customer Service	456,685	3,014					459,699
								-
	Total Consumer Service	666,958	7,947	902				675,807
								-
	Total of Above	64,050,540	92,666	4,370	-	(5,323,971)	(1,570,426)	58,435,019
								-
920	Administrative Salaries	1,955,171	17,504				(176,718)	1,795,958
921	Office Supplies	717,609					(43,168)	674,440
923	Outside Services	526,399		(326,143)			(19,430)	180,826
926	Retirement & Security-Emplo	368,186						368,186
928	Regulatory Expense	12,845						12,845
929	Duplicate Charges	(68,933)						(68,933)
930.2	Misc. General Exp-Other	294,235	171	1,549	(34,614)			261,341
930.21	Director Fees	126,169		(83,999)			-	42,170
930.23	Dues	120,405					-	120,405
935	General Plant Maintenance	382,419	762				(18,401)	364,780

NOL ~~1~~ ECC
CASE NO. 2016-00367
ACTUAL TEST YEAR ADJUSTED TEST YEAR

Acct	Description	Actual \$\$\$\$	Test Year Adjustments					Pro Forma \$\$\$\$
			Adjustment 1, 2, 5 & 6	Adjustments 3, 4, 7 & 8	Adjustment 9, 10 & 11	Adjustment 12	Adjustments 13	
	Total Admin & General	4,434,505	18,437	(408,593)	(34,614)	-	(257,717)	3,752,018
403	Deprec. Distribution Plant	3,897,015		383,944				4,280,959
403	Deprec. General Plant	365,040					(6,123)	358,917
	Total Depreciation	4,262,055	-	383,944	-	-	(6,123)	4,639,876
426.11	Donations	34,604			(34,604)			-
	Total Miscellaneous	34,604	-	-	(34,604)	-		-
427.2	Interet on LTD-CFC	3,024,787		(7,866)			(1,306,646)	1,710,275
	Total Interest on LTD	3,024,787	-	(7,866)	-	-	(1,306,646)	1,710,275
	Total Short Term Interest	41,086		(36,641)				4,445
	Total Costs	75,847,577	111,103	(64,786)	(69,218)	(5,323,971)	(3,140,912)	68,541,633

**NOLIN RECC
CASE NO. 2016-00367**

TEST YEAR ADJUSTMENTS

		Wages & Salaries	Payroll Taxes	FAS 106	R&S	Total
Adjustments 1, 2, 5 and 6		<u>1</u>	<u>2</u>	<u>5</u>	<u>6</u>	
Distribution - operations		5,136	1,705	10,109	17,752	34,702
Distribution - maintenance		2,994	1,272	7,543	13,245	25,054
Consumer accounts		3,544	1,235	7,324	12,860	24,963
Customer service		1,145	392	2,326	4,084	7,947
Sales		0	0	0		0
Administrative and general		3,411	867	5,138	9,021	18,437
Total operating expenses		16,230	5,471	32,440	56,962	111,103
Allocation of Adjustments to Accounts		Wage & Sal. Expenses		Total		Allocated Adjust.
580.00	Supervision, operations	42,278		6.4%		2,220
583.00	Overhead line	152,587		23.1%		8,011
584.00	Undergroun line	26,477		4.0%		1,390
586.00	Meter	154,415		23.4%		8,107
587.00	Installations	4,834		0.7%		254
588.00	Miscellaneous distribution	280,411	661,004	42.4%		14,721
590.00	Supervision, maintenance	51,083		12.1%		3,022
592.00	Station	8,204		1.9%		485
593.00	Overhead line	271,409		64.1%		16,055
594.00	Underground	12,202		2.9%		722
596.00	Street lights	34,097		8.1%		2,017
597.00	Meters	27,292		6.4%		1,614
598.00	Miscellaneous maintenance	19,261	423,547	4.5%		1,139
901.00	Supervision	40,841		9.0%		2,251
902.00	Meter reading	39,108		8.6%		2,156
903.00	Consumer records	372,914	452,862	82.3%		20,556
907.00	Supv Cons Serv & Infor.	12,618		8.6%		686
908.00	Consumer Assistance	78,045		53.4%		4,246
910.00	Misc customer information	55,408	146,071	37.9%		3,014
920.00	Administrative	482,047		94.9%		17,504
930.00	Miscellaneous	4,707		0.9%		171
935.00	Maintenance general plant	20,980	507,734	4.1%		762
Total Wages & Salaries		2,191,218	2,191,218	500%		111,103

TEST YEAR ADJUSTMENTS

	Wages & Salaries	Payroll Taxes	FAS 106	R&S	Total
	Depreciation	Interest Expense	Profess. Fees	Directors Expense	Total
	<u>3</u>	<u>4</u>	<u>7</u>	<u>8</u>	
Operating Expenses:					
Cost of power:					
Base rates					
Fuel and surcharge					
Distribution - operations	2,376				2,376
Distribution - maintenance	4,248				4,248
Consumer accounts	1,092				1,092
Customer service	902				902
Sales	-				-
Administrative and general	1,549		(326,143)	(83,999)	(408,593)
Depreciation	383,944				383,944
Taxes - other					-
Interest on long-term debt		(7,866)			(7,866)
Interest expense - other		(36,641)			(36,641)
Other deductions					-
Total Operating Expenses	394,111	(44,507)	(326,143)	(83,999)	(60,538)
			<u>Annual & Misc Expenses</u>	<u>Advertising & Rate Case Expenses</u>	<u>Purchased Power & Total</u>
	<u>9</u>	<u>10</u>	<u>11 & 12</u>	<u>15</u>	
Operating Expenses:					-
Cost of power:					-
Base rates				(60,088)	(60,088)
Fuel and surcharge				(4,086,292)	(4,086,292)
Distribution - operations					-
Distribution - maintenance					-
Consumer accounts					-
Customer service					-
Sales					-
Administrative and general		(18,408)	(16,206)		(34,614)
Depreciation					-
Taxes - other					-
Interest on long-term debt					-
Interest expense - other					-
Other deductions	(34,604)				(34,604)
Total Operating Expenses	(34,604)	(18,408)	(16,206)	(4,146,380)	(4,215,598)

TEST YEAR ADJUSTMENTS

		Wages & Salaries	Payroll Taxes	FAS 106	R&S	Total
		Fort Knox Activities Adj. 13				
580.0	"" Ft. Knox	24,377				
582	Station Ft. Knox	3,451				
583	OH Lines	160,593				
584	UG Lines	74,444				
586	Meters	2,668				
588	Misc Dist Eq	90,816				
590	Supervision	77,598				
592	Substations	382,095				
593	OH Lines	357,356				
594	UG Lines	54,671				
595	Transformers	(4,625)				
596	Street Lights	169,686				
597	Meters	4,269				
598	Misc Distr Plant	136,540				
902	Meter Reading	28,398				
903	Consumer Collection	8,088				
920	Office Salaries	176,718				
921	Office Supplies	43,168				
923	Outside Services	19,430				
935	Misc. General Plant	18,401				
403.71	Depreciation	6,123				
427.30	CFC Interest Expense	1,306,646				
		3,140,912				

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation	Pro Forma	Power			Trans
		<u>Basis</u>	<u>\$\$\$\$</u>	<u>Supply</u>	<u>Stations</u>	<u>Lines</u>	<u>former</u>
Acct No.	Description						
	Demand Charges	Direct Assign	10,082,201	10,082,201			
555	Energy Charges	Direct Assign	36,702,730	36,702,730			
	Load Center Charges	Direct Assign	849,936	849,936			
	Total Purchased Power		47,634,867	47,634,867			
580	Super & Eng	Prop. Exp(b)	166,265		-	92,065	-
582	Station Expnese	Plant Bal (a)	-		-	-	
583	O/H Line	Plant Bal (a)	1,550,929			1,276,860	
584	U/G line	Direct Assign	100,202			82,495	
586	Meter	Direct Assign	713,946				
587	Consumer Installations	Prop. Exp(b)	89,860			-	-
588	Misc. Distribution Plant	Prop. Exp(b)	1,617,021		-	895,381	-
	Total Operations		4,238,222	-	-	2,346,801	-
			-			-	-
590	Supervision	Prop. Exp©	166,766		25	123,775	2,385
592	Station Equipment	Plant Bal (a)	436	-	436	-	-
593.	O/H Lines	Plant Bal (a)	2,548,066			2,097,790	
594	Underground Lines	Plant Bal (a)	36,769			30,271	
595	Transformers	Plant Bal (a)	41,004			-	41,004
596	Maintence of Street Lights	Direct Assign	116,050				
597	Meters	Direct Assign	124,867				
598	Misc. Distribution Plant	Prop. Exp(b)	358,507		55	266,087	5,127

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation			Cons&Acct	Outdoor
		Basis	Services	Meters	Services	Lighting
Acct	Description					
No.	Demand Charges	Direct Assign				
555	Energy Charges	Direct Assign				
	Load Center Charges	Direct Assign				
	Total Purchased Power					
580	Super & Eng	Prop. Exp(b)	19,761	48,353		6,086
582	Station Expnese	Plant Bal (a)	-			
583	O/H Line	Plant Bal (a)	274,069			
584	U/G line	Direct Assign	17,707			
586	Meter	Direct Assign		713,946		
587	Consumer Installations	Prop. Exp(b)	-	0	-	89,860
588	Misc. Distribution Plant	Prop. Exp(b)	192,187	470,263		59,189
	Total Operations		503,724	1,232,562	-	155,135
			-	-		-
590	Supervision	Prop. Exp©	26,568	7,263		-
592	Station Equipment	Plant Bal (a)	-		-	
593.	O/H Lines	Plant Bal (a)	450,276			
594	Underground Lines	Plant Bal (a)	6,497			
595	Transformers	Plant Bal (a)	-			
596	Maintenance of Street Lights	Direct Assign				
597	Meters	Direct Assign		124,867		
598	Misc. Distribution Plant	Prop. Exp(b)	57,114	15,613		-

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation	Pro Forma	Power			Trans
		<u>Basis</u>	<u>\$\$\$\$</u>	<u>Supply</u>	<u>Stations</u>	<u>Lines</u>	<u>former</u>
	Total Distribut Maintenance	Prop. Exp(b)	3,392,464	-	516	2,517,924	48,516
			-				-
901	Supervision	Direct Assign	170,950				
902	Meter Reading Expense	Direct Assign	144,920				
903	Cons Recds & Collections	Direct Assign	2,002,027				
904	Uncollectible Accounts	Direct Assign	175,762				
	Total Consumer Accounts		2,493,658	-		-	-
			-				
907	Supervision, Customer service		52,848				
908	Customer Assist. Expense	Direct Assign	133,852				
909	Customer Information Exp	Direct Assign	29,408				
913	Advertising	Direct Assign	459,699				
	Total Customer Service		675,807			-	-
	Total of Above		58,435,019	47,634,867	516	4,864,724	48,516
			-		0.00%	45.04%	0.45%
	920	Administrative Salaries	Prop All Expense	1,795,958	86	808,955	8,068
0	921	Office Supplies	Prop All Expense	674,440	32	303,789	3,030
	923	Outside Services	Prop All Expense	180,826	9	81,450	812
	926	Retirement & Security-Emplo	Prop All Expense	368,186	18	165,842	1,654
	928	Regulatory Expense	Prop All Expense	12,845	1	5,786	58
	929	Duplicate Charges	Prop All Expense	(68,933)	(3)	(31,050)	(310)
	930.2	Misc. General Exp-Other	Prop All Expense	261,341	12	117,716	1,174
	930.21	Director Fees	Prop All Expense	42,170	2	18,995	189

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation			Cons&Acct	Outdoor
		Basis	Services	Meters	Services	Lighting
	Total Distribut Maintenance	Prop. Exp(b)	540,455	147,743	-	-
901	Supervision	Direct Assign			170,950	
902	Meter Reading Expense	Direct Assign			144,920	
903	Cons Recds & Collections	Direct Assign			2,002,027	
904	Uncollectible Accounts	Direct Assign			175,762	
	Total Consumer Accounts		-	-	2,493,658	-
907	Supervision, Customer service				52,848	
908	Customer Assist. Expense	Direct Assign			133,852	
909	Customer Information Exp	Direct Assign			29,408	
913	Advertising	Direct Assign			459,699	
	Total Customer Service		-		675,807	-
	Total of Above		1,044,179	1,380,305	3,169,465	155,135
			9.67%	12.78%	29.35%	1.44%
920	Administrative Salaries	Prop All Expense	173,637	229,531	527,050	25,797
921	Office Supplies	Prop All Expense	65,206	86,196	197,924	9,688
923	Outside Services	Prop All Expense	17,483	23,110	53,066	2,597
926	Retirement & Security-Emplo	Prop All Expense	35,597	47,056	108,050	5,289
928	Regulatory Expense	Prop All Expense	1,242	1,642	3,770	185
929	Duplicate Charges	Prop All Expense	(6,665)	(8,810)	(20,230)	(990)
930.2	Misc. General Exp-Other	Prop All Expense	25,267	33,401	76,694	3,754
930.21	Director Fees	Prop All Expense	4,077	5,390	12,376	606

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation	Pro Forma	Power			Trans
		Basis	\$\$\$\$	Supply	Stations	Lines	former
930.23	Dues	Prop All Expense	120,405		6	54,234	541
935	General Plant Maintenance	Prop All Expense	364,780		17	164,308	1,639
	Total Admin & General		3,752,018	-	179	1,690,026	16,855
			-			-	-
403	Deprec. Distribution Plant		4,280,959		29,176	2,467,516	827,089
403	Deprec. General Plant		358,917		17	161,667	1,612
	Total Depreciation		4,639,876	-	29,193	2,629,184	828,702
			-				
426.11	Donations		-				
	Total Miscellaneous		-	-		-	-
		Rate Base	-			-	-
	Total Interest on LTD	Rate Base	1,710,275	-	9,915	953,384	281,878
		Rate Base	-				
	Total Short Term Interest		4,445		26	2,478	733
			-				
	Total Costs		68,541,633	47,634,867	39,829	10,139,796	1,176,683

NOLIN RECC
Case No. 2016-00367

Functionalization of Costs

		Allocation			Cons&Acct	Outdoor
		<u>Basis</u>	<u>Services</u>	<u>Meters</u>	<u>Services</u>	<u>Lighting</u>
930.23	Dues	Prop All Expense	11,641	15,388	35,335	1,730
935	General Plant Maintenance	Prop All Expense	35,268	46,620	107,050	5,240
	Total Admin & General		362,752	479,524	1,101,086	53,895
			-	-	-	
403	Deprec. Distribution Plant		529,635	312,311	-	87,433
403	Deprec. General Plant		34,701	45,871	105,329	5,156
	Total Depreciation		564,336	358,182	105,329	92,589
426.11	Donations					
	Total Miscellaneous		-	-	-	-
		Rate Base	-	-	-	-
	Total Interest on LTD	Rate Base	204,637	138,882	75,501	33,371
		Rate Base				
	Total Short Term Interest		532	361	196	87
	Total Costs		2,176,435	2,357,254	4,451,577	335,077

FUNCTIONALIZATION OF COSTS
FOOTNOTES

		Amount	Percent							
(a)	<u>Plant Balances</u>									
	Poles, Towers & Fixtures	24,760,631								
	Overhead Conductor	22,237,643								
	Underground Conductor	7,890,295								
	Subtotal	54,888,570	82.3%							
	Services	11,781,443	17.7%							
	Total	66,670,013	100.0%							
(b)	<u>Expense Proportion</u>						Outdoor	Street		
		Stations	Lines	Transformers	Services	Meters	Lighting	Lighting	Total	
582	Station Expnese	-	-	-	-	-	-	-	-	
583	O/H Line		1,276,860	-	274,069	-	-	-	1,550,929	
584	U/G line		82,495	-	17,707		-	-	100,202	
586	Meter			-		713,946			713,946	
587	Consumer Installations		-				89,860		89,860	
	Total	-	1,359,354	-	291,776	713,946	89,860		2,454,936	2,454,936
	Percent	0.00%	55.37%	0.00%	11.89%	29.08%	3.66%		100%	

FUNCTIONALIZATION OF COSTS
FOOTNOTES

							Outdoor	Street		
(c)	Expense Proportion						Lighting	Lighting	Total	
		Stations	Lines	Transformers	Services	Meters				
592	Station Equipment	436	-	-	-	-			436	
593	O/H Lines		2,097,790	-	450,276	-			2,548,066	
594	Underground Lines		30,271		6,497				36,769	
595	Transformers		-	41,004	-	-			41,004	
596	Maintenance of Street Lights					-		116,050	116,050	
597	Meters					124,867			124,867	
	Total Distribut Maintena	436	2,128,061	41,004	456,773	124,867	-	116,050	2,867,192	
	Percent	0.02%	74.22%	1.43%	15.93%	4.36%	0.00%	4.05%	100%	
(d)	Expense Proportion							Outdoor	Street	
		Stations	Lines	Transformers	Services	Meters	Consumer	Lighting	Lighting	Total
	Total Distribution Oper	-	2,346,801	-	503,724	1,232,562	-	155,135	-	4,238,222
	Total Distribution Maint	516	2,517,924	48,516	540,455	147,743	-	-	137,311	3,392,464
	Total Consumer Acctg		-	-	-	-	2,493,658	-	-	2,493,658
	Total Customer Service		-	-	-	-	675,807	-	-	675,807
	Total	516	4,864,724	48,516	1,044,179	1,380,305	3,169,465	155,135	137,311	10,800,152
	Percent	0.00%	45.04%	0.45%	9.67%	12.78%	29.35%	1.44%	1.27%	1

NOLIN RECC
Case No. 2016-00367

NET INVESTMENT RATE BASE

								Consumer & Accounting	Outdoor
	Description	Total \$\$\$\$	Stations	Lines	Transformers	Services	Meters	Services	Lighting
360	Land & Land Rights								
362	Station eqt	649,002	649,002						
364	Poles, towers	24,760,631		24,760,631					
365	O\H conductor	22,237,643		22,237,643					
366	UG conductor	7,890,295		7,890,295					
368	Transformers	18,398,152			18,398,152				
369	Services	11,781,443				11,781,443			
370	Meters	6,845,241					6,845,241		
371	Install on Cust Premises	1,944,907							1,944,907
372	Temporary Meter Poles	101,945		-			101,945		
373	Street Lighting	618,365							
	Total Distribution Plant	95,227,624	649,002	54,888,569	18,398,152	11,781,443	6,947,186	-	1,944,907
			0.68%	57.64%	19.32%	12.37%	7.30%	0.00%	2.04%
	Total General Plant	17,150,698	820	7,725,208	77,044	1,658,161	2,191,932	5,033,127	246,355
			0.0%	45.0%	0.4%	9.7%	12.8%	29.3%	1.4%

NOLIN RECC
Case No. 2016-00367

NET INVESTMENT RATE BASE

								Consumer & Accounting	Outdoor
Description	Total \$\$\$\$	Stations	Lines	Transformers	Services	Meters	Services	Lighting	
Total Utility Plant in Serv	112,378,322	649,822	62,613,777	18,475,196	13,439,604	9,139,118	5,033,127	2,191,262	
Accum. Depreciation	41,869,350	242,107	23,328,326	6,883,396	5,007,260	3,405,006	1,875,217	816,410	
Net Plant in Service	70,508,972	407,714	39,285,451	11,591,800	8,432,344	5,734,111	3,157,910	1,374,853	
	113,771,035	0.58%	55.72%	16.44%	11.96%	8.13%	4.48%	1.95%	
CWIP	1,392,713	9,492	802,751	269,075	172,305	101,603	-	28,444	
	71,901,685	417,206	40,088,201	11,860,875	8,604,649	5,835,714	3,157,910	1,403,297	
Plus									
Cash Working Capital	2,003,885	11,587	1,116,504	329,442	239,650	162,965	89,749	39,074	
Materials & Supplies	1,221,173	7,061	680,400	200,763	146,043	99,311	54,693	23,812	
Prepayments	206,387	1,193	114,993	33,930	24,682	16,784	9,244	4,024	
Minus: Consumer Advances	317,800	2,166	183,178	61,400	39,318	23,185	-	6,491	
Net Investment Rate Base	75,015,330	434,882	41,816,920	12,363,611	8,975,706	6,091,590	3,311,595	1,463,716	
Percentage		0.58%	55.74%	16.48%	11.97%	8.12%	4.41%	1.95%	

NOL ECC
CASE NO. 06-00367
CLASSIFICATION OF COSTS

Acct No.	Description	Pro Forma \$\$\$\$	Power Supply			Lines	
			Demand	Energy	Load Center	Stations	Demand
555	Demand Charges	10,082,201	10,082,201				
	Energy Charges	36,702,730	-	36,702,730			
	Load Center Charges	849,936			849,936		
	Total Purchased Power	47,634,867	10,082,201	36,702,730	849,936		
580	Super & Eng	166,265			-	51,656	40,409
582	Station Expnese	-			-	-	-
583	O/H Line	1,550,929			-	746,762	530,098
584	U/G line	100,202			-	31,202	51,293
586	Meter	713,946			-		
587	Consumer Installations	89,860			-		
588	Misc. Distribution Plant	1,617,021			-	502,380	393,001
	Total Operations	4,238,222	-	-	-	1,332,000	1,014,801
		0					
590	Supervision	166,766			25	72,389	51,386
592	Station Equipment	436			436		-
593.	O/H Lines	2,548,066			-	1,226,877	870,913
594	Underground Lines	36,769			-	11,449	18,822
595	Transformers	41,004			-	-	
596	Maintence of Street Lights	116,050			-		
597	Meters	124,867			-		
598	Misc. Distribution Plant	358,507			55	155,619	110,468
	Total Distribut Maintenance	3,392,464	-	-	-	1,466,335	1,051,589
901	Supervision	170,950					
902	Meter Reading Expense	144,920					
903	Cons Recds & Collections	2,002,027					
904	Uncollectible Accounts	175,762					
	Total Consumer Accounts	2,493,658					
907	Supervision, Customer service	52,848					
908	Customer Assist. Expense	133,852					
909	Customer Information Exp	29,408					
913	Advertising	459,699					
	Total Customer Service	675,807	-		-	-	

NOL - CC
CASE NO 5-00367
CLASSIFICATION OF COSTS

Acct No.	Description	Transformers		Services	Meters	Cons & Acct	Outdoor	Street
		Demand	Consumer	Consumer	Consumer	Consumer	Lighting	Lighting
555	Demand Charges							
	Energy Charges							
	Load Center Charges							
	Total Purchased Power							
580	Super & Eng			19,761	48,353		6,086	
582	Station Expnese			-				
583	O/H Line			274,069				
584	U/G line			17,707	-			
586	Meter				713,946			
587	Consumer Installations						89,860	
588	Misc. Distribution Plant			192,187	470,263	-	59,189	
	Total Operations	-	-	503,724	1,232,562	-	155,135	-
		0						
590	Supervision	1,418	967	26,568	7,263	-	-	6,750
592	Station Equipment			-				
593.	O/H Lines			450,276				
594	Underground Lines			6,497				
595	Transformers	24,382	16,623	-				
596	Maintence of Street Lights							116,050
597	Meters				124,867			-
598	Misc. Distribution Plant	3,049	2,078	57,114	15,613	-		14,511
	Total Distribut Maintenance	28,848	19,668	540,455	147,743	-	-	137,311
901	Supervision					170,950		
902	Meter Reading Expense					144,920		
903	Cons Recds & Collections					2,002,027		
904	Uncollectible Accounts					175,762		
	Total Consumer Accounts	-	-	-	-	2,493,658	-	-
907	Supervision, Customer service					52,848		
908	Customer Assist. Expense					133,852		
909	Customer Information Exp					29,408		
913	Advertising					459,699		
	Total Customer Service	-	-	-	-	675,807	-	-

NOL EEC
CASE NO. 16-00367
CLASSIFICATION OF COSTS

Acct	Description	Pro Forma \$\$\$\$	Power Supply			Lines		
			Demand	Energy	Load Center	Stations	Demand	Consumer
	Total of Above	58,435,019	10,082,201	36,702,730	849,936	516	2,798,334	2,066,390
920	Administrative Salaries	1,795,958				86	473,111	335,844
921	Office Supplies	674,440				32	177,669	126,120
923	Outside Services	180,826				9	47,635	33,814
926	Retirement & Security-Employers	368,186				18	96,992	68,851
928	Regulatory Expense	12,845				1	3,384	2,402
929	Duplicate Charges	(68,933)				(3)	(18,159)	(12,891)
930.2	Misc. General Exp-Other	261,341				12	68,845	48,871
930.21	Director Fees	42,170				2	11,109	7,886
930.23	Dues	120,405				6	31,718	22,516
935	General Plant Maintenance	364,780				17	96,094	68,214
	Total Admin & General	3,752,018				179	988,399	701,627
		-						
403	Deprec. Distribution Plant	4,280,959				29,176	1,443,109	1,024,408
403	Deprec. General Plant	358,917				17	94,550	67,117
	Total Depreciation	4,639,876	-		-	29,193	1,537,659	1,091,525
426.1	Donations	-						
	Total Miscellaneous	-						
		-					-	-
	Total Interest on LTD	1,710,275	-			9,915	557,580	395,805
		-					-	-
	Total Short Term Interest	4,445	-			26	1,449	1,029
		-					-	-
	Total Costs	68,541,633	10,082,201	36,702,730	849,936	39,829	5,883,421	4,256,375
		-					-	-
	Margin Requirements	1,710,275	-	-	-	9,915	557,580	395,805
	Total Revenue Requirements	70,251,908	10,082,201	36,702,730	849,936	49,744	6,441,001	4,652,179
	Less: Misc Income & Other In							
	Total Misc Income	888,918						
	Total Other Income	164,588						
		-						
	Revenue Requirements	-						
	from Rates	69,198,401						

NOL ECC
CASE NO. 6-00367
CLASSIFICATION OF COSTS

Acct	Description	Transformers		Services	Meters	Cons & Acct	Outdoor	Street
		Demand	Consumer	Consumer	Consumer	Consumer	Lighting	Lighting
	Total of Above	28,848	19,668	1,044,179	1,380,305	3,169,465	155,135	137,311
920	Administrative Salaries	4,797	3,271	173,637	229,531	527,050	25,797	22,833
921	Office Supplies	1,801	1,228	65,206	86,196	197,924	9,688	8,575
923	Outside Services	483	329	17,483	23,110	53,066	2,597	2,299
926	Retirement & Security-Employers	983	670	35,597	47,056	108,050	5,289	4,681
928	Regulatory Expense	34	23	1,242	1,642	3,770	185	163
929	Duplicate Charges	(184)	(126)	(6,665)	(8,810)	(20,230)	(990)	(876)
930.2	Misc. General Exp-Other	698	476	25,267	33,401	76,694	3,754	3,323
930.21	Director Fees	113	77	4,077	5,390	12,376	606	536
930.23	Dues	322	219	11,641	15,388	35,335	1,730	1,531
935	General Plant Maintenance	974	664	35,268	46,620	107,050	5,240	4,638
	Total Admin & General	10,022	6,833	362,752	479,524	1,101,086	53,895	47,702
403	Deprec. Distribution Plant	491,795	335,294	529,635	312,311	-	87,433	27,799
403	Deprec. General Plant	959	654	34,701	45,871	105,329	5,156	4,563
	Total Depreciation	492,754	335,948	564,336	358,182	105,329	92,589	32,362
426.1	Donations							
	Total Miscellaneous							
	Total Interest on LTD	167,607	114,271	204,637	138,882	75,501	33,371	12,706
	Total Short Term Interest	436	297	532	361	196	87	33
	Total Costs	699,667	477,016	2,176,435	2,357,254	4,451,577	335,077	230,114
	Margin Requirements	167,607	114,271	204,637	138,882	75,501	33,371	12,706
	Total Revenue Requirements	867,274	591,287	2,381,073	2,496,136	4,527,078	368,448	242,820
	Less: Misc Income & Other In							
	Total Misc Income							
	Total Other Income							
	Revenue Requirements from Rates							

NOLIN RECC
Case No. 2016-00367

Determination of Plant Investments as Demand Related or Consumer Related

Account 364 - Poles									
Pole	Investment	Number of Units	Unit Cost	Size	Number of Units	(SQRT2*3)	(SQRT2)	(SQRT2*4)	
20' FBG	52,597	275	191.26	20.00		3,171.72	16.58	331.66	
25' AL	24,537	21	1,168.41	25.00		5,354.34	4.58	114.56	
25'	888,064	5,832	152.27	25.00		11,628.82	76.37	1,909.19	
30'	828,044	4,385	188.84	30.00		12,504.56	66.22	1,986.58	
35'	1,103,417	8,856	124.60	35.00		11,725.22	94.11	3,293.72	
40'	6,996,795	20,474	341.74	40.00		48,898.75	143.09	5,723.50	
45'	3,283,780	7,062	464.99	45.00		39,076.01	84.04	3,781.61	
50'	1,056,688	1,692	624.52	50.00		25,688.96	41.13	2,056.70	
55'	273,051	395	691.27	55.00		13,738.66	19.87	1,093.10	
60'	82,638	109	758.14	60.00		7,915.24	10.44	626.42	
65'	21,069	12	1,755.76	65.00		6,082.14	3.46	225.17	
70'	69,406	45	1,542.35	70.00		10,346.43	6.71	469.57	
75'	7,972	4	1,993.01	75.00		3,986.03	2.00	150.00	
80'	5,734	4	1,433.62	80.00		10,346.43	2.00	469.57	
12' Whatley	64,774	92	704.06	12.00		3,986.03	9.59	150.00	
14' AL	859	1	858.67	14.00		2,867.23	1.00	160.00	
Total for Sample	14,759,424	49,259							
X Variable - (Size)	18.47								
Zero Intercept	(462.65)								
Use Minimum Size Pole			124.60						
Number of poles			49,259.00						
Consumer Related Investment			6,137,448.08						
Total Investment for sample			14,759,423.95						
Percent Customer Related			41.58%						
Percent Demand Related			58.42%						

NOLIN RECC
Case No. 2016-00367

Account 365 - Overhead Conductor									
Conductor	Investment	Number of Units	Unit Cost	Amps	Number of Units				
					(SQRT2*3)	(SQRT2)	(SQRT2*4)		
6ACWC	5,977	158,780	\$ 0.0376	140	554.40	2,814.53	394,034.12		
8ACWC	15,506	154,482	\$ 0.1004	100	1,233.31	2,377.56	437,471.41		
9.5 DCWC	2,463	119,923	\$ 0.0205		522.99	1,654.55	400,401.93		
6HD CU	1,187	32,853	\$ 0.0361	128	631.58	1,740.09	621,212.21		
1/0 ACWC	3,404	4,942	\$ 0.6888		2,918.41	1,029.46	534,289.52		
4 ACSR	1,560,388	7,921,576	\$ 0.1970	140	1,583.98	1,486.25	771,363.91		
2 ACSR	2,932,280	5,652,801	\$ 0.5187	184	1,233.31	2,377.56	437,471.41		
1/0 ACSR	865,320	2,737,547	\$ 0.3161	242			400,401.93		
3/0 ACSR	1,099,010	3,027,914	\$ 0.3630	357	631.58	1,740.09	621,212.21		
2/0 ACSR	39,085	579,191	\$ 0.0675	322	51.36	761.05	245,056.81		
4/0 ACSR	98,757	330,673	\$ 0.2987	367	171.74	575.04	211,040.32		
#336.4 Spacer Cable	3,004,380	1,059,787	\$ 2.8349	519	2,918.41	1,029.46	534,289.52		
4 Amerductor	27,614	913,101	\$ 0.0302	315	28.90	955.56	301,002.40		
6 Amerductor	4,978	104,452	\$ 0.0477	576	15.40	323.19	186,157.64		
8 Amerductor	9,941	271,895	\$ 0.0366	268	19.06	521.44	139,744.72		
9 Amerductor	284	14,150	\$ 0.0201	268	2.39	118.95	31,879.61		
336.4 ACSR	2,354,187	2,208,940	\$ 1.0658	519	1,583.98	1,486.25	771,363.91		
Total for Sample	12,024,761	25,293,007	\$ 0.4754						
X Variable - (Size)	-0.00027								
Zero Intercept	-0.98335								
Total Amount of Conductor in Feet		25,293,007							
Use Minimum Size		0.19698							
Minimum Size Investment -Consumer Related		4,982,203.62	41.43%						
Demand Related		7,042,557	58.57%						
Investment in Conductor		12,024,761	100.00%						

NOLIN RECC
Case No. 2016-00367

<u>Account 367 - Underground Conductor</u>									
Conductor	Investment	Number of Units	Unit Cost	Amps	(SQRT2*3)	(SQRT2)	(SQRT2*4)		
2 SOL AL Primary	105,495	56,870	1.86	140	442.37	238.47	33,386.40		
1/0 STR AL PRIMARY	2,053,873	901,745	2.28	242	2,162.88	949.60	229,803.82		
4/0 AL & CU PRI	148,235	42,981	3.45	367	715.01	207.32	76,085.92		
500 MCM PRIMARY	1,173,131	165,094	7.11	500	2,887.23	406.32	203,158.80		
	3,480,734	1,166,690	2.98						-
X Variable - (Size)	0.01677								
Zero Intercept	-1.85762								
Total Amount of Conductor in Feet		1,166,690							
Use Minimum Size		1.86							
Minimum Size Investment -Consumer Related		2,164,234	62.18%						
Demand Related		1,316,500	37.82%						
Investment in Conductor		3,480,734	100.00%						
Breakdown of Lines into Demand Related and Consumer Related Components									
		Total Sample Investment	Percent Consumer	Amount Consumer	Percent Demand	Amount Demand			
Underground Conductor	3,480,734	62.18%	2,164,233.54	37.82%	1,316,500				
Overhead Conductor	12,024,761	41.43%	4,982,203.62	58.57%	7,042,557				
Poles	14,759,424	41.58%	6,137,448.08	58.42%	8,621,976				
	30,264,919		13,283,885		16,981,034				
Percentage Allocations For Lines			43.89%		56.11%				
Percentage Allocation for OH Lines									
		26,784,185	41.52%	11,119,652	58.5%	15,664,533			

NOLIN RECC
Case No. 2016-00367

Determination of Plant Investments as Demand Related or Consumer Related

Account 368-Transformers									
Pole	Investment	Number of Units	Unit Cost	Predicted Value	Size	Number (SQRT2*3)	(SQRT2)	(SQRT2*4)	
5 CONV	89,721	576.00	155.77	5.00		3,738.38	24.00	120.00	
7.5 CONV	1,988	12.00	165.67	7.50		573.89	3.46	25.98	
10 CONV	1,126,923	4,090.00	275.53	10.00		17,621.08	63.95	639.53	
15 CONV	4,080,709	7,985.00	511.05	15.00		45,666.55	89.36	1,340.38	
25 CONV	2,666,626	2,767.00	963.72	25.00		50,694.11	52.60	1,315.06	
37.5 CONV	689,243	1,005.00	685.81	37.50		21,741.49	31.70	1,188.82	
50 CONV	886,268	904.00	980.38	50.00		29,476.84	30.07	1,503.33	
75 CONV	176,488	149.00	1,184.48	75.00		14,458.46	12.21	915.49	
100 CONV	85,732	77.00	1,113.40	100.00		9,770.07	8.77	877.50	
167 CONV	76,565	55.00	1,392.09	167.00		10,324.02	7.42	1,238.51	
250 CONV	9,573	2.00	4,786.50	250.00		6,769.13	1.41	353.55	
333 CONV	27,033	10.00	2,703.30	333.00		8,548.59	3.16	1,053.04	
500 CONV	8,588	3.00	2,862.67	500.00		4,958.28	1.73	866.03	
3 CSP	2,485	28.00	88.75	500.00					
500 KVA URD	40,445	8.00	5,055.66						
500 BARE COST	4,610	2.00	2,304.79						
300 KVA URD	15,475	4.00	3,868.82						
1667 KVA AUTO CONV	4,159	3.00	1,386.17						
2000 KVA 3PH PAD MT	16,504	4.00	4,125.96						
75KVA	12,457	13.00	958.27						
100KVA	177,408	132.00	1,344.00						
167 KVA	160,099	87.00	1,840.22						
250 KVA	57,539	22.00	2,615.40						
333 KVA	175,919	51.00	3,449.40						

ALLOCATION OF COSTS TO EACH RATE CLASS

	A	B	C	D	E	F
1					Farm & Home	Residential
2		Catengory		Enviro	Residential	Prepay
3			Amount	Watts	Rate 1	Rate 1P
4		Purchased Power Costs			63.62%	2.80%
5		Demand	10,082,201		6,413,852	282,182
6		Energy	36,702,730	5,600	22,487,071	903,726
7		Load Center Charges	849,936		567,613	23,424
8			47,634,867	5,600	29,468,536	1,209,331
9						
10		Distribution Costs				
11		<u>Demand Related</u>				
12		Stations	39,829		26,599	1,098
13		Lines	5,883,421		3,929,123	162,147
14		Transformers	699,667		586,230	24,201
15		Total Demand Related	6,622,917	-	4,541,953	187,445
16						
17		<u>Consumer Related</u>				
18		Lines	4,256,375		3,837,963	170,841
19		Transformers	477,016		405,812	18,064
20		Services	2,176,435		1,957,418	87,131
21		Meters	2,357,254		2,104,569	93,682
22		Consumer Svc				
23		& Accouting	4,451,577		3,496,643	363,178
24		Total Consumer Related	13,718,658		11,802,407	732,896
25						
26		Outdoor Lighting	335,077			
27		Street Lighting	230,114			
28						
29		Total Costs	68,541,633	5,600	45,812,895	2,129,673
30						
31						
32		Purchased Power Demand Costs	10,932,137	-	6,981,465	305,606
33		Purchased Power Energy Costs	36,702,730	5,600	22,487,071	903,726
34		Distribution Demand Costs	6,622,917	-	4,541,953	187,445
35		Distribution Consumer Costs	13,718,658	-	11,802,407	732,896
36		Distribution Outdoor Lighting	335,077	-	-	-
37						
38		Total Costs	68,311,518	5,600	45,812,895	2,129,673
39						

ALLOCATION OF COSTS TO EACH RATE CLASS

	B	C	G	H	I	J
1			Small	Large	Large	Industrial
2	Category		Commercial	Commercial	Industrial	5-10 MW
3		Amount	Rate 2	Rate 3	Rate 4	Rate 10
4	Purchased Power Costs		4.86%	3.91%	7.90%	5.59%
5	Demand	10,082,201	490,169	393,790	796,538	563,562
6	Energy	36,702,730	1,254,712	1,115,120	3,325,007	1,863,399
7	Load Center Charges	849,936	48,246	32,212	92,311	35,057
8		47,634,867	1,793,127	1,541,122	4,213,855	2,462,018
9						
10	Distribution Costs					
11	<u>Demand Related</u>					
12	Stations	39,829	2,261	1,509	4,326	1,643
13	Lines	5,883,421	333,971	222,976	638,992	242,673
14	Transformers	699,667	31,193	18,168	37,221	-
15	Total Demand Related	6,622,917	367,424	242,654	680,538	244,315
16						-
17	<u>Consumer Related</u>					
18	Lines	4,256,375	207,095	19,244	12,788	124
19	Transformers	477,016	41,534	5,852	3,889	-
20	Services	2,176,435	105,622	-	-	-
21	Meters	2,357,254	113,562	27,300	18,141	-
22	Consumer Svc					-
23	& Accouting	4,451,577	220,124	102,276	79,615	2,093
24	Total Consumer Related	13,718,658	687,937	154,672	114,433	2,217
25						-
26	Outdoor Lighting	335,077				-
27	Street Lighting	230,114				
28						-
29	Total Costs	68,541,633	2,848,488	1,938,447	5,008,827	2,708,550
30						-
31						-
32	Purchased Power Demand Costs	10,932,137	538,415	426,002	888,848	598,619
33	Purchased Power Energy Costs	36,702,730	1,254,712	1,115,120	3,325,007	1,863,399
34	Distribution Demand Costs	6,622,917	367,424	242,654	680,538	244,315
35	Distribution Consumer Costs	13,718,658	687,937	154,672	114,433	2,217
36	Distribution Outdoor Lighting	335,077	-	-		-
37						-
38	Total Costs	68,311,518	2,848,488	1,938,447	5,008,827	2,708,550
39						

ALLOCATION OF COSTS TO EACH RATE CLASS

	B	C	K	L	M	N
1						
2	Category		10 MW plus	Outdoor	Street	Total
3		Amount	Rate 11	Lights	Lights	0
4	Purchased Power Costs					
5	Demand	10,082,201	1,098,339	32,553	11,218	10,082,201
6	Energy	36,702,730	5,608,836	112,797	26,461	36,702,730
7	Load Center Charges	849,936	42,753	6,194	2,126	849,936
8		47,634,867	6,749,928	151,545	39,805	47,634,867
9			-			
10	Distribution Costs					
11	<u>Demand Related</u>					
12	<u>Stations</u>	39,829	2,003	290	100	39,829
13	Lines	5,883,421	295,942	42,879	14,718	5,883,421
14	Transformers	699,667	-	1,977	679	699,667
15	Total Demand Related	6,622,917	297,946	45,146	15,496	6,622,917
16			-			
17	<u>Consumer Related</u>					
18	Lines	4,256,375	124	5,090	3,104	4,256,375
19	Transformers	477,016	-	173	1,691	477,016
20	Services	2,176,435	-	20,653	5,611	2,176,435
21	Meters	2,357,254	-	-	-	2,357,254
22	Consumer Svc		-			
23	& Accouting	4,451,577	3,224	145,024	39,401	4,451,577
24	Total Consumer Related	13,718,658	3,348	170,941	49,807	13,718,658
25			-			
26	Outdoor Lighting	335,077		335,077		335,077
27	Street Lighting	230,114			230,114	230,114
28			-			
29	Total Costs	68,541,633	7,051,221	702,708	335,223	68,541,633
30			-			
31			-			
32	Purchased Power Demand Costs	10,932,137	1,141,092	38,747	13,344	10,932,137
33	Purchased Power Energy Costs	36,702,730	5,608,836	112,797	26,461	36,702,730
34	Distribution Demand Costs	6,622,917	297,946	45,146	15,496	6,622,917
35	Distribution Consumer Costs	13,718,658	3,348	170,941	49,807	13,718,658
36	Distribution Outdoor Lighting	335,077		335,077	230,114	565,191
37			-			
38	Total Costs	68,311,518	7,051,221	702,708	335,223	68,541,633
39						

**NOLIN RECC
CASE NO. 2016-00367**

ENERGY AND DEMAND ALLOCATORS

B. Wholesale Billing CP Contributions											
	Farm & Home	Residential	Small	Large	Large	Industrial					
	Residential	Prepay	Commercial	Commercial	Industrial	5-10 MW	10 MW plus	Outdoor	Street	Total	
Month	Rate 1	Rate 1P	Rate 2	Rate 3	Rate 4	Rate 10	Rate 11	Lights	Lights		
May 2015	67,553	2,481	5,784	4,660	8,677			-	-	89,155	
June	90,854	3,450	6,554	4,938	10,095			-	-	115,891	
July	100,126	3,929	7,411	5,273	11,152			-	-	127,891	
August	90,995	3,586	6,492	5,349	12,094			-	-	118,516	
September	88,703	3,502	6,701	5,530	10,561			-	-	114,997	
October	56,578	2,382	6,045	5,079	8,627			-	-	78,711	
November	87,602	3,723	7,212	5,675	10,726			1,084		116,022	
December	90,644	3,834	6,603	5,733	10,739			1,084	372	119,009	
January	132,617	5,504	9,214	6,733	14,960			1,092	376	170,496	
February	117,582	8,239	7,268	5,141	11,494			1,092	376	151,192	
March	85,066	3,698	6,020	5,714	12,173			1,092	376	114,139	
April	64,309	2,863	6,670	6,031	11,912				376	92,161	
Total	1,072,629	47,191	81,974	65,856	133,210		-	5,444	1,876	1,408,180	
Percent	76.17%	3.35%	5.82%	4.68%	9.46%	0.00%	0.00%	0.39%	0.13%	0.00%	
0	0	0	0	0	93	94	94	94	94	94	0
Used to allocate wholesale power demand costs to rate classes. Wholesale power demand is billed on basis of CP demand.											
C. Monthly Peak Demands for Each Rate Class											
	Farm & Home	Residential	Small	Large	Large	Industrial		-	-		

NOLAN RECC
CASE NO. 2016-00367
ENERGY AND DEMAND ALLOCATORS

Demand Related Costs and Energy Related Costs Allocators

Month		Residential Rate 1	Prepay Rate 1P	Commercial Rate 2	Commercial Rate 3	Industrial Rate 4	5-10 MW Rate 10	10 MW plus Rate 11	Outdoor Lights	Street Lights	Total
May 2015		75,979	2,790	8,406	5,359	17,043	6,134	7,500	1,084	368	124,663
June		101,704	3,863	8,865	4,938	15,257	6,217	7,500	1,084	372	149,800
July		100,126	3,929	8,898	5,273	16,578	6,066	7,500	1,084	372	149,826
August		93,023	3,665	8,236	5,370	17,843	6,142	7,500	1,084	372	143,235
September		88,703	3,502	7,653	5,530	16,658	6,085	7,500	1,084	372	137,087
October		100,257	4,218	8,147	5,313	15,222	6,085	7,500	1,084	372	148,198
November		96,918	4,119	9,842	5,675	15,921	6,477	7,500	1,084	372	147,908
December		106,043	4,485	8,715	5,733	16,257	6,409	7,500	1,084	372	156,598
January		132,617	5,504	9,214	6,733	14,960	6,080	7,500	1,092	376	184,076
February		124,424	5,544	8,295	6,141	16,528	5,916	7,500	1,092	376	175,816
March		98,907	4,300	7,240	5,714	17,170	6,006	7,500	1,092	376	148,305
April		76,198	3,392	8,054	6,031	14,889	6,183	7,500	1,092	376	123,715
											-
Total		1,194,899	49,311	101,565	67,810	194,326	73,800	90,000	13,040	4,476	1,789,227
Percent		66.78%	2.76%	5.68%	3.79%	10.86%	4.12%	5.03%	0.73%	0.25%	100.00%
19,113	19,922	19,096	19,400	19,686	19,433	19,096	18,626	18,896	18,353	18,743	18,935
Used to allocate distribution demand related costs to appropriate rate classes											

Consumer Related Costs Allocators

A. Lines (poles and conduit)										
	Number of Consumers				Allocation Percent					
Schedule I - Residential	30,912				90.17%					
Schedule I - Prepay	1,376				4.01%					
Schedule 2 - Small Commercial	1668				4.87%					
Schedule 3 - Large Commercial	155				0.45%					
Schedule 4 - Industrial	103				0.30%					
Schedule 4-10 - Flint Ink	1				0.00%					
Schedule 4-11 - AGC	1				0.00%					
Schedule 5 - Security Lights	41				0.12%					
Schedule 6 - Street Lighting	25				0.07%					
	34,282				100.000%					
B. Transformers										
Rate Class	Number of Consumers	Minimum Transformer Cost	Relative Weight	Weight	Allocation Percent	Number	Size	Unit/Cost	Total Cost	
Schedule I - Residential	30,912	275.53	1.00	30,912.00	85.073%	1.00	10 KVA CSP	275.53	275.53	
Schedule I - Prepay	1,376	275.53	1.00	1,376.00	3.787%	1.00	10 KVA CSP	275.53	275.53	
Schedule 2 - Small Commercial	1,668	522.62	1.90	3,163.81	8.707%	1.00	25 KVA CSP	522.62	522.62	
Schedule 3 - Large Commercial	155	792.39	2.88	445.76	1.227%	1.00	50 kVA	792.39	792.39	
Schedule 4 - Industrial	103	792.39	2.88	296.21	0.815%	1.00	50 kVA	792.39	792.39	
Schedule 4-10 - Flint Ink	-	-	-	-	0.000%	1.00	500 KVA	7,235.32	7,235.32	
Schedule 4-11 - AGC	-	-	-	-	0.000%	1.00	500 KVA	7,235.32	7,235.32	
Schedule 5 - Security Lights	41	88.75	0.32	13.21	0.036%	1.00	3 KVA CSP	88.75	88.75	
Schedule 6 - Street Lighting	400	88.75	0.32	128.84	0.355%	1.00	3 KVA CSP	88.75	88.75	
	34,655			36,335.83	100.0%					

Consumer Related Costs Allocators

C. Services										
Rate Class	# of Consumers	Minim Service Cost	Relative Cost	Weight	Allocation Percent	Number	Size	Unit/Cost	Total Cost	
Schedule 1 - Residential	30,912	303.00	22.20	686,178.46	89.94%	150.00	4 TPX	2.02	303.00	
Schedule 1 - Prepay	1,376	303.00	22.20	30,544.18	4.00%	150.00	4 TPX	2.02	303.00	
Schedule 2 - Small Commercial	1,668	303.00	22.20	37,025.93	4.85%	150.00	4 TPX	2.02	303.00	
Schedule 3 - Large Commercial	-	-	-	-	0.00%	312.00	2 TPX		-	
Schedule 4 - Industrial	-	-	-	-	0.00%	312.00	2 TPX		-	
Schedule 4-10 - Flint Ink	-	-	-	-	0.00%	279.00	2/0 TPX		-	
Schedule 4-11 - AGC	-	-	-	-	0.00%	279.00	2/0 TPX		-	
Schedule 5 - Security Lights	7,240	13.65	1.00	7,240.00	0.95%	15.00	2 TPX	0.91	13.65	
Schedule 6 - Street Lighting	1,967	13.65	1.00	1,967.00	0.26%	15.00	2 TPX	0.91	13.65	
	43,163		-	762,955.57	1.00					
D. Meters										
Rate Class	# of Consumers	Minimum Meter Cost	Relative Cost	Weight	Allocation Percent	Number	Size	Unit/Cost	Total Cost	
Schedule 1 - Residential	30,912	209.28	1.00	30,912.00	89.28%		I210 Meter	209.28	209.28	
Schedule 1 - Prepay	1,376	209.28	1.00	1,376.00	3.97%		I210 Meter	209.28	209.28	
Schedule 2 - Small Commercial	1,668	209.28	1.00	1,668.00	4.82%		I210 Meter	209.28	209.28	
Schedule 3 - Large Commercial	155	541.40	2.59	400.98	1.16%		3 PH Meter	541.40	541.40	
Schedule 4 - Industrial	103	541.40	2.59	266.46	0.77%		3 PH Meter	541.40	541.40	
Schedule 4-10 - Flint Ink	1	-	-	-	0.00%					
Schedule 4-11 - AGC	1	-	-	-	0.00%					
Schedule 5 - Security Lights	2,521	-	-	-	0.00%					
Schedule 6 - Street Lighting	711	-	-	-	0.00%					
	37,448			34,623.44	1.00					

Consumer Related Costs Allocators

E. Consumer & Accounting Services									
Rate Class	Number of Consumers	Relative Weight Meter Read	Relative Weight Cons Rcds	Relative Weight Cust Asst	Combined Relative Weights	Weight	Allocation Percent		
Schedule I - Residential	30,912	1.00	4.00	1.00	6.00	185,472	78.55%		
Schedule 1 - Prepaid	1,376	1.00	10.00	3.00	14.00	19,264	8.16%		
Schedule 2 - Small Commercial	1,668	1.00	4.00	2.00	7.00	11,676	4.94%		
Schedule 3 - Large Commercial	155	3.00	16.00	16.00	35.00	5,425	2.30%		
Schedule 4 - Industrial	103	3.00	14.00	24.00	41.00	4,223	1.79%		
Schedule 4-10 - Flint Ink	1	3.00	48.00	60.00	111.00	111	0.05%		
Schedule 4-11 - AGC	1	3.00	48.00	120.00	171.00	171	0.07%		
Schedule 5 - Security Lights	7,240	-	1.00	0.06	1.06	7,693	3.26%		
Schedule 6 - Street Lighting	1,967	-	1.00	0.06	1.06	2,090	0.89%		
						236,124	1		
	Meter Reading			Consumer Records			Consumer Assistance		
		Relative Weight			Relative Weight			Relative Weight	
	Factor	Weight	Factor	Weight	Factor	Weight	Factor	Weight	
Schedule I - Residential	1.00	1.00	1.00	4.00	1.00	4.00	1.00	1.00	1.00
Schedule 1 - Prepaid	1.00	1.00	1.00	5.00	1.00	10.00	1.00	3.00	3.00
Schedule 2 - Small Com	1.00	1.00	1.00	4.00	1.00	4.00	1.00	2.00	2.00
Schedule 3 - Large Com	3.00	1.00	3.00	7.00	2.00	14.00	8.00	2.00	16.00
Schedule 4 - Industrial	3.00	1.00	3.00	7.00	2.00	14.00	8.00	3.00	24.00
Schedule 4-10 - Flint Ink	3.00	1.00	3.00	12.00	4.00	48.00	10.00	6.00	60.00
Schedule 4-11 - AGC	3.00	1.00	3.00	12.00	4.00	48.00	10.00	12.00	120.00
Schedule 5 - Security Lig	-		-	1.00	1.00	1.00	0.25	0.25	0.06
Schedule 6 - Street Light	-		-	1.00	1.00	1.00	0.25	0.25	0.06

NOLAN ECC
CASE NO. 2016-00367

UNBUNDLED STATEMENT OF OPERATIONS

		0	Farm & Home	Residential	Small	Large
		Enviro	Residential	Prepay	Commercial	Commercial
	Total	Watts	Rate 1	Rate 1P	Rate 2	Rate 3
Normalized Revenue from Rates	\$62,842,390	6,485	\$39,745,982	1,683,504	2,754,318	1,945,405
Wholesale Demand Costs						
Generation	10,082,201	-	6,413,852	282,182	490,169	393,790
Distribution Substation	849,936	-	567,613	23,424	48,246	32,212
Total Wholesale Demand	10,932,137	-	6,981,465	305,606	538,415	426,002
Wholesale Energy Costs	36,702,730	5,600	22,487,071	903,726	1,254,712	1,115,120
Total Wholesale Costs	47,634,867	5,600	29,468,536	1,209,331	1,793,127	1,541,122
Gross Margin	15,207,523	884	10,277,446	474,172	961,191	404,284
Distribution Demand Costs						
Stations	39,829	-	26,599	1,098	2,261	1,509
Lines	5,883,421	-	3,929,123	162,147	333,971	222,976
Transformers	699,667	-	586,230	24,201	31,193	18,168
Total Distribution Demand	6,622,917	-	4,541,953	187,445	367,424	242,654
Distribution Consumer						
Lines	4,256,375	-	3,837,963	170,841	207,095	19,244
Transformers	477,016	-	405,812	18,064	41,534	5,852
Services	2,176,435	-	1,957,418	87,131	105,622	-
Meters	2,357,254	-	2,104,569	93,682	113,562	27,300
Consumer Services	4,451,577	-	3,496,643	363,178	220,124	102,276
Total Distribution Consumer	13,718,658	-	11,802,407	732,896	687,937	154,672
Outdoor Lighting	335,077					
Street Lighting	230,114					
Total Distribution Costs	20,906,766	-	16,344,359	920,341	1,055,361	397,326
Margin before Other Revenue	(5,699,242)	884	(6,066,913)	(446,169)	(94,170)	6,958
Allocation of Other Elec. Revenue	888,918		782,707	33,153	54,240	
Allocation of Other Revenue	164,588	17	104,097	4,409	7,214	5,095
Allocation of Ft Knox Margins	1,013,124		892,072	37,785	61,819	
Net Margin	(3,632,611)	901	(4,288,036)	(370,822)	29,102	12,053
Interest Expense	1,710,275	-	1,340,877	61,523	89,249	32,394
OTIER	(2.33)		(3.52)	(6.25)	(0.06)	1.21
TIER	(1.12)		(2.20)	(5.03)	1.33	1.37
Return on Rate Base						
Rate Base	75,015,330		59,045,329	2,710,994	3,906,530	1,387,693
Return	-2.56%	0.00%	-3.93%	-0.41%	0.16%	0.06%

NOL ECC
CASE NO. 2016-00367
UNBUNDLED STATEMENT OF OPERATIONS

	Large Industrial Rate 4	Industrial 5-10 MW Rate 10	10 MW plus Rate 11	Outdoor Lights	Street Lights
Normalized Revenue from Rates	5,698,294	2,717,312	7,031,026	955,611	304,420
Wholesale Demand Costs					
Generation	796,538	563,562	1,098,339	32,553	11,218
Distribution Substation	92,311	35,057	42,753	6,194	2,126
Total Wholesale Demand	888,848	598,619	1,141,092	38,747	13,344
Wholesale Energy Costs	3,325,007	1,863,399	5,608,836	112,797	26,461
Total Wholesale Costs	4,213,855	2,462,018	6,749,928	151,545	39,805
Gross Margin	1,484,439	255,294	281,099	804,066	264,615
Distribution Demand Costs					
Stations	4,326	1,643	2,003	290	100
Lines	638,992	242,673	295,942	42,879	14,718
Transformers	37,221	-	-	1,977	679
Total Distribution Demand	680,538	244,315	297,946	45,146	15,496
Distribution Consumer					
Lines	12,788	124	124	5,090	3,104
Transformers	3,889	-	-	173	1,691
Services	-	-	-	20,653	5,611
Meters	18,141	-	-	-	-
Consumer Services	79,615	2,093	3,224	145,024	39,401
Total Distribution Consumer	114,433	2,217	3,348	170,941	49,807
Outdoor Lighting				335,077	
Street Lighting					230,114
Total Distribution Costs	794,971	246,532	301,294	551,164	295,418
Margin before Other Revenue	689,468	8,762	(20,195)	252,903	(30,803)
Allocation of Other Elec. Revenue				18,819	-
Allocation of Other Revenue	14,924	7,117	18,415	2,503	797
Allocation of Ft Knox Margins				21,448	
Net Margin	704,392	15,879	(1,780)	295,672	(30,005)
Interest Expense	75,091	23,454	28,612	42,897	16,178
OTIER	10.18	1.37	0.29	6.90	(0.90)
TIER	10.38	1.68	0.94	7.89	(0.85)
Return on Rate Base					
Rate Base	3,188,677	987,789	1,205,004	1,875,485	707,828
Return	1.04%	0.05%	0.04%	0.45%	-0.02%

NOLIN RECC
Case No. 2016-00367
Unbundled Rate Base

			Farm & Home Residential	Residential Prepay	Small Commercial	Large Commercial	Large Industrial
		Amount	Rate 1	Rate 1P	Rate 2	Rate 3	Rate 4
Function	Classification						
Stations		434,882	290,427	11,985	24,686	16,482	47,232
Lines		41,816,920					
	Demand	23,462,628	15,669,041	646,629	1,331,850	889,211	2,548,251
	Consumer	18,354,292	16,550,023	736,699	893,033	82,986	55,145
Transformer		12,363,611					
	Demand	7,351,521	6,159,617	254,280	327,745	190,896	391,083
	Consumer	5,012,091	4,263,938	189,803	436,410	61,487	40,859
Services							
	Demand						
	Consumer	8,975,706	8,072,470	359,334	435,587	-	-
Meters							
	Demand						
	Consumer	6,091,590	5,438,606	242,091	293,465	70,548	46,880
Consumer Acct & Serv.		3,311,595	2,601,206	270,174	163,753	76,084	59,227
		-					
Outdoor Lighting		1,463,716					-
Street Lighting		557,308					
Total		75,015,330	59,045,329	2,710,994	3,906,530	1,387,693	3,188,677

SUMMARY OF INCREASE BY RATE CLASS

		0	Farm & Home	Residential	Small	Large
		Enviro	Residential	Prepay	Commercial	Commercial
	Total	Watts	Rate 1	Rate 1P	Rate 2	Rate 3
Revenue Requirements						
Total Costs	68,541,633	5,600	45,812,895	2,129,673	2,848,488	1,938,447
Plus Margin Requirements	1,710,275		1,340,877	61,523	89,249	32,394
Revenue Requirements	70,251,908	5,600	47,153,771	2,191,196	2,937,737	1,970,842
Minus Revenue from Rates	62,842,390	6,485	39,745,982	1,683,504	2,754,318	1,945,405
Increase Amount	7,409,517	(884)	7,407,789	507,692	183,419	25,436
Less: Other Revenue	2,066,631	17	1,778,876	75,347	123,273	5,095
Net Increase Amount	5,342,887	(901)	5,628,913	432,345	60,146	20,341
Less: Increase amount	5,342,919	0	\$4,743,281	\$194,780	\$125,337	\$93,251
Under (Over) Recovery	(32)	(901)	885,632	237,565	(65,190)	(72,910)
State of Oper with Increase						
Revenue from Rates	62,842,390	6,485	39,745,982	1,683,504	2,754,318	1,945,405
Rate Increase	\$5,342,919	\$0	\$4,743,281	\$194,780	\$125,337	\$93,251
Total Rate Revenue	68,185,309	6,485	44,489,263	1,878,284	2,879,655	2,038,656
Purchased Power Costs	47,634,867	5,600	29,468,536	1,209,331	1,793,127	1,541,122
Gross Margins	20,550,442	884	15,020,728	668,952	1,086,527	497,535
Distribution Costs	20,906,766	-	16,344,359	920,341	1,055,361	397,326
Margins before Other Rev.	(356,323)	884	(1,323,631)	(251,389)	31,166	100,209
Plus Other Revenue	2,066,631	17	1,778,876	75,347	123,273	5,095
Net Margins with Increase	1,710,308	901	455,245	(176,042)	154,439	105,304
Interest Expense	1,710,275	-	1,340,877	61,523	89,249	32,394
TIER	2.00	#DIV/0!	1.34	(1.86)	2.73	4.25
OTIER	0.79	-	0.01	(3.09)	1.35	4.09
Rate Base	75,015,330		59,045,329	2,710,994	3,906,530	1,387,693
Return on Rate Base	4.56%	0.00%	3.04%	-4.22%	6.24%	9.92%

SUMMARY OF INCREASE BY RATE CLASS

	Large Industrial Rate 4	Industrial 5-10 MW Rate 10	10 MW plus Rate 11	Outdoor Lights	Street Lights	Total Costs
Revenue Requirements						
Total Costs	5,008,827	2,708,550	7,051,221	702,708	335,223	68,541,633
Plus Margin Requirements	75,091	23,454	28,612	42,897	16,178	1,710,275
Revenue Requirements	5,083,918	2,732,004	7,079,833	745,605	351,401	70,251,908
Minus Revenue from Rates	5,698,294	2,717,312	7,031,026	955,611	304,420	62,842,358
Increase Amount	(614,377)	14,693	48,807	(210,006)	46,981	7,409,550
Less: Other Revenue	14,924	7,117	18,415	42,769	797	2,066,631
Net Increase Amount	(629,301)	7,576	30,392	(252,775)	46,183	5,342,919
Less: Increase amount	\$53,050	\$33,593	\$83,253	\$0	\$16,344	5,342,889
Under (Over) Recovery	(682,351)	(26,017)	(52,861)	(252,775)	29,840	30
State of Oper with Increase						
Revenue from Rates	5,698,294	2,717,312	7,031,026	955,611	304,420	62,842,358
Rate Increase	\$53,050	\$33,593	\$83,253	\$0	\$16,344	\$5,342,889
Tota Rate Revenue	5,751,344	2,750,905	7,114,280	955,611	320,764	68,185,247
Purchased Power Costs	4,213,855	2,462,018	6,749,928	151,545	39,805	47,634,867
Gross Margins	1,537,489	288,887	364,352	804,066	280,959	20,550,380
Distribution Costs	794,971	246,532	301,294	551,164	295,418	20,906,766
Margins before Other Rev.	742,518	42,355	63,058	252,903	(14,459)	(356,386)
Plus Other Revenue	14,924	7,117	18,415	42,769	797	2,066,631
Net Margins with Increase	757,442	49,472	81,473	295,672	(13,662)	1,710,245
Interest Expense						
Interest Expense	75,091	23,454	28,612	42,897	16,178	1,710,275
TIER	11.09	3.11	3.85	7.89	0.16	2.00
OTIER	10.89	2.81	3.20	6.90	0.11	0.79
Rate Base						
Rate Base	3,188,677	987,789	1,205,004	1,875,485	707,828	75,015,330
Return on Rate Base	26.11%	7.38%	9.14%	18.05%	0.36%	4.56%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Statement of Operations, Adjusted

Exhibit S
page 1 of 4
Witness: James Adkins

	Actual Test Year	Normalized Adjustments	Normalized Test Year	Proposed Increase	Proposed Test Year
Operating Revenues:					
Base rates	\$ 62,899,572	\$ (57,182)	\$ 62,842,390	\$ 5,342,887	\$ 68,185,277
Fuel and surcharge	3,653,290	(3,653,290)	-		-
Other electric revenue	3,175,541	(2,286,622)	888,919		888,919
	<u>69,728,403</u>	<u>(5,997,094)</u>	<u>63,731,309</u>	<u>5,342,887</u>	<u>69,074,196</u>
Operating Expenses:					
Cost of power:					
Base rates	47,694,955	(60,088)	47,634,867		47,634,867
Fuel and surcharge	4,086,292	(4,086,292)	-		-
Distribution - operations	4,557,493	(319,271)	4,238,222		4,238,222
Distribution - maintenance	4,540,753	(1,148,289)	3,392,464		3,392,464
Consumer accounts	2,504,089	(10,430)	2,493,659		2,493,659
Customer service	666,958	8,849	675,807		675,807
Sales	-	-	-		-
Administrative and general	4,434,505	(682,487)	3,752,018		3,752,018
	<u>68,485,045</u>	<u>(6,298,008)</u>	<u>62,187,037</u>	<u>-</u>	<u>62,187,037</u>
Depreciation	4,262,055	377,821	4,639,876		4,639,876
Taxes - other	-	-	-		-
Interest on long-term debt	3,024,787	(1,314,512)	1,710,275		1,710,275
Interest expense - other	41,086	(36,641)	4,445		4,445
Other deductions	34,604	(34,604)	-		-
	<u>75,847,577</u>	<u>(7,305,944)</u>	<u>68,541,633</u>	<u>-</u>	<u>68,541,633</u>
Utility operating margins	<u>(6,119,174)</u>	<u>1,308,850</u>	<u>(4,810,324)</u>	<u>5,342,887</u>	<u>532,563</u>
Nonoperating margins, interest	1,966,640	(1,929,068)	37,572		37,572
Non-operating margins, other	103,031	(69,431)	33,600		33,600
G&T capital credits	3,474,463	(3,474,463)	-		-
Other capital credits	93,416		93,416		93,416
Margins from Ft. Knox			-	1,013,124	1,013,124
Net Margins	<u>\$ (481,624)</u>	<u>\$ (4,164,112)</u>	<u>\$ (4,645,736)</u>	<u>\$ 6,356,011</u>	<u>\$ 1,710,275</u>
TIER	0.84		(1.72)		2.00
excluding G&T	1.99				
OTIER	(1.02)		(1.81)		1.31

Nolin Rural Electric Cooperative
Case No. 2016-00367
Balance Sheet, Adjusted
April 30, 2016

Exhibit S
page 2 of 4
Witness: James Adkins

	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
ASSETS			
Electric Plant:			
In service	111,359,858		111,359,858
Under construction	1,738,456		1,738,456
	<u>113,098,314</u>		<u>113,098,314</u>
Less accumulated depreciation	41,869,350	394,111	42,263,461
	<u>71,228,964</u>	<u>(394,111)</u>	<u>70,834,853</u>
Investments	<u>38,526,348</u>		<u>38,526,348</u>
Current Assets:			
Cash and temporary investments	2,740,659		2,740,659
Accounts receivable, net	69,829,944		69,829,944
Material and supplies	1,326,144		1,326,144
Prepayments and current assets	341,060		341,060
	<u>74,237,807</u>		<u>74,237,807</u>
Deferred debits	2,483,742		2,483,742
Net change in assets		<u>2,586,010</u>	<u>2,586,010</u>
Total	<u><u>186,476,861</u></u>	<u><u>2,191,899</u></u>	<u><u>188,668,760</u></u>
Margins:			
Memberships	274,455		274,455
Patronage capital	63,420,097	2,191,899	65,611,996
	<u>63,694,552</u>	<u>2,191,899</u>	<u>65,886,451</u>
Long Term Debt	<u>100,544,778</u>		<u>100,544,778</u>
Accumulated postretirement benefits	<u>6,921,518</u>		<u>6,921,518</u>
Current Liabilities:			
Accounts payable	10,521,449		10,521,449
Consumer deposits	2,330,006		2,330,006
Accrued expenses	2,146,758		2,146,758
	<u>14,998,213</u>		<u>14,998,213</u>
Consumer advances for construction	<u>317,800</u>		<u>317,800</u>
Total	<u><u>186,476,861</u></u>	<u><u>2,191,899</u></u>	<u><u>188,668,760</u></u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
Summary of Adjustments to Test Year

Exhibit 5
page 3 of 4
Witness: James Adkins

	Exhibit 1	Exhibit 2	Exhibit 3	Exhibit 4	Exhibit 5	Exhibit 6	Exhibit 7	Exhibit 8	Exhibit 9	Exhibit 10	Exhibit 11	Exhibit 12	Exhibit 13	Exhibit 14	Exhibit 15	Exhibit 16	Exhibit 17		
	Salaries	Payroll Taxes	Deprec	Interest	FAS 106	R&S	Professional Fees	Directors	Donations	Annual & Misc Expenses	Advertising	Rate Case	Ft. Knox Activities	EKPC	Normalize Purchase Power	Revenue	Additional Revenue	Total	
Operating Revenues:																			
Base rates																	(57,182)		(57,182)
Fuel and surcharge																	(3,653,290)		(3,653,290)
Other electric revenue													(2,155,536)					(131,086)	(2,286,622)
	-	-	-	-	-	-	-	-	-	-	-	-	(2,155,536)	-	-		(3,710,472)	(131,086)	(5,997,094)
Operating Expenses:																			
Cost of power:																			
Base rates																(60,088)		(60,088)	
Fuel and surcharge															(4,086,292)			(4,086,292)	
Distribution - operations	5,136	1,705	2,376		10,109	17,752							(356,349)					(319,271)	
Distribution - maintenanc	2,994	1,272	4,248		7,543	13,245							(1,177,591)					(1,148,289)	
Consumer accounts	3,544	1,235	1,092		7,324	12,860							(36,485)					(10,430)	
Customer service	1,145	392	902		2,326	4,084												8,849	
Sales	-	-	-		-	-												-	
Administrative and gene	3,411	867	1,549		5,138	9,021	(326,143)	(83,999)		(18,408)	(41,206)	25,000	(257,717)					(682,487)	
Total operating expensi	16,230	5,471	10,167	-	32,440	56,962	(326,143)	(83,999)	-	(18,408)	(41,206)	25,000	(1,828,142)	-	(4,146,380)	-	-	(6,298,008)	
Depreciation			383,944										(6,123)					377,821	
Taxes - other																		-	
Interest on long-term debt				(7,866)														(1,314,512)	
Interest expense - other				(36,641)														(36,641)	
Other deductions									(34,604)									(34,604)	
Total cost of electric ser	16,230	5,471	394,111	(44,507)	32,440	56,962	(326,143)	(83,999)	(34,604)	(18,408)	(41,206)	25,000	(3,140,911)	-	(4,146,380)	-	-	(7,305,944)	
Utility operating margir	(16,230)	(5,471)	(394,111)	44,507	(32,440)	(56,962)	326,143	83,999	34,604	18,408	41,206	(25,000)	985,375	-	4,146,380	(3,710,472)	(131,086)	1,308,850	
Nonoperating margins, interest													(1,929,068)					(1,929,068)	
Nonoperating margins, other													(69,431)					(69,431)	
Patronage capital credits														(3,474,463)				(3,474,463)	
	-	-	-	-	-	-	-	-	-	-	-	-	(1,998,499)	(3,474,463)	-	-	-	(5,472,962)	
Net Margins	(16,230)	(5,471)	(394,111)	44,507	(32,440)	(56,962)	326,143	83,999	34,604	18,408	41,206	(25,000)	(1,013,124)	(3,474,463)	4,146,380	(3,710,472)	(131,086)	(4,164,112)	

Nolin Rural Electric Cooperative
Case No. 2016-00367
Proposed Revenues
April 30, 2016

Interest on long term debt	\$ 1,710,275
Normalized margins	<u>(4,645,736)</u>
Proposed increase in revenues over normalized revenues before Fort Knox Activities	\$6,356,011
Less Fort Knox Activities Margins	<u>(1,013,124)</u>
Proposed Increase in Base Rate Revenue	<u><u>\$5,342,887</u></u>

Nolin Rural Electric Cooperative
Monthly Operating Budget
April 30, 2016

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	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>Total</u>
Operating revenue	5,716,743	6,599,032	7,271,336	7,133,137	5,908,124	5,741,827	6,821,110	8,311,117	7,973,736	6,975,959	6,155,961	5,308,605	79,916,687
Operating expenses:													
Cost of power	4,124,989	4,707,940	5,167,061	5,124,583	4,275,964	4,176,069	4,871,462	5,847,788	5,709,865	5,003,174	4,488,606	3,895,938	57,393,439
Distribution-operations	360,900	360,900	360,900	360,900	360,900	360,900	360,900	360,900	364,906	364,906	364,906	364,906	4,346,824
Distribution-maintenance	355,154	355,154	355,154	355,154	355,154	355,154	355,154	355,154	383,013	383,013	383,013	383,013	4,373,284
Consumer accounts	226,733	229,619	231,686	230,853	227,192	226,738	230,525	235,611	217,958	214,946	211,873	209,124	2,692,858
Customer services	74,289	74,289	74,289	74,289	74,289	74,289	74,289	74,289	74,590	74,590	74,590	74,590	892,672
Sales													-
Administrative and general	342,855	342,855	342,855	342,855	342,855	342,855	342,855	342,855	381,666	381,666	381,666	381,666	4,269,504
Total operation and maintenanc	5,484,920	6,070,757	6,531,945	6,488,634	5,636,354	5,536,005	6,235,185	7,216,597	7,131,998	6,422,295	5,904,654	5,309,237	73,968,581
Depreciation	338,861	339,502	340,143	340,786	341,431	342,076	342,724	343,372	342,677	342,671	342,664	342,658	4,099,565
Taxes-other	#REF!	#REF!											#REF!
Interest on long term debt	237,807	230,136	232,506	232,506	225,006	228,416	221,048	228,416	384,715	347,485	384,715	367,742	3,320,498
Interest expense - other	342	342	342	342	342	342	342	342	234	234	234	234	3,672
Other deductions	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Total cost of electric service	#REF!	#REF!	7,106,936	7,064,268	6,205,133	6,108,839	6,801,299	7,790,727	7,861,624	7,114,685	6,634,267	6,021,871	#REF!
Utility operating margins	#REF!	#REF!	164,400	68,869	(297,009)	(367,012)	19,811	520,390	112,112	(138,726)	(478,306)	(713,266)	#REF!
Nonoperating margins, interest	227,408	227,408	227,408	227,408	227,408	227,408	227,408	227,408	146,923	146,923	146,923	146,923	2,406,956
Nonoperating margins, other	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	1,308	1,308	1,308	1,308	54,232
Patronage capital:													
G & T													-
Others													-
Net margins	#REF!	#REF!	397,933	302,402	(63,476)	(133,479)	253,344	753,923	260,343	9,505	(330,075)	(565,035)	#REF!

Nolin Rural Electric Cooperative Corporation
Case No. 2016-00367

Nolin RECC Bylaws – Revised July 14, 2016

Front cover: Changed “December 12, 2013” to “July 14, 2016”

Page 1: ARTICLE 1 SECTION 3. JOINT MEMBERSHIP

1st line – changed “husband and wife” to “spouse”

4th line – changed “a husband and wife” to “spouses”

Page 3: ARTICLE IV SECTION 4. TENURE OF DIRECTORS

5th line – changed “2015” to “2017”

Dates changed to:	2017	2018	2019
	District 1	District 3	District 2
	District 4	District 5	District 6

Next line – changed “2017” to “2019”

Last Page: Changed printed date from “January 2016” to “August 2016”

The box at the bottom of the last page: Updated to include the below information (taken from the back of our Nolin News).

ELIZABETHTOWN OFFICE

411 Ring Road, Elizabethtown, KY 42701-6767
8:00 a.m.-5:00 p.m., Mon-Fri • (270) 765-6153

RADCLIFF OFFICE

101 West Lincoln Trail Blvd., Radcliff, KY 40160
8:00 a.m.-5:00 p.m., Mon-Fri • (270) 351-2199
(Office closed from 12:30-1:30 daily)

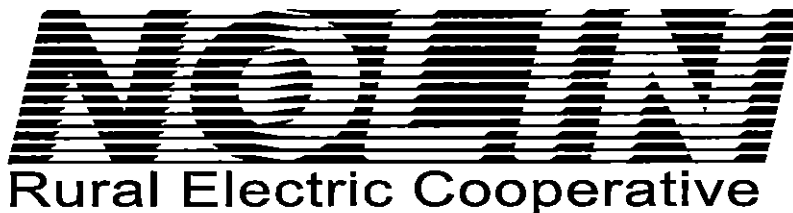
TOLL-FREE BUSINESS CALLS — 1-888-637-4247


PAY DIRECT BY PHONE TOLL FREE — 1-855-356-6359

FOR EMERGENCIES — (270) 765-6153

Web site: www.nolinrecc.com
e-mail: comments@nolinrecc.com

BYLAWS



A Touchstone Energy[®] Cooperative 

*Nolin Rural Electric
Cooperative Corporation
Elizabethtown, Kentucky*

These Bylaws were amended and approved by the
Board of Directors of Nolin RECC on July 14, 2016

ARTICLE I

MEMBERSHIP

SECTION 1. REQUIREMENTS FOR MEMBERSHIP.

Any person, firm, association, corporation, or body politic or subdivision thereof will become a member of the Nolin Rural Electric Cooperative Corporation (hereinafter called the Cooperative) upon receipt of electric service from the Cooperative, provided that each has first: (a) made request for membership therein; (b) agreed orally or in writing to purchase from the Cooperative energy as hereinafter specified; (c) agreed orally or in writing to be subject to the Bylaws of the Cooperative, and any rules and regulations hereinafter adopted by the Board; (d) paid the membership fee hereinafter specified; and, (e) attained the minimum age of 18. No member may hold more than one membership in the Cooperative and no membership in the Cooperative shall be transferable, except as provided by these Bylaws.

Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for the furnishing and metering of electric service and shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto for inspection, maintenance, replacement, relocation or repair thereof at all reasonable times. As part of the consideration for each service, each member shall be the Cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such facilities, and shall use their best effort to prevent others from so doing. In the event such facilities are interfered with, impaired in their operation or damaged by the member, or by any other person when the member's reasonable care and surveillance could have prevented such, the member shall indemnify the Cooperative and any other person against death, injury, loss or damage resulting therefrom including but not limited to the Cooperative's cost of repairing, replacing, or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment.

In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the meter loop provided for measuring electricity used on such premises, or beyond the combination circuit breaker-meter base panel if such is owned and maintained by the Cooperative except that the Cooperative shall, in accordance with its applicable service rules and regulations, indemnify the member for any overcharges for service that may result from a malfunctioning of its metering equipment.

SECTION 2. MEMBERSHIP CERTIFICATES.

Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the Board. Such certificates shall be signed by the President and by the Secretary of the Cooperative by facsimile signature or otherwise and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee fixed by the Board of Directors, nor until such membership fee has been fully paid. In case a certificate is lost, destroyed or mutilated, a new certificate may be issued therefor upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

SECTION 3. JOINT MEMBERSHIP.

A spouse may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "member" as used in these Bylaws shall be deemed to include spouses holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of the joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote; in the event of a disagreement between the spouses as to how to vote, each spouse shall be entitled to cast one-half vote each;

- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or Board member, provided that they meet the qualifications for such office.

SECTION 4. CONVERSION OF MEMBERSHIP.

- (a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the Articles of Incorporation, Bylaws and rules and regulations adopted by the Board. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.
- (b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor.
- (c) Upon the legal separation or divorce of the holders of a joint membership, such membership shall continue to be held solely by the one who continues directly to occupy or use the premises covered by such membership, in the same manner and to the same effect as though such membership had never been joint; provided that the other spouse shall not be released from any debts due the Cooperative.

SECTION 5. MEMBERSHIP FEES.

The membership fee shall be as set by the Board of Directors, upon the payment of which a member shall be eligible for service.

SECTION 6. PURCHASE OF ELECTRIC ENERGY.

Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy purchased for use on the premises specified in his application for membership, and shall pay therefore at rates which shall from time-to-time be fixed by the Board. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time-to-time by the Cooperative. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these Bylaws. Each member shall pay to the Cooperative a facility charge, as shall be fixed by the Board of Directors from time-to-time in addition to all purchased electric energy consumed. Each member shall also pay all amounts owed by them to the Cooperative as and when the same shall become due and payable. When the member has more than one service connection from the Cooperative, any payment by him for service from the Cooperative, shall unless directed in writing by the member to the contrary, be deemed to be allocated and credited on a pro rata basis to their outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such allocation and proration.

The Cooperative will use its best efforts to furnish adequate and dependable electric service, although it cannot and therefore does not guarantee a continuous and uninterrupted supply of electricity.

SECTION 7. TERMINATION OF MEMBERSHIP.

- (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, but only after due hearing if such is requested by a member, by affirmative vote of not less than two-thirds of all the members of the Board, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws or rules or regulations adopted by the Board. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available, has not purchased electric energy from the Cooperative, may be cancelled by resolution of the Board.
- (b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate, and the member-

ship certificate of such member, if available, shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or their estate from any debts due the Cooperative.

(c) In case of withdrawal or termination of the membership in any manner, the Cooperative shall repay to the member the amount of membership fee paid by him, provided however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative.

SECTION 8. REFUNDS TO MEMBERS.

In any instances where refunds are received by the Cooperative from wholesale power suppliers as a result of contested wholesale rate increases, any such refunds shall be paid directly to the member, or credited to their bill with the Cooperative, at the discretion of the Board of Directors, less an amount representing costs incurred by the Cooperative in returning the refund. If the refund to any one member amounts to less than \$1.00, the Cooperative, may, at the discretion of the Board of Directors, retain such refund, in which event it shall be treated as revenue to the Cooperative.

SECTION 9. SERVICE TO NON-MEMBERS.

The Cooperative shall render service to its members only; provided, however, that service may be rendered with Board approval upon the same terms and conditions as are applicable to members, to governmental agencies and political subdivisions. Persons or entities that receive service but are not members shall not be entitled to capital credits.

ARTICLE II

RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. PROPERTY INTEREST OF MEMBERS.

Upon dissolution, after

- (a) All debts and liabilities of the Cooperative have been paid, and
- (b) All capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in proportion to their patronage as of the date of dissolution and according to law.

SECTION 2. NON-LIABILITY FOR DEBTS OF THE COOPERATIVE.

The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

Section 3. PARLIAMENTARY PROCEDURE.

At all meetings of the Board of Directors of the Cooperative and at the annual membership meeting or any other meetings of the members of the Cooperative, parliamentary procedure for such meetings shall be governed by the most recent edition of Roberts Rules of Order, except to the extent that such procedure is otherwise determined by the Kentucky Revised Statutes, the rules and regulations of the Public Service Commission of Kentucky, the Articles of Incorporation for the Cooperative, or the policies or other Bylaws of the Cooperative, or any other laws pertaining to rural electric cooperatives.

ARTICLE III

MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING.

The annual meeting of the members shall be held at such time and at such place within any county served by the Cooperative as selected by the Board and which shall be designated in the notice of the meeting for the purpose of transacting such business as may come before the meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. Failure to hold an annual meeting at the designated time shall not cause a forfeiture or dissolution of the Cooperative.

SECTION 2. SPECIAL MEETINGS.

Special meetings of the members may be called by resolution of the Board, or upon a written request signed by any four Board members, or by the Chair; and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting.

SECTION 3. NOTICE OF MEMBERS' MEETING.

Written or printed notice setting the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days nor more than thirty days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. Any such notice delivered by mail may be included with members' service billings or as an integral part or with the Cooperative's monthly newsletter and/or its monthly insert, if any, in the Kentucky Living. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. QUORUM.

One hundred (100) members present in person shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting. The minutes of each meeting shall have a list of the members present in person attached to the minutes.

SECTION 5. VOTING.

Each member shall be entitled to only one vote upon each matter submitted to a vote. All questions shall be decided by a vote of a majority of the members voting thereon in person except as otherwise provided by law, the Articles of Incorporation or these Bylaws. Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to, or upon registration at, each member meeting of satisfactory evidence entitling the person presenting the same to vote.

SECTION 6. ORDER OF BUSINESS.

The order of business at the annual meeting of the members, and so far as possible at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Presentation of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver of the meeting, as the case may be.
3. Presentation of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors and committees.
5. Special orders.
6. Unfinished business.
7. New business.
8. Adjournment.

SECTION 7. MEMBER ADVISORY COMMITTEE.

A Member Advisory Committee shall be selected annually from the membership by the Board of Directors. This Committee shall consist of at least 50 members of the Cooperative and shall be selected not later than the March meeting of the Board of Directors each year. The purpose of this Committee shall be to serve the Cooperative in an advisory capacity, receiving from and conveying to the Board of Directors and the membership information helpful in the administration of an electric cooperative. It shall also be the responsibility of the member advisory committee to select the nominating committee for the Cooperative as set forth herein. One or more meetings of this Committee shall be held each year, and one meeting must be held not later than 90 days prior to the annual meeting of the membership.

ARTICLE IV — BOARD MEMBERS

SECTION 1. GENERAL POWERS.

The business and policies of the Cooperative shall be the responsibility of a Board of Directors of six members, which shall exercise all of the powers of the Cooperative, except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the members. It is the philosophy of this Cooperative that each director is elected to serve the best interests of the entire membership, and not just their own district within the Cooperative.

SECTION 2. QUALIFICATIONS OF DIRECTORS.

A person shall be eligible to become a Board Member of the Cooperative who: (a) has attained the age of twenty-one (21) years, or more, and (b) is a member of the Cooperative and a bona fide resident for one year prior to their election of the Directorate District from which they are elected, as further defined in Section 3 of this Article IV (In order to be a "bona fide resident" they must have resided for the majority of the year in a residence within the Directorate District from which they are elected.); (c) is not in any way employed by or has more than a 10% interest in a competing enterprise engaged in distribution of electricity or a business selling services or products to the Cooperative, and (d) is not an employee of the Cooperative or a former employee who has a vested interest in the Cooperative, or who has been an employee in the past five years, or receives any remuneration from the Cooperative, other than remuneration for services rendered in serving as a member of the Board of Directors, and (e) is not a close relative of any incumbent director or of an employee or a retired employee of the Cooperative. ("Close relative" means a person who is related to the principal person to the third degree or less — that is a person who is either a spouse, child, step-child, grandchild, great-grandchild, parent, stepparent, grandparent, great-grandparent, brother, sister, aunt, uncle, nephew, or niece, by blood or in-law, of the principal.) A person who holds an elected public office (elected by the general public) with the exception of the office of Soil Conservation Supervisor, shall not be eligible to be a member of the Board of Directors.

Upon establishment that a Board member is holding office in violation of any of the foregoing provisions, the Board shall remove such Board member from office. Each Director must file annually with the cooperative a 'Conflict of interest Statement' disclosing any potential conflicts of that Director.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board.

SECTION 3. DIRECTORATE DISTRICTS.

The Cooperative's directors shall be so nominated and elected that, the Board shall be comprised of one director from each of six Directorate Districts. Boundaries are designed to equalize the number of members living in each district.

The boundaries of each district are based on member service location numbers. Board districts are noted on monthly billing statements and will be provided by the Cooperative upon request by a member and designated on a master map maintained at the Cooperative office.

SECTION 4. TENURE OF DIRECTORS.

Upon their election, directors shall, subject to the provisions of these Bylaws with respect to the removal of directors, serve until the annual meeting of membership of the year in which their term expires or until their successors shall have been elected and shall have qualified. Beginning with the election for 2017, directors from each Directorate District shall be elected for 3-year terms according to the following schedule:

2017	2018	2019
District 1	District 3	District 2
District 4	District 5	District 6

After 2019, directors from each Directorate District shall continue to be elected for 3-year terms on the same rotating schedule listed above.

SECTION 5 (a). ELECTION OF DIRECTORS.

Nominating committees consisting of ten (10) members of the Cooperative shall be selected as follows:

- (1) At the spring meeting of the Member Advisory Committee, the members

of the Member Advisory Committee shall divide into six (6) caucuses, with one caucus to represent each Directorate District.

(2) Each caucus of the Member Advisory Committee shall select one member of the Cooperative from that Directorate District to serve on the nominating committee. These six (6) members shall be chosen first. In addition to these six (6), four (4) additional members of the Cooperative shall be chosen for the nominating committees from each Directorate District in which directorships are up for election. If the caucus from a Directorate District in which a directorship is up for election is unable to get four (4) additional members from that district to serve, then less than four (4) additional members may serve with the core committee of six (6) to make up the nominating committee. Each year there will be two directorships up for election.

(3) A majority of the members of the nominating committee (but not less than six) shall constitute a quorum of the committee to nominate directors.

The membership of the nominating committee may also be members of the Member Advisory Committee, but no employees of the Cooperative, directors or close relatives (as defined in Article IV, Section 2 (e) of these Bylaws) of incumbent directors or employees shall serve on the nominating committee. The secretary of the Cooperative shall convene the initial meeting of the nominating committee, and the committee shall then select its own Chairperson and thereafter, the committee shall meet at the time and place designated by the Chairperson. Notice of the time and place of meeting shall be given to each member by a letter deposited in the United States mail directed to them at the address of the member shown on the books of the Cooperative, not less than five days prior to the meeting, but any member may waive such notice in writing and does waive such notice if the member attends the meeting. The nominating committee shall continue in office for a period of one year or until its successor committee is selected by the Member Advisory Committee.

The committee shall prepare and post at the principal office of the Cooperative at least sixty-five (65) days before the election date, a list of nominees for directors. One or more persons shall be nominated for each vacancy to be filled. No person shall be nominated as a candidate for the Board of Directors unless that person is duly qualified, and has been contacted by the nominating committee and indicated their willingness to have their name placed in nomination.

Fifty-five (55) days prior to the Annual Meeting, each nominee may furnish to the Cooperative Secretary a resume of their qualifications and a picture of the nominee; these (or edited versions thereof) shall be furnished to the membership prior to the election. Other campaigning is discouraged in an effort to promote a cooperative spirit in the election process.

A ballot shall be mailed to each member of the Cooperative at least eight days before the date of the annual meeting. The ballot shall list persons nominated for the office of director as heretofore set out and shall contain a blank line upon which a member may vote for any person not nominated, but otherwise qualified.

Each member may vote for the directors of their choice by marking in the space provided thereon and shall return their ballot to the office of the Cooperative in a self-addressed envelope provided for this purpose by the Cooperative. All ballots to be valid must be delivered to the office of the Cooperative not later than 10:00 a.m. the day of the annual meeting and shall be sealed in an envelope provided by the Cooperative for that purpose.

All ballots shall be delivered in the sealed envelope to the election tellers. The election tellers shall count the same, certify the result of the election and the result shall be made public at the annual meeting of the Cooperative.

Each member of the Cooperative shall be entitled to cast one vote for each vacancy to be filled, however, proxy voting or cumulative voting shall not be permitted.

Each candidate may name one election teller by notifying the Secretary of the Board in writing of their selection not later than ten days before the date of the annual meeting. The Board shall name such additional tellers as are necessary in the opinion of the Board. The election tellers thus selected shall meet at a time and place designated by the Board. The Secretary of the Board shall notify each teller when and where the meeting will be held. The tellers shall select a chairperson and the tellers shall open the envelopes containing the ballots in the presence of each other and count the same.

Any teller may challenge the validity of any ballot and if a majority of the tellers vote to uphold the challenge, the ballot shall not be counted.

The following ballots shall not be counted:

- (1) Unmarked ballots.
- (2) Ballots marked for more candidates than vacancies to be filled.

- (3) Ballots marked for more than one candidate for any one vacancy.
- (4) Ballots other than the official ballot mailed.
- (5) Ballots arriving late.

The following ballots may be counted:

- (1) Ballots on which the mark is not in the place provided, but does show the intention of the voter.
- (2) Ballots on which there is an erasure or change of intention shown, but the election tellers are of the opinion that the ballot has not been tampered with.

The tellers shall by the signature of a majority of the members certify the number of votes received by each candidate. The report shall be delivered by the chairperson of the tellers to the Chair of the Board and the result announced at the annual meeting.

The person nominated for director in their district receiving the highest number of votes as certified by the tellers is the person elected. If more than one person receives the same number of votes, the tellers shall at a meeting at a time and place to be fixed by them, at which due notice shall be given the nominees cause the nominees or their representatives, or in the absence of a nominee or their representatives, some person designated by the tellers to draw for the office, and the person drawing the slip marked "elected" shall be the person elected.

SECTION 5(b). SPECIAL ELECTIONS.

If a vacancy occurs on the Board of Directors, the remaining Directors shall select a qualified member of the Cooperative to fill the vacancy for the unexpired term, as long as four (4) or more Directors remain on the Board. If for any reason four (4) or more Directors do not remain on the Board, then the vacancies created shall be filled using the following procedure:

- (1) The existing nominating committee appointed by the Member Advisory Committee shall meet as soon as possible and nominate two qualified candidates for each vacancy to be filled. A special election by mail shall then be held as set out herein.
- (2) The chairperson of the nominating committee shall set a date by which ballots for the special election shall be returned to the Cooperative. This date (hereinafter called "Special Election Day"), shall not be more than 90 days following the date when the Board of Directors ceased to have four (4) or more Directors. Notice of this Special Election shall be published in the newspaper with the largest circulation in each of the counties which the Cooperative serves and this notice shall be published at least once 30 days or more prior to the "Special Election Day." Notice of the Special Election shall also be given to all members of the Cooperative at the time ballots are mailed to each member. The Secretary of the Cooperative shall be responsible for seeing that the notice of the Special Election is placed in the newspapers and the ballots are mailed to the members. However, in the event the office of Secretary is vacant, then the nominating committee shall see that this is done.
- (3) The list of nominees for Director selected by the nominating committee shall be posted in the principal office of the Cooperative at least 20 days before the election.
- (4) Ballots shall then be mailed to each member of the Cooperative eight (8) days before the election, and the election process shall then proceed as any regular election called for under Section 5 of Article IV of these Bylaws, except when the term "annual meeting" is referred to therein, the term "Special Election Day" shall be substituted under this election process, and except where the election procedures differ from those set forth in this Section 5(b).

SECTION 6. REMOVAL AND RESIGNATION OF DIRECTORS.

Any director may resign at any time by sending a written notice of such resignation to the office of the Cooperative addressed to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Three (3) absences from regular meetings of the Board of Directors within a twelve (12) month time period, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

SECTION 7. COMPENSATION.

Board members shall not receive any salary for their service as such. The Board may by resolution authorize a fixed sum be paid the Board Member for each day or portion thereof spent on Cooperative business, such as attendance

at meetings, conferences, and training programs or performing committee assignments when authorized by the Board, whether in or out of the State of Kentucky. If authorized by the Board, Board Members may also be reimbursed for expenses actually and necessarily incurred in carrying out such corporate business, whether or not such expenses are incurred in or out of the State of Kentucky. Any sum paid to a Board Member shall be considered business expenses of the Cooperative.

SECTION 8. IDEMNIFICATION OF OFFICERS, DIRECTORS, STAFF EMPLOYEES AND AGENTS.

The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by, or in the right of, the Cooperative) by reason of the fact that such person is or was a director, officer, staff employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, staff employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including all costs of defense), judgments, fines and amounts paid in settlement actually and reasonable incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner that a reasonable person would have believed to be in, or not opposed to the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct of such person was unlawful.

To the extent that a director, officer, staff employee or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in paragraph 1, (and, in addition, actions by or in the right of, the Cooperative) of any claim, issue or matter therein, such person shall be indemnified against expenses (including all costs of defense) actually and reasonable incurred by such person in connection therewith.

The indemnity herein provided shall be co-extensive with those authorized under Kentucky Revised Statute 271B and shall be effective in accordance with all the terms and conditions of such statute.

The Cooperative may purchase and maintain insurance on behalf of any person who is or was a director, officer, staff employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, staff employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the cooperative would have the power to indemnify such person against such liability under the provisions of this Bylaw.

ARTICLE V

MEETINGS OF BOARD

SECTION 1. REGULAR MEETINGS.

A regular meeting of the Board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board shall also be held monthly at such time and place within one of the counties served by the Cooperative as designated by the Board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

SECTION 2. SPECIAL MEETINGS.

Special meetings of the Board may be called by the Chair or by any four Board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Chair or Board

Members calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. NOTICE OF SPECIAL BOARD MEETINGS.

Written notice of the time, place and purpose of any special meeting of the Board shall be delivered to each Board member either personally or by mail, or at the direction of the Secretary, or upon a default in duty by the Secretary, by the Chair or the Board members calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Board member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five days before the date set for the meeting.

SECTION 4. QUORUM AND VOTING.

A majority of the Board shall constitute a quorum, provided that if less than such majority of the Board is present at said meeting, a majority of the Board present may adjourn the meeting from time-to-time; provided further, that the Secretary shall notify any absent Board members of the time and place of such adjourned meeting. The act of a majority of the Board members present at a meeting at which a quorum is present at the time of the vote, shall be the act of the Board, except as otherwise provided in these Bylaws. The Chair along with all other Directors shall have the right to vote on any issue brought before the Board, so long as there is no conflict of interest.

SECTION 5. CONFERENCE CALLS.

One or more Directors may participate in a meeting of the Board of Directors, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting by means of conference or telephone or similar communications equipment shall constitute presence in person at such meeting for purposes of determining the presence of a quorum. Meetings of committees established by the Board of Directors may also be conducted by conference telephone or similar communications equipment. No Director may take advantage of participating in a meeting by this method more than three times in a 12 month period.

ARTICLE VI

OFFICERS

SECTION 1. NUMBER.

The officers of the Cooperative shall be a Chair, Vice Chair, Secretary, Treasurer and such other officers as may be determined by the Board from time-to-time. The offices of Secretary and Treasurer may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE.

The officers should be elected by secret ballot annually by and from the Board at the meeting of the Board held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the first meeting of the Board following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in an office shall be filled by the Board for the unexpired portion of the term.

SECTION 3. REMOVAL OF OFFICERS AND AGENTS BY THE BOARD.

Any officer or agent elected or appointed by the Board may be removed by two-thirds vote of the Board for cause whenever in its judgment the best interest of the Cooperative will be served thereby. The officer subject to removal shall not have a vote on their own removal.

SECTION 4. CHAIR.

The Chair shall:

- (a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members of the Board, shall preside at all meetings of the members and the Board;
- (b) sign by facsimile signature or otherwise with the Secretary certificates of

membership, the issue of which shall have been authorized by the Board or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Cooperative or shall be required by law to be otherwise signed or executed; and,

(c) in general, perform all duties incident to the office of the Chair and such other duties as may be prescribed by the Board from time-to-time.

SECTION 5. VICE CHAIR.

In the absence of the Chair, or in the event of his inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform such other duties as prescribed by the Board from time-to-time.

SECTION 6. SECRETARY.

The Secretary shall be responsible for:

- (a) keeping, or causing to be kept, the minutes of the meetings of the members and the Board in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these Bylaws or as required by law;
- (c) the safekeeping of the Corporate books and records and the seal of the Cooperative; the affixing thereof to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;
- (d) keeping a register of the names and post office addresses of all members;
- (e) signing by facsimile signature or otherwise with the Chair certificates of membership the issue of which shall have been authorized by the Board or the members;
- (f) keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to inspection of any member) and at the expense of the Cooperative, furnishing a copy of the Bylaws and of the amendments thereto to any member upon request; and,
- (g) in general performing all duties incident to the office of Secretary and such other duties as may be prescribed by the Board from time-to-time.

SECTION 7. TREASURER.

The Treasurer shall be responsible for:

- (a) custody of all funds and securities of the Cooperative;
- (b) the receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and,
- (c) the general performance of all the duties incident to the office of Treasurer and such other duties as may be assigned by the Board from time-to-time.

SECTION 7(a). DELEGATION OF RESPONSIBILITY.

Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided, the Board of Directors, by resolution, may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, in the regular or routine administration of, one or more of each officer's such duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the Board does so delegate with respect to any such officer, that officer as such shall be released from such duties, responsibilities and authorities.

SECTION 8. PRESIDENT AND CEO

The Board shall appoint a President and CEO who shall be responsible for the management and operation of the Cooperative and shall perform such other duties and exercise such authority as prescribed by the Board.

SECTION 9. BONDS OF OFFICERS.

The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded

in such sum with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded in such amount and with such surety as it shall determine.

SECTION 10. REPORTS.

The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII

NON-PROFIT OPERATION

SECTION 1. INTEREST OR DIVIDEND ON CAPITAL PROHIBITED.

The Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members except as required by law.

SECTION 2. PATRONAGE CAPITAL IN CONNECTION WITH FURNISHING ELECTRIC ENERGY.

In the furnishing of electric energy the Cooperative's operations shall be so conducted that all members will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its members for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as capital. The Cooperative is obligated to pay, by credits to a capital account for each member, all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member, and the Cooperative shall, within a reasonable time after the close of the fiscal year, notify each member of the amount of capital so credited to their account. All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital. This shall be done in accordance with policies adopted from time-to-time by the Board of Directors.

All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year, and (b) to the extent not needed for that purpose, allocated to its members on a patronage basis and any amounts so allocated shall be included as part of the capital credited to the accounts of members, as herein provided.

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to members' accounts may be retired in full or in part.

Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such member's premises served by the Cooperative unless the Board, acting under policies of general application, shall determine otherwise. Capital credited to the account of each member shall not be used by the member as a set-off against any amounts owed by the member to the Cooperative, unless a general retirement of capital credits is being made to all members, in which event the member may, by written application to the Cooperative, request such a set-off. The Cooperative itself, upon its own initiative, shall have the right to set-off against delinquent

accounts of a member at the time of a general retirement of capital credits or upon the death of a member.

Notwithstanding any other provision of these Bylaws, the Board shall have the power at any time upon the death of any member, who is a natural person, if the legal representatives of the estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to any such member immediately upon such terms and conditions as the Board, acting under policies of general application, shall determine that the financial condition of the Cooperative will not be impaired thereby.

The Cooperative, before retiring any capital credits to any member's account, shall deduct therefrom any amount owing by such member to the Cooperative, together with interest thereon at the Kentucky legal rate on judgments in effect when such amount became due, compounded annually, and such member hereby grants the Cooperative a security interest against such capital credits for such amounts owed.

The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions. The provisions of this Article of the Bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

ARTICLE VIII

DISPOSITION OF PROPERTY

The Cooperative may authorize the sale, lease, lease-sale, exchange, transfer or other disposition of any of the Cooperative's properties and assets only upon the affirmative votes of a majority of the then-total members of the Cooperative at a duly held meeting of the members. However, the Board of Directors shall have full power and authority:

- (a) to borrow monies from any source and in such amounts as the Board may from time-to-time determine;
- (b) to mortgage or otherwise pledge or encumber any or all of the Cooperative's properties or assets as security therefore; and
- (c) to lease, lease-sell, exchange, transfer or otherwise dispose of services and electric energy, property acquired for resale, merchandise, property not necessary or useful for the operation of the Cooperative.

ARTICLE IX

FINANCIAL TRANSACTIONS

SECTION 1. CONTRACTS.

Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for the payment of money, all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time-to-time be determined by resolution of the Board.

SECTION 3. DEPOSITS.

All funds except petty cash of the Cooperative shall be deposited from time-to-time to the credit of the Cooperative in such bank or banks as the Board may select.

SECTION 4. CHANGE IN RATES.

Written notice shall be given to the Administrator of the Rural Utilities Service of the United States of America not less than ninety days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the members at the next following annual meeting.

SECTION 4. AREA COVERAGE.

The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service and, (b) meet all requirements established by the Cooperative as a condition of such service.

SECTION 4(a). ACCESS TO LANDS AND PREMISES.

Without being paid compensation therefore, each member shall grant and give to the Cooperative free access on to his, her or its lands and premises for the purpose of placing, locating, building, constructing, operating, replacing, rebuilding, relocating, repairing, improving, enlarging, extending and maintaining on, over or under such lands and premises, or removing therefrom its electric distribution system, new or existing lines, wires, poles, anchors, and other necessary or appurtenant parts thereof. Any unusual or excessive use of lands are to be compensated for, which compensation shall be voted on upon a majority vote of the Board of Directors.

SECTION 5. SEAL.

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal Nolin Rural Electric Cooperative Corporation of Kentucky."

SECTION 5. FISCAL YEAR.

The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

ARTICLE X

MISCELLANEOUS

SECTION 1. WAIVER OF NOTICE.

Any member or Board member may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or Board member at any meeting shall constitute a waiver of notice of such meeting by such member or Board member, except in case a member or Board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

SECTION 2. POLICIES, RULES AND REGULATIONS.

The Board shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 3. ACCOUNTING SYSEM AND REPORTS.

The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time-to-time be designated by the Administrator of the Rural Utilities Service of the United States of America. The Board shall also after the close

ARTICLE XI

AMENDMENTS

These Bylaws may be altered, amended, or repealed by a majority vote of the Board of Directors at any regular or special meeting of said Board, and the authority to make any such changes is vested solely in the Board of Directors.

Printed August 2016

NOLIN RURAL ELECTRIC COOPERATIVE

ELIZABETHTOWN OFFICE

411 RING ROAD

ELIZABETHTOWN, KY 42701

8:00 a.m. - 5:00 p.m., Mon-Fri • (270) 765-6153

RADCLIFF OFFICE

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Web site: www.nolinrecc.com • e-mail: comments@nolinrecc.com

Nolin Rural Electric Cooperative
Case No. 2016-00367
Statement of Operations
April 30, 2016

Exhibit V
page 1 of 3

Witness: James Adkins

	<u>2016</u>	<u>2015</u>
Operating revenue	\$ 69,728,403	\$ 77,467,189
Operating expenses:		
Cost of power	51,781,247	56,741,716
Distribution-operations	4,557,493	3,958,560
Distribution-maintenance	4,540,753	4,640,013
Consumer accounts	2,504,089	2,589,363
Consumer service	666,958	874,894
Sales	-	-
Administrative and general	4,434,505	4,567,105
	<u>68,485,045</u>	<u>73,371,651</u>
Depreciation and amortization	4,262,055	3,994,053
Taxes-other	-	-
Interest on long term debt	3,024,787	3,198,976
Other interest expense	41,086	2,667
Other deductions	34,604	18,846
	<u>75,847,577</u>	<u>80,586,193</u>
Utility operating margins	(6,119,174)	(3,119,004)
Nonoperating margins, interest	1,966,640	2,218,028
Nonoperating margins, other	103,031	(6,692,538)
G & T capital credits	3,474,463	3,948,912
Other capital credits	93,416	681,150
	<u>\$ (481,624)</u>	<u>\$ (2,963,452)</u>
Net margins		
TIER excluding G&T	(0.31)	(1.16)

Nolin Rural Electric Cooperative
Case No. 2016-00367
Balance Sheet
April 30, 2016

Exhibit V
page 2 of 3
Witness: James Adkins

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<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Electric Plant:		
In service	\$ 111,359,858	\$ 107,221,330
Under construction	1,738,456	1,392,713
	<u>113,098,314</u>	<u>108,614,043</u>
Less accumulated depreciation	41,869,350	43,063,065
	<u>71,228,964</u>	<u>65,550,978</u>
Investments	<u>38,526,348</u>	<u>35,145,552</u>
Current Assets:		
Cash and temporary investments	2,740,659	5,790,905
Accounts receivable, net	69,829,944	69,235,229
Material and supplies	1,326,144	1,255,449
Prepayments	341,060	351,657
	<u>74,237,807</u>	<u>76,633,240</u>
Deferred debits	<u>2,483,742</u>	<u>2,860,544</u>
Total Assets	<u>\$ 186,476,861</u>	<u>\$ 180,190,314</u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>		
Margins and Equities:		
Memberships	\$ 274,455	\$ 276,375
Patronage capital	63,795,601	64,473,714
Other equities	(375,504)	(715,182)
	<u>63,694,552</u>	<u>64,034,907</u>
Long Term Debt	<u>100,544,778</u>	<u>98,353,594</u>
Accumulated Operating Provisions	<u>6,921,518</u>	<u>6,817,107</u>
Current Liabilities:		
Accounts payable	10,521,449	4,584,065
Consumer deposits	2,330,006	2,332,471
Accrued expenses	2,146,758	3,121,058
	<u>14,998,213</u>	<u>10,037,594</u>
Consumer advances	<u>317,800</u>	<u>947,112</u>
Total Members' Equities and Liabilities	<u>\$ 186,476,861</u>	<u>\$ 180,190,314</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
Statement of Cash Flows
April 30, 2016

Exhibit V
page 3 of 3

Witness: James Adkins

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Net margins	\$ 2,444,454	\$ (2,963,452)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	4,262,055	3,994,053
Charged to clearing accounts	268,433	264,811
Patronage capital credits	(3,567,879)	(4,630,062)
Accumulated postretirement benefits	104,411	113,779
Net change in current assets and liabilities:		
Receivables	(594,715)	14,950,156
Material and supplies	(70,695)	309,603
Prepayments and deferred charges	387,399	303,065
Accounts payables	2,647,396	(535,877)
Consumer deposits	(2,465)	134,630
Accrued expenses	(974,300)	374,912
Consumer advances and others	(629,312)	(1,534,015)
	<u>4,274,782</u>	<u>10,781,603</u>
Cash Flows from Investing Activities:		
Plant additions	(10,336,980)	(9,066,805)
Additional investments, net of receipts	187,083	190,063
	<u>(10,149,897)</u>	<u>(8,876,742)</u>
Cash Flows from Financing Activities:		
Memberships	(1,920)	(3,390)
Other equities	1,376,309	276,289
Short term borrowings (repayments)	-	-
Additional long-term borrowings	8,000,000	8,000,000
Payments on long-term debt	(6,549,520)	(5,832,034)
	<u>2,824,869</u>	<u>2,440,865</u>
Net increase (decrease) in cash	(3,050,246)	4,345,726
Cash balances - beginning	<u>5,790,905</u>	<u>1,445,179</u>
Cash balances - ending	<u>\$ 2,740,659</u>	<u>\$ 5,790,905</u>

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
362	Station equipment	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002
	Prior Year	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002	649,002
	Change	-	-	-	-	-	-	-	-	-	-	-	-
364	Poles, towers & fixtures	24,108,291	24,169,131	24,234,383	24,262,003	24,277,399	24,316,996	24,331,809	24,348,817	24,734,519	24,738,052	24,760,631	24,791,094
	Prior Year	23,606,577	23,629,074	23,679,927	23,697,355	23,743,340	23,770,376	23,787,806	23,835,608	23,867,671	24,057,430	24,060,125	24,076,461
	Change	501,714	540,057	554,456	564,648	534,059	546,620	544,003	513,209	866,848	680,622	700,506	714,633
364.1	Poles, towers & fixtures-FK	651	651	651	651	651	651	651	651	651	651	651	651
	Prior Year	656	656	656	656	656	656	652	652	651	651	651	651
	Change	(5)	(5)	(5)	(5)	(5)	(5)	(1)	(1)	-	-	-	-
365	Overhead conduct & devices	21,325,486	21,377,175	21,480,855	21,509,564	21,526,177	21,551,859	21,565,711	21,580,644	22,223,990	22,223,046	22,237,643	22,269,375
	Prior Year	20,697,092	20,709,860	20,754,635	20,765,354	20,813,728	20,845,468	20,857,348	20,890,604	20,913,552	21,288,580	21,292,040	21,304,198
	Change	628,394	667,315	726,220	744,210	712,449	706,391	708,363	690,040	1,310,438	934,466	945,603	965,177
365.1	Overhead conduct & devices-FK	302	302	304	304	304	304	304	304	304	304	304	304
	Prior Year	302	302	302	302	302	302	302	302	302	302	302	302
	Change	-	-	2	2	2	2	2	2	2	2	2	2
367	Underground Cond & devlces	7,647,335	7,652,847	7,768,980	7,791,551	7,799,773	7,819,591	7,850,365	7,867,579	7,882,118	7,883,232	7,890,295	7,893,140
	Prior Year	7,758,712	7,775,813	7,784,390	7,795,173	7,861,386	7,854,049	7,859,580	7,869,434	7,872,018	7,893,810	7,907,822	7,913,736
	Change	(111,377)	(122,966)	(15,410)	(3,622)	(61,613)	(34,458)	(9,215)	(1,861)	10,100	(10,578)	(17,527)	(20,596)
367.1	Underground Cond & devlces-FK	293,402	293,402	293,402	293,402	293,402	293,402	293,402	293,402	293,402	293,402	293,402	293,402
	Prior Year	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259
	Change	292,143	292,143	292,143	292,143	292,143	292,143	292,143	292,143	292,143	292,143	292,143	292,143
368	Transformers	18,020,605	18,102,351	18,166,432	18,215,489	18,239,433	18,309,122	18,267,504	18,268,380	18,306,413	18,315,993	18,331,322	18,400,486
	Prior Year	17,534,306	17,614,651	17,682,747	17,732,720	17,860,659	17,892,969	17,688,226	17,721,039	17,811,615	17,835,542	17,866,438	17,956,766
	Change	486,299	487,700	483,685	482,769	378,774	416,153	579,278	547,341	494,798	480,451	464,884	443,720
368.1	Transformers-FK	29	29	29	29	29	29	29	29	29	29	29	29
	Prior Year	29	29	29	29	29	29	29	29	29	29	29	29
	Change	-	-	-	-	-	-	-	-	-	-	-	-
369	Services	11,339,400	11,386,112	11,558,003	11,577,413	11,603,472	11,634,031	11,659,092	11,679,624	11,752,341	11,767,972	11,781,443	11,795,290
	Prior Year	11,052,244	11,081,277	11,114,384	11,131,176	11,168,488	11,188,440	11,194,774	11,209,925	11,230,129	11,271,411	11,282,206	11,296,946
	Change	287,156	304,835	443,619	446,237	434,984	445,591	464,318	469,699	522,212	496,561	499,237	498,344
369.1	Services-FK	7,639	7,639	7,639	7,639	7,639	7,639	7,639	7,639	7,639	7,639	7,639	7,639
	Prior Year	282	434	434	434	434	434	7,639	7,639	7,639	7,639	7,639	7,639
	Change	7,357	7,205	7,205	7,205	7,205	7,205	-	-	-	-	-	-
370	Meters	6,060,739	6,060,739	6,059,752	6,060,649	7,917,009	9,079,191	7,192,233	6,166,304	6,168,346	6,168,346	8,999,155	6,845,230
	Prior Year	6,395,105	6,322,392	6,325,751	6,314,897	6,319,332	6,323,182	5,776,479	5,788,289	5,792,071	5,789,346	5,791,260	6,063,785
	Change	(334,366)	(261,653)	(265,999)	(254,248)	1,597,677	2,756,009	1,415,754	378,015	376,275	379,000	3,207,895	781,445
370.1	Meters-Mini Max AMP	11	11	11	11	11	11	11	11	11	11	11	11
	Prior Year	11	11	11	11	11	11	11	11	11	11	11	11
	Change	-	-	-	-	-	-	-	-	-	-	-	-
371	Security Lights	1,883,358	1,888,325	1,891,663	1,893,641	1,897,785	1,903,767	1,909,411	1,916,398	1,926,720	1,936,843	1,944,907	1,947,272
	Prior Year	1,832,659	1,833,974	1,841,967	1,846,223	1,845,846	1,847,805	1,850,896	1,857,177	1,860,902	1,869,542	1,873,385	1,880,012
	Change	50,699	54,351	49,696	47,418	51,939	55,962	58,515	59,221	65,818	67,301	71,522	67,260

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
.394.10	Shop Equipment	317,569	317,569	317,569	364,481	364,481	364,481	364,481	364,481	364,481	370,768	370,768	370,768
	Prior Year	328,938	328,938	328,938	328,938	328,938	328,938	328,938	328,938	328,938	328,938	317,569	317,569
	Change	(11,369)	(11,369)	(11,369)	35,543	35,543	35,543	35,543	35,543	35,543	41,830	53,199	53,198
.394.10	Shop Equipment-FK	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298
	Prior Year	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298	10,298
	Change	-	-	-	-	-	-	-	-	-	-	-	-
395	Lab Equipment	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	150,205	150,205
	Prior Year	137,719	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489	144,489
	Change	6,770	-	-	-	-	-	-	-	-	-	5,716	5,716
395	Lab Equipment Ft. Knox	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840
	Prior Year	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840	22,840
	Change	-	-	-	-	-	-	-	-	-	-	-	-
396	Power Equipment	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042
	Prior Year	148,311	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042	158,042
	Change	9,731	-	-	-	-	-	-	-	-	-	-	-
397	Communications	1,228,682	1,228,682	1,308,730	1,308,730	1,848,398	1,836,559	1,836,559	1,836,559	1,844,641	1,844,641	1,844,641	1,844,641
	Prior Year	1,060,404	1,060,404	1,060,404	1,060,404	1,114,439	1,114,439	1,114,439	1,114,439	1,114,439	1,114,439	1,227,861	1,227,861
	Change	168,278	168,278	248,326	248,326	733,959	722,120	722,120	722,120	730,202	730,202	616,780	616,780
397	Communications Ft. Knox	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
	Prior Year	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116	9,116
	Change	-	-	-	-	-	-	-	-	-	-	-	-
398	Miscellaneous	115,613	122,745	122,745	122,745	122,745	122,745	122,745	122,745	122,745	122,745	122,745	122,745
	Prior Year	96,260	96,260	96,260	96,260	96,260	96,260	111,717	122,745	111,717	111,717	111,717	111,717
	Change	19,353	26,485	26,485	26,485	26,485	26,485	11,028	11,028	11,028	11,028	11,028	11,029
398	Miscellaneous Ft. Knox	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498
	Prior Year	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498	7,498
	Change	-	-	-	-	-	-	-	-	-	-	-	-
****	Total Electric Plant in Serv	107,421,892	107,841,579	108,425,012	108,631,021	111,192,440	112,639,835	110,839,380	110,000,361	111,257,980	111,225,760	114,126,413	112,032,580
	Prior Year	105,196,942	105,414,285	105,726,253	105,885,021	106,377,781	106,505,324	105,633,639	105,819,747	105,997,282	106,629,830	106,800,381	107,221,329
	Change	2,224,950	2,427,294	2,698,759	2,746,000	4,814,659	6,134,511	5,205,741	4,180,614	5,260,698	4,595,930	7,326,032	4,811,251
107.10	CWIP - contractor	447,159	491,790	443,084	480,650	502,036	484,967	514,718	1,137,805	401,080	398,536	458,766	416,176
	Prior Year	329,161	409,966	358,660	393,609	379,992	376,445	383,867	362,391	365,435	364,831	409,727	433,828
	Change	117,998	81,824	84,424	87,041	122,044	108,522	130,851	775,414	35,645	33,705	49,039	(17,652)
107.10	CWIP - contractor Ft. Knox	-	174,319	174,319	174,319	174,319	174,319	174,319	174,319	174,319	174,319	174,319	174,319
	Prior Year	-	-	-	-	-	-	493,642	-	(790)	26,328	-	-
	Change	-	174,319	174,319	174,319	174,319	174,319	(319,323)	174,319	175,109	147,991	174,319	174,319
.107.12	Contract Labor-fk	(340,526)	(311,104)	(353,521)	(419,129)	(359,219)	(59,218)	(59,218)	(59,218)	(44,818)	(44,347)	(44,318)	(44,818)
	Prior Year	(405,068)	(459,637)	(489,675)	(426,564)	(260,061)	(425,801)	(365,947)	(359,582)	(379,348)	(399,499)	(363,545)	(327,667)
	Change	64,542	148,533	136,154	7,435	(99,158)	366,583	306,729	300,364	334,530	349,152	319,227	282,849
09.107.2	Construction work in pro-FK	-	-	-	-	-	-	-	-	-	-	-	-
	Prior Year	-	-	83	-	-	-	297,338	-	-	-	-	-
	Change	-	-	(83)	-	-	-	(297,338)	-	-	-	-	-

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
107.20	Construction work in progress	1,293,783	1,411,243	1,261,200	1,281,038	1,380,548	1,534,422	1,680,292	1,693,853	1,083,466	1,096,069	1,118,912	1,212,542
	Prior Year	885,503	944,345	1,032,382	1,069,540	1,062,630	1,297,190	1,300,298	1,358,351	1,365,594	1,084,372	1,286,782	1,319,068
	Change	408,280	466,898	228,818	211,498	317,918	237,232	379,994	335,502	(282,128)	11,697	(167,870)	(106,526)
107.16	Contract Labor Knox Hills	-	-	-	-	-	-	-	-	-	-	-	-
	Prior Year	23,621	(15,819)	12,162	(1,442)	5,883	3,771	123,045	128,738	38,365	20,390	-	-
	Change	(23,621)	15,819	(12,162)	1,442	(5,883)	(3,771)	(123,045)	(128,738)	(38,365)	(20,390)	-	-
107.21	Construction work in progress	(19,427)	(19,904)	(19,904)	(18,635)	(20,085)	(19,854)	(19,773)	(19,773)	(19,773)	(19,764)	(19,764)	(19,764)
	Prior Year	136,316	149,807	56,725	150,102	(157,023)	(143,150)	(156,218)	(104,504)	(61,712)	(60,875)	(32,348)	(32,517)
	Change	(155,743)	(169,711)	(76,629)	(168,737)	136,938	123,296	136,445	84,731	41,939	41,111	12,584	12,753
****	Total CWIP	1,380,989	1,746,344	1,505,178	1,498,243	1,677,599	2,114,636	2,290,338	2,926,986	1,594,274	1,604,813	1,687,915	1,738,455
	Prior Year	969,533	1,028,662	970,337	1,185,245	1,031,421	1,108,455	2,076,025	1,385,394	1,327,544	1,041,547	1,300,616	1,392,712
	Change	411,456	717,682	534,841	312,998	646,178	1,006,181	214,313	1,541,592	266,730	563,266	387,299	345,743
.108.21	Retirement Work-FK	231	231	231	231	231	231	231	231	231	231	231	231
	Prior Year	231	231	231	231	231	231	231	231	231	231	231	231
	Change	-	-	-	-	-	-	-	-	-	-	-	-
108.60	Res-Distribution Plant	(35,611,793)	(35,866,685)	(36,075,800)	(36,268,231)	(36,515,387)	(36,707,427)	(35,014,315)	(35,317,903)	(35,153,006)	(35,432,135)	(35,739,108)	(33,881,821)
	Prior Year	(33,762,047)	(34,085,499)	(34,256,020)	(34,508,068)	(34,687,796)	(34,947,439)	(34,435,319)	(34,613,320)	(34,802,282)	(34,851,820)	(35,106,758)	(35,365,807)
	Change	(1,849,746)	(1,781,186)	(1,819,780)	(1,760,163)	(1,827,591)	(1,759,988)	(578,996)	(704,583)	(350,724)	(580,315)	(632,350)	1,483,986
.108.62	Acc depr-Stores	(4,960)	(5,000)	(5,040)	(5,080)	(5,120)	(5,160)	(5,200)	(5,240)	(5,280)	(5,320)	(5,360)	(5,400)
	Prior Year	(4,480)	(4,520)	(4,560)	(4,600)	(4,640)	(4,680)	(4,720)	(4,760)	(4,800)	(4,840)	(4,880)	(4,920)
	Change	(480)	(480)	(480)	(480)	(480)	(480)	(480)	(480)	(480)	(480)	(480)	(480)
108.63	Acc Dep-Lab Equip	(15,919)	(16,034)	(16,148)	(16,262)	(16,376)	(16,490)	(16,605)	(16,719)	(16,833)	(16,947)	(17,061)	(17,176)
	Prior Year	(14,549)	(14,663)	(14,777)	(14,892)	(15,006)	(15,120)	(15,234)	(15,348)	(15,463)	(15,577)	(15,691)	(15,805)
	Change	(1,370)	(1,371)	(1,371)	(1,370)	(1,370)	(1,370)	(1,371)	(1,371)	(1,370)	(1,370)	(1,370)	(1,371)
108.64	Res-Miscellaneous	(3,728)	(3,766)	(3,803)	(3,841)	(3,878)	(3,916)	(3,953)	(3,991)	(4,028)	(4,066)	(4,103)	(4,141)
	Prior Year	(3,279)	(3,316)	(3,354)	(3,391)	(3,429)	(3,466)	(3,504)	(3,541)	(3,578)	(3,616)	(3,653)	(3,691)
	Change	(449)	(450)	(449)	(450)	(449)	(450)	(449)	(450)	(450)	(450)	(450)	(450)
108.65	Res-Communication	(6,802)	(6,847)	(6,893)	(6,939)	(6,984)	(7,030)	(7,075)	(7,121)	(7,166)	(7,212)	(7,258)	(7,303)
	Prior Year	(6,255)	(6,300)	(6,346)	(6,391)	(6,437)	(6,483)	(6,528)	(6,574)	(6,619)	(6,665)	(6,711)	(6,756)
	Change	(547)	(547)	(547)	(548)	(547)	(547)	(547)	(547)	(547)	(547)	(547)	(547)
108.66	Res-Furniture	(28,813)	(29,034)	(29,256)	(29,477)	(29,699)	(29,920)	(30,142)	(30,363)	(30,585)	(30,806)	(31,028)	(31,249)
	Prior Year	(26,155)	(26,376)	(26,598)	(26,819)	(27,041)	(27,262)	(27,484)	(27,705)	(27,927)	(28,148)	(28,370)	(28,591)
	Change	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)	(2,658)
108.67	Res- Tools	(8,192)	(8,243)	(8,295)	(8,346)	(8,398)	(8,449)	(8,501)	(8,552)	(8,604)	(8,655)	(8,707)	(8,758)
	Prior Year	(7,574)	(7,625)	(7,677)	(7,728)	(7,780)	(7,831)	(7,883)	(7,934)	(7,986)	(8,037)	(8,089)	(8,140)
	Change	(618)	(618)	(618)	(618)	(618)	(618)	(618)	(618)	(618)	(618)	(618)	(618)
108.68	Res-PCB Bldg	(69,758)	(70,157)	(70,556)	(70,956)	(71,355)	(71,754)	(72,153)	(72,552)	(72,951)	(73,350)	(73,750)	(74,149)
	Prior Year	(64,968)	(65,367)	(65,766)	(66,166)	(66,565)	(66,964)	(67,363)	(67,762)	(68,161)	(68,561)	(68,960)	(69,359)
	Change	(4,790)	(4,790)	(4,790)	(4,790)	(4,790)	(4,790)	(4,790)	(4,790)	(4,790)	(4,789)	(4,790)	(4,790)
108.69	Res- Radcliff Bldg	(57,565)	(57,911)	(58,257)	(58,602)	(58,948)	(59,294)	(59,639)	(59,985)	(60,330)	(60,676)	(61,022)	(61,367)
	Prior Year	(53,418)	(53,764)	(54,109)	(54,455)	(54,801)	(55,146)	(55,492)	(55,837)	(56,183)	(56,529)	(56,874)	(57,220)
	Change	(4,147)	(4,147)	(4,148)	(4,147)	(4,147)	(4,148)	(4,147)	(4,148)	(4,147)	(4,147)	(4,148)	(4,147)

Nolin Rural Electric Cooperative
Comparison of Test Year Balance Sheet Account
Balances with those of the Preceding Year Case No. 2016-00367
April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
108.71	Res- Building	(2,134,988)	(2,145,422)	(2,155,864)	(2,166,307)	(2,176,750)	(2,187,254)	(2,197,757)	(2,208,386)	(2,219,015)	(2,229,644)	(2,240,272)	(2,250,901)
	Prior Year	(2,011,041)	(2,021,352)	(2,031,662)	(2,041,972)	(2,052,283)	(2,062,621)	(2,072,959)	(2,083,297)	(2,093,635)	(2,103,973)	(2,114,312)	(2,124,650)
	Change	(123,947)	(124,070)	(124,202)	(124,335)	(124,467)	(124,633)	(124,798)	(125,089)	(125,380)	(125,671)	(125,960)	(126,251)
108.72	Res- furniture	(1,513,006)	(1,521,900)	(1,530,750)	(1,539,598)	(1,548,430)	(1,557,259)	(1,566,088)	(1,574,954)	(1,584,242)	(1,593,525)	(1,602,803)	(1,612,073)
	Prior Year	(1,426,661)	(1,409,250)	(1,419,983)	(1,429,687)	(1,439,081)	(1,448,457)	(1,457,758)	(1,467,051)	(1,476,334)	(1,485,582)	(1,494,830)	(1,504,079)
	Change	(86,345)	(112,650)	(110,767)	(109,911)	(109,349)	(108,802)	(108,330)	(107,903)	(107,908)	(107,943)	(107,973)	(107,994)
108.73	Res- Transportation	(2,656,226)	(2,677,647)	(2,682,902)	(2,702,683)	(2,723,169)	(2,739,933)	(2,761,337)	(2,695,589)	(2,691,346)	(2,637,398)	(2,644,020)	(2,572,658)
	Prior Year	(2,638,495)	(2,659,269)	(2,676,966)	(2,699,140)	(2,722,368)	(2,746,033)	(2,573,143)	(2,573,172)	(2,595,645)	(2,592,639)	(2,613,280)	(2,634,683)
	Change	(17,731)	(18,378)	(5,936)	(3,543)	(801)	6,100	(188,194)	(122,417)	(95,701)	(44,759)	(30,740)	62,025
108.74	Res- Stores	(60,982)	(61,154)	(61,327)	(61,499)	(61,671)	(61,844)	(62,016)	(62,178)	(62,341)	(62,503)	(62,666)	(62,823)
	Prior Year	(58,793)	(58,996)	(59,199)	(59,403)	(59,589)	(59,775)	(59,948)	(60,121)	(60,293)	(60,465)	(60,638)	(60,810)
	Change	(2,189)	(2,158)	(2,128)	(2,096)	(2,082)	(2,069)	(2,068)	(2,057)	(2,048)	(2,038)	(2,028)	(2,013)
108.75	Res- Tools	(257,491)	(258,561)	(259,630)	(260,934)	(262,238)	(263,542)	(264,845)	(265,996)	(267,147)	(268,328)	(269,363)	(270,390)
	Prior Year	(254,963)	(256,272)	(257,482)	(258,681)	(259,872)	(261,053)	(262,208)	(263,358)	(264,507)	(265,652)	(255,353)	(256,422)
	Change	(2,528)	(2,289)	(2,148)	(2,253)	(2,366)	(2,489)	(2,637)	(2,638)	(2,640)	(2,676)	(14,010)	(13,968)
108.76	Res- Laboratory	(118,485)	(118,707)	(118,930)	(119,152)	(119,374)	(119,596)	(119,818)	(120,040)	(120,262)	(120,485)	(121,135)	(121,785)
	Prior Year	(115,407)	(115,693)	(115,974)	(116,234)	(116,494)	(116,754)	(117,015)	(117,275)	(117,525)	(117,771)	(118,016)	(118,262)
	Change	(3,078)	(3,014)	(2,956)	(2,918)	(2,880)	(2,842)	(2,803)	(2,765)	(2,737)	(2,714)	(3,119)	(3,523)
108.77	Res-Power Tools	(124,505)	(124,942)	(125,362)	(125,782)	(126,185)	(126,570)	(126,955)	(127,340)	(127,725)	(128,111)	(128,496)	(128,881)
	Prior Year	(118,767)	(119,328)	(119,853)	(120,377)	(120,846)	(121,310)	(121,775)	(122,239)	(122,703)	(123,167)	(123,631)	(124,068)
	Change	(5,738)	(5,614)	(5,509)	(5,405)	(5,339)	(5,260)	(5,180)	(5,101)	(5,022)	(4,944)	(4,865)	(4,813)
108.78	Res-Communication Equip	(627,312)	(632,589)	(638,240)	(643,890)	(651,365)	(647,793)	(656,059)	(664,282)	(672,545)	(680,808)	(689,068)	(697,306)
	Prior Year	(569,493)	(574,061)	(578,629)	(583,196)	(587,952)	(592,701)	(597,444)	(602,185)	(606,914)	(611,643)	(616,731)	(622,020)
	Change	(57,819)	(58,528)	(59,611)	(60,694)	(63,413)	(55,092)	(58,615)	(62,097)	(65,631)	(69,165)	(72,337)	(75,286)
108.79	Res-Miscellaneous	(81,013)	(81,374)	(81,734)	(82,095)	(82,455)	(82,816)	(83,176)	(83,537)	(83,897)	(84,257)	(84,618)	(84,978)
	Prior Year	(77,641)	(77,887)	(78,122)	(78,357)	(78,592)	(78,826)	(79,138)	(79,450)	(79,762)	(80,071)	(80,380)	(80,688)
	Change	(3,372)	(3,487)	(3,612)	(3,738)	(3,863)	(3,990)	(4,038)	(4,087)	(4,135)	(4,186)	(4,238)	(4,290)
108.80	RWIP-force account	22,314	24,430	11,823	5,930	5,792	5,914	4,856	5,700	2,856	7,167	1,595	11,026
	Prior Year	3,276	5,211	10,178	9,485	11,298	4,013	3,336	7,125	12,236	14,125	20,663	21,129
	Change	19,038	19,219	1,645	(3,555)	(5,506)	1,901	1,520	(1,425)	(9,380)	(6,958)	(19,068)	(10,103)
108.80	RWIP-force account Ft. Knox	-	-	-	-	-	-	-	-	-	-	-	-
	Prior Year	-	-	-	-	-	-	(980)	-	-	-	-	-
	Change	-	-	-	-	-	-	980	-	-	-	-	-
108.90	RWIP - Force account	1,545	1,545	1,545	1,545	12,279	2,018	14,098	146,439	13,715	12,553	12,553	12,553
	Prior Year	1,545	40,618	1,545	22,363	2,765	1,545	1,545	10,255	2,122	1,545	1,545	1,545
	Change	-	(39,073)	-	(20,818)	9,514	473	12,553	136,184	11,593	11,008	11,008	11,008
****	Total Reserve for Depreciation	(43,357,448)	(43,659,767)	(43,915,188)	(44,161,968)	(44,449,480)	(44,687,884)	(43,036,449)	(43,172,358)	(43,170,501)	(43,424,275)	(43,775,459)	(41,869,349)
	Prior Year	(41,208,934)	(41,513,478)	(41,765,123)	(42,047,478)	(42,296,278)	(42,616,132)	(41,960,783)	(42,153,318)	(42,395,728)	(42,468,855)	(42,754,718)	(43,063,066)
	Change	(2,148,514)	(2,146,289)	(2,150,065)	(2,114,490)	(2,153,202)	(2,071,752)	(1,075,666)	(1,019,040)	(774,773)	(955,420)	(1,020,741)	1,193,717
123.10	Pat Cap- EKPC	31,087,359	31,087,359	31,087,359	31,087,359	31,087,359	31,087,359	31,087,359	34,290,633	34,290,633	34,290,633	34,290,633	34,288,149
	Prior Year	26,864,774	26,864,774	26,864,774	26,864,774	26,864,774	26,864,774	26,864,774	30,813,686	30,813,686	30,813,686	31,087,359	31,087,359
	Change	4,222,585	4,222,585	4,222,585	4,222,585	4,222,585	4,222,585	4,222,585	3,476,947	3,476,947	3,476,947	3,203,274	3,200,790

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
123.36	Other invest Touchstone	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
	Prior Year	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
	Change	-	-	-	-	-	-	-	-	-	-	-	-
124.00	Other invest Radcliff Indust	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Prior Year	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Change	-	-	-	-	-	-	-	-	-	-	-	-
124.03	Other invest Federated Ins	254,557	254,557	254,557	254,557	254,557	254,557	254,557	240,407	240,407	240,407	293,782	293,782
	Prior Year	218,084	218,084	218,084	218,084	218,084	218,084	218,084	204,116	204,116	204,116	254,557	254,557
	Change	36,473	36,473	36,473	36,473	36,473	36,473	36,473	36,291	36,291	36,291	39,225	39,225
****	Total Investments	1,710,679	1,709,374	1,709,374	1,709,374	1,709,374	1,709,374	1,709,374	1,695,158	1,695,158	1,695,158	1,732,382	1,732,382
	Prior year	1,675,676	1,674,363	1,674,363	1,674,363	1,674,363	1,674,363	1,674,363	1,660,395	1,660,238	1,660,238	1,710,679	1,710,679
	Change	35,003	35,011	35,011	35,011	35,011	35,011	35,011	34,763	34,920	34,920	21,703	21,703
123.26	Other invest Assoc Organ CD	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-
	Prior Year	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	Change	-	-	-	-	-	-	-	-	-	-	(5,000)	(5,000)
131.10	patronage cap refund	1,079,583	1,079,271	1,079,055	1,078,663	1,078,663	-	-	-	-	-	-	-
	Prior year	1,096,564	1,090,669	1,087,678	1,085,725	1,086,203	1,082,804	1,082,532	1,083,501	1,080,791	1,080,156	1,080,156	1,079,739
	Change	(16,981)	(11,398)	(8,623)	(7,062)	(7,540)	(1,082,804)	(1,082,532)	(1,083,501)	(1,080,791)	(1,080,156)	(1,080,156)	(1,079,739)
131.13	Cash-general funds	146,969	921,093	283,000	(326,141)	172,985	596,657	404,283	988,479	1,193,707	1,490,525	2,601,960	1,974,945
	Prior year	(320,435)	945,238	1,923,562	(691,270)	(934,237)	24,005,002	17,691,814	1,958,009	40,130	178,831	1,779,860	3,763,910
	Change	467,404	(24,145)	(1,640,562)	365,129	1,107,222	(23,408,345)	(17,287,531)	(969,530)	1,153,577	1,311,694	822,100	(1,788,965)
131.17	Operation Round UP	72,691	72,691	64,066	66,883	66,883	72,678	75,539	75,539	81,582	81,582	87,610	23,815
	Prior year	55,480	48,164	48,209	53,780	53,780	59,225	61,929	64,719	67,515	67,517	67,003	69,882
	Change	17,211	24,527	15,857	13,103	13,103	13,453	13,610	10,820	14,067	14,065	20,607	(46,067)
131.18	Cash - internet	2,563,769	746,107	1,046,736	306,633	829,178	601,619	159,461	635,013	770,108	436,733	215,852	675,730
	Prior year	607,244	799,769	1,146,516	906,176	996,787	2,959,398	4,482,828	1,057,992	1,102,514	1,219,569	1,528,271	871,050
	Change	1,956,525	(53,662)	(99,780)	(599,543)	(167,609)	(2,357,779)	(4,323,367)	(422,979)	(332,406)	(782,836)	(1,312,419)	(195,320)
135.00	Working Funds	1,325	1,325	1,325	1,325	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375
	Prior year	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
	Change	-	-	-	-	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
136.17	Temporary Cash Inv-Roundup	-	-	-	-	-	-	-	-	-	-	-	63,794
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	-	-	-	-	63,794
****	Total Cash	3,869,337	2,825,487	2,479,182	1,132,363	2,155,084	1,278,329	646,658	1,706,406	2,052,772	2,016,215	2,907,797	2,740,659
	Prior year	1,445,178	2,890,165	4,212,290	1,360,736	1,208,858	28,112,754	23,325,428	4,170,546	2,297,275	2,552,398	4,461,615	5,790,906
	Change	2,424,159	(64,678)	(1,733,108)	(228,373)	946,226	(26,834,425)	(22,678,770)	(2,464,140)	(244,503)	(536,183)	(1,553,818)	(3,050,247)
141.10	Employee computer loans	925	752	2,524	2,360	4,171	3,934	3,641	4,621	4,568	4,149	3,767	3,424
	Prior year	3,270	2,975	2,680	2,384	3,421	3,050	2,679	2,307	1,974	1,641	1,272	1,098
	Change	(2,345)	(2,223)	(156)	(24)	750	884	962	2,314	2,594	2,508	2,495	2,326
142.00	Accounts Receivable	7,521,714	8,441,212	9,429,911	10,033,813	8,331,708	7,455,311	8,279,135	8,801,167	11,223,640	10,571,279	8,295,572	7,488,551
	Prior Year	9,220,822	10,685,267	10,944,688	11,107,180	10,703,960	8,485,304	10,847,301	11,133,369	12,388,834	12,625,970	10,104,080	8,185,357
	Change	(1,699,108)	(2,244,055)	(1,514,777)	(1,073,367)	(2,372,252)	(1,029,993)	(2,568,166)	(2,332,202)	(1,165,194)	(2,054,691)	(1,808,508)	(696,806)

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
142.10	Return checks	1,508	-	666	128	548	24	2,130	736	254	633	-	294
	Prior year	494	316	1,194	2,121	1,828	1,707	1,088	995	1,971	1,170	1,515	634
	Change	1,014	(316)	(528)	(1,993)	(1,280)	(1,683)	1,042	(259)	(1,717)	(537)	(1,515)	(340)
142.11	Payment arrangements	10,916	15,588	14,742	13,842	12,419	12,279	10,877	10,845	10,436	9,767	11,608	7,673
	Prior year	12,708	11,285	9,660	11,637	13,365	16,993	29,078	28,911	21,972	17,568	16,341	12,630
	Change	(1,792)	4,303	5,082	2,205	(946)	(4,714)	(18,201)	(18,066)	(11,536)	(7,801)	(4,733)	(4,957)
142.12	Deferred payment-DRS & CRS	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)
	Prior year	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)	(301)
	Change	-	-	-	-	-	-	-	-	-	-	-	-
143.00	Other receivables	4,766,013	5,692,363	5,308,867	4,771,974	5,802,547	4,567,081	4,190,517	5,563,688	4,415,544	4,576,835	4,708,637	4,846,221
	Prior year	30,599,090	29,169,469	27,732,667	28,805,188	29,166,669	4,248,477	5,001,822	4,989,983	7,061,390	7,235,436	5,097,671	4,851,056
	Change	(25,833,077)	(23,477,106)	(22,423,800)	(24,033,214)	(23,364,122)	318,604	(811,305)	573,705	(2,645,846)	(2,658,601)	(389,034)	(4,835)
143.03	Section 125B medical plan	(2,381)	(2,476)	(2,746)	(1,613)	(2,375)	(2,667)	(330)	(1,331)	(1,079)	(441)	(990)	(1,404)
	Prior year	688	(209)	(38)	(606)	(1,458)	(2,483)	(1,854)	(1,047)	(1,198)	(1,716)	(1,729)	(2,713)
	Change	(3,069)	(2,267)	(2,708)	(1,007)	(917)	(184)	1,524	(284)	119	1,275	739	1,309
143.07	Other rec-pole rentals	116,358	134,614	159,773	181,480	199,737	224,895	247,522	-	24,278	49,476	65,932	84,228
	Prior year	104,390	127,615	152,680	174,294	191,537	213,151	232,005	8,741	30,448	52,156	73,863	94,651
	Change	11,968	6,999	7,093	7,186	8,200	11,744	15,517	(8,741)	(6,170)	(2,680)	(7,931)	(10,423)
143.16	Acct Rec -FSA Fee	(68)	-	-	-	3,036	(106)	-	-	-	8	(38)	-
	Prior year	-	-	8	15	82	8	(52)	-	-	-	(68)	-
	Change	(68)	-	(8)	(15)	2,954	(114)	52	-	-	8	30	-
143.21	Other rec-125B DENTAL	(3,029)	(2)	(108)	(185)	(3,213)	(3)	(163)	-	(381)	(47)	(47)	(47)
	Prior year	(32)	21	(2)	47	67	48	52	-	-	22	(2,983)	(3,029)
	Change	(2,997)	(23)	(106)	(232)	(3,280)	(51)	(215)	-	(381)	(69)	2,936	2,982
143.96	Other rec-FK Solar	4,644,225	4,639,561	4,634,888	4,630,209	4,625,521	4,620,827	4,659,923	4,657,646	4,655,362	4,653,070	4,651,572	4,663,606
	Prior year	4,694,008	4,689,890	4,685,767	4,681,639	4,677,505	4,673,365	4,669,220	4,665,068	4,660,911	4,656,749	4,652,580	4,648,406
	Change	(49,783)	(50,329)	(50,879)	(51,430)	(51,984)	(52,538)	(9,297)	(7,422)	(5,549)	(3,679)	(1,008)	15,200
143.97	Other rec-Ft.Knox Engy Sec	51,886,096	51,517,952	51,536,637	51,193,235	50,859,531	50,576,413	53,949,625	53,965,142	53,842,999	53,746,032	53,733,204	53,630,299
	Prior year	51,861,579	51,540,833	51,508,754	54,402,329	54,116,536	54,543,484	54,152,196	54,732,635	54,331,019	54,132,967	52,526,598	52,208,318
	Change	24,517	(22,881)	27,883	(3,209,094)	(3,257,005)	(3,967,071)	(202,571)	(767,493)	(488,020)	(386,935)	1,206,606	1,421,981
143.98	Other rec-Ft.Knox financing	(33)	(33)	-	-	-	-	-	-	-	-	-	-
	Prior year	-	2,697	-	-	-	-	-	-	-	-	-	-
	Change	(33)	(2,730)	-	-	-	-	-	-	-	-	-	-
143.99	Other rec-Ft.Knox financing	-	-	-	-	-	-	-	-	-	-	-	-
	Prior year	-	-	-	-	-	-	-	-	-	(1,785,700)	-	-
	Change	-	-	-	-	-	-	-	-	-	1,785,700	-	-
144.10	Allowance for uncollectibles	(769,836)	(775,098)	(780,666)	(785,208)	(794,820)	(807,021)	(821,151)	(832,999)	(849,946)	(866,772)	(879,153)	(892,601)
	Prior year	(690,471)	(689,881)	(678,739)	(681,229)	(687,018)	(696,597)	(708,260)	(718,190)	(730,288)	(745,282)	(751,472)	(760,877)
	Change	(79,365)	(85,217)	(101,927)	(103,979)	(107,802)	(110,424)	(112,891)	(114,809)	(119,658)	(121,490)	(127,681)	(131,724)
****	Total Receivables	68,172,107	69,664,132	70,304,187	70,039,734	69,038,509	66,650,666	70,521,425	72,169,214	73,325,374	72,743,688	70,589,763	69,829,943
	Prior year	95,806,245	95,539,977	94,359,018	98,504,698	98,186,193	71,486,206	74,224,974	74,842,471	77,766,732	76,190,680	71,717,367	69,235,230
	Change	(27,634,138)	(25,875,845)	(24,054,831)	(28,464,964)	(29,147,684)	(4,835,540)	(3,703,549)	(2,673,257)	(4,441,358)	(3,446,992)	(1,127,604)	594,713

Nolln Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
154.00	Material & supplies	1,141,752	1,150,111	1,160,814	1,179,873	1,088,750	1,124,853	957,869	948,919	994,254	986,670	973,896	1,193,657
	Prior year	1,354,460	1,301,335	1,350,978	1,243,495	1,324,648	1,173,830	915,537	982,090	999,474	1,225,572	1,040,103	1,078,755
	Change	(212,708)	(151,224)	(190,164)	(63,622)	(235,898)	(48,977)	42,332	(33,171)	(5,220)	(238,902)	(66,207)	114,902
155.00	Merchandise	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293
	Prior year	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293	9,293
	Change	-	-	-	-	-	-	-	-	-	-	-	-
156.00	Inventory	11,274	11,675	12,340	12,022	10,549	9,083	10,041	11,099	8,571	8,971	9,963	9,901
	Prior year	7,569	7,394	8,877	9,431	9,381	7,848	7,765	7,982	9,076	8,447	8,871	10,461
	Change	3,705	4,281	3,463	2,591	1,168	1,235	2,276	3,117	(505)	524	1,092	(560)
156.10	Material & supplies Ft. Knox	132,685	131,202	133,298	129,623	125,582	122,982	108,508	108,138	108,098	108,030	107,407	110,497
	Prior year	154,764	154,287	149,886	138,783	137,265	136,414	134,784	157,262	160,122	158,945	157,057	156,941
	Change	(22,079)	(23,085)	(16,588)	(9,160)	(11,683)	(13,432)	(26,276)	(49,124)	(52,024)	(50,915)	(49,650)	(46,444)
163.00	Stores Clearing	-	-	-	49,745	-	-	-	-	-	-	2,795	2,795
	Prior year	38,966	38,966	-	-	-	2,498	2,498	-	-	-	-	-
	Change	(38,966)	(38,966)	-	49,745	-	(2,498)	(2,498)	-	-	-	2,795	2,795
****	Total Material & Supplies	1,295,004	1,302,281	1,315,745	1,380,556	1,234,174	1,266,211	1,085,711	1,077,449	1,120,216	1,112,964	1,103,354	1,326,143
	Prior year	1,565,052	1,511,275	1,519,034	1,401,002	1,480,587	1,329,883	1,069,877	1,156,627	1,177,965	1,402,257	1,215,324	1,255,450
	Change	(270,048)	(208,994)	(203,289)	(20,446)	(246,413)	(63,672)	15,834	(79,178)	(57,749)	(289,293)	(111,970)	70,693
165.10	Prepaid Insurance	220,284	191,067	115,238	95,343	71,508	47,672	23,836	-	95,988	67,191	51,306	274,587
	Prior year	224,943	193,772	161,265	102,116	77,315	52,514	27,713	-	103,077	307,934	278,718	249,501
	Change	(4,659)	(2,705)	(46,027)	(6,773)	(5,807)	(4,842)	(3,877)	-	(7,089)	(240,743)	(227,412)	25,086
165.30	Prepaid medical	-	-	-	-	-	-	10,355	-	94,502	-	-	-
	Prior year	-	-	-	-	12,375	12,375	-	-	17,388	-	-	-
	Change	-	-	-	-	(12,375)	(12,375)	10,355	-	77,114	-	-	-
165.40	Prepaid KAEC Dues	49,071	42,061	35,051	28,040	21,030	14,020	7,010	-	78,308	71,298	64,288	57,278
	Prior year	48,578	41,638	34,698	27,758	20,818	13,878	6,938	-	77,112	70,101	63,091	56,081
	Change	493	423	353	282	212	142	72	-	1,196	1,197	1,197	1,197
165.50	Prepaid NRECA Dues	20,951	17,974	14,997	12,020	9,043	6,066	3,089	-	(3,089)	(6,178)	(9,267)	(12,356)
	Prior year	20,197	17,327	14,457	11,587	8,717	5,847	2,977	-	(2,977)	(5,954)	26,905	23,928
	Change	754	647	540	433	326	219	112	-	(112)	(224)	(36,172)	(36,284)
165.70	Prepay sales tax	28,164	28,164	31,827	38,051	38,051	53,108	52,385	30,419	31,099	36,922	36,922	30,855
	Prior year	31,337	34,873	36,524	37,935	40,815	33,514	33,371	35,152	35,260	37,525	35,055	31,067
	Change	(3,173)	(6,709)	(4,697)	116	(2,764)	19,594	19,014	(4,733)	(4,161)	(603)	1,867	(212)
165.71	Prepay postage	786	136	310	800	1,170	524	992	346	745	161	(603)	1,201
	Prior year	889	141	485	850	1,036	358	718	1,098	1,255	667	1,011	332
	Change	(103)	(5)	(175)	(50)	134	166	274	(752)	(510)	(506)	(1,614)	869
****	Total Prepayments	319,256	279,402	197,423	174,254	140,802	121,390	97,667	30,765	297,553	169,394	142,646	351,565
	Prior year	325,944	287,751	247,429	180,246	161,076	118,486	71,717	36,250	231,115	410,273	404,780	360,909
	Change	(6,688)	(8,349)	(50,006)	(5,992)	(20,274)	2,904	25,950	(5,485)	66,438	(240,879)	(262,134)	(9,344)
171.00	Interest receivable	(6,122)	(2,991)	(179)	2,952	6,083	(9,943)	(6,812)	(3,681)	(870)	2,261	5,176	(10,505)
	Prior year	(5,242)	(2,013)	898	4,128	7,357	(8,668)	(5,537)	(2,406)	407	3,538	6,669	(9,253)
	Change	(880)	(978)	(1,077)	(1,176)	(1,274)	(1,275)	(1,275)	(1,275)	(1,277)	(1,277)	(1,493)	(1,252)

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
217.10	Retired gains	802,149	809,631	816,352	824,862	832,487	845,250	850,922	860,273	872,630	877,456	884,447	890,091
	Prior year	688,283	709,164	720,349	732,119	742,888	752,831	755,950	769,079	775,698	774,550	789,439	790,143
	Change	113,866	100,467	96,003	92,743	89,599	92,419	94,972	91,194	96,932	102,906	95,008	99,948
219.10	operating margins	-	-	-	-	-	-	-	(6,338,721)	(6,338,721)	(6,338,721)	(6,338,721)	-
	Prior year	-	-	-	-	-	-	-	4,142,404	4,142,404	4,142,404	4,142,404	-
	Change	-	-	-	-	-	-	-	(10,481,125)	(10,481,125)	(10,481,125)	(10,481,125)	-
219.20	Non operating margins	-	-	-	-	-	-	-	2,023,977	2,023,977	2,023,977	2,023,977	-
	Prior year	-	-	-	-	-	-	-	982,615	982,615	982,615	982,615	-
	Change	-	-	-	-	-	-	-	1,041,362	1,041,362	1,041,362	1,041,362	-
998.10	Profit clearing - operating	-	-	-	-	-	-	-	6,338,721	-	-	-	-
	Prior year	-	-	-	-	-	-	-	(4,142,404)	-	-	-	-
	Change	-	-	-	-	-	-	-	10,481,125	-	-	-	-
998.20	Profit clearing - non operating	-	-	-	-	-	-	-	(2,023,977)	-	-	-	-
	Prior year	-	-	-	-	-	-	-	(982,615)	-	-	-	-
	Change	-	-	-	-	-	-	-	(1,041,362)	-	-	-	-
****	Operating Margins	(8,016,999)	(8,592,879)	(8,890,830)	(8,723,761)	(8,517,488)	(8,250,700)	(5,997,169)	(6,338,721)	103,622	(236,749)	120,425	(559,220)
	Prior year	40,907	(264,140)	(633,774)	(599,277)	(1,395,416)	(1,267,427)	(1,209,018)	2,561,519	131,943	246,731	(253,002)	(7,272,724)
	Change	(8,057,906)	(8,328,739)	(8,257,056)	(8,124,484)	(7,122,072)	(6,983,273)	(4,128,151)	(8,900,240)	(28,321)	(483,480)	373,427	6,713,504
****	Non-Operating Margins	807,839	964,677	1,129,930	1,293,390	1,454,234	1,612,311	1,871,714	2,023,977	164,162	337,505	499,339	680,252
	Prior year	1,042,307	1,368,807	1,589,379	1,827,558	2,049,592	2,224,916	2,387,360	2,563,501	104,308	275,350	478,551	634,558
	Change	(234,468)	(404,130)	(459,449)	(534,168)	(595,358)	(612,605)	(515,646)	(539,524)	59,854	62,155	20,788	45,694
****	Total Margins & Equities	63,468,669	63,057,703	62,933,534	63,269,574	63,642,301	65,158,072	68,338,123	67,493,772	67,765,472	67,609,553	68,136,476	67,657,260
	Prior year	66,560,823	66,577,465	66,433,651	66,710,984	66,140,282	66,451,440	66,682,949	70,643,168	70,889,136	71,184,231	70,889,199	64,034,907
	Change	(3,092,154)	(3,519,762)	(3,500,117)	(3,441,410)	(2,497,981)	(1,293,368)	1,655,174	(3,149,396)	(3,123,664)	(3,574,678)	(2,752,723)	3,622,353
224.12	CFC notes	96,892,394	96,892,394	96,892,394	95,362,353	95,362,353	95,362,353	93,838,720	93,838,720	93,838,720	92,544,778	100,544,778	100,544,778
	Prior year	112,185,628	112,185,628	112,185,628	114,017,726	114,017,726	114,017,726	111,804,909	91,804,909	91,804,909	90,353,594	90,353,594	98,353,594
	Change	(15,293,234)	(15,293,234)	(15,293,234)	(18,655,373)	(18,655,373)	(18,655,373)	(17,966,189)	2,033,811	2,033,811	2,191,184	10,191,184	2,191,184
****	Total long term debt	96,892,394	96,892,394	96,892,394	95,362,353	95,362,353	95,362,353	93,838,720	93,838,720	93,838,720	92,544,778	100,544,778	100,544,778
	Prior year	112,185,628	112,185,628	112,185,628	114,017,726	114,017,726	114,017,726	111,804,909	91,804,909	91,804,909	90,353,594	90,353,594	98,353,594
	Change	(15,293,234)	(15,293,234)	(15,293,234)	(18,655,373)	(18,655,373)	(18,655,373)	(17,966,189)	2,033,811	2,033,811	2,191,184	10,191,184	2,191,184
228.30	Postretirements benefits	6,827,080	6,837,054	6,847,028	6,857,002	6,866,975	6,876,949	6,884,441	6,892,507	6,884,823	6,907,448	6,914,919	6,921,518
	Prior year	6,703,328	6,715,299	6,727,271	6,737,168	6,747,066	6,756,963	6,766,861	6,776,758	6,786,070	6,796,601	6,807,133	6,817,107
	Change	123,752	121,755	119,757	119,834	119,909	119,986	117,580	115,749	98,753	110,847	107,786	104,411
232.11	Accts Payable-FK	-	-	-	-	-	-	-	3,197,107	3,197,107	3,197,107	-	-
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	3,197,107	3,197,107	3,197,107	-	-
231.00	Notes Payable - short term	-	-	-	500,000	1,000,000	1,000,000	2,000,000	4,000,000	4,000,000	6,000,000	4,237,589	3,898,878
	Prior year	-	-	-	-	-	-	-	-	-	-	5,946,468	4,461,585
	Change	-	-	-	500,000	1,000,000	1,000,000	2,000,000	4,000,000	4,000,000	6,000,000	(1,708,879)	(562,707)
232.10	Accounts Payable-general	4,095,928	4,978,925	5,450,019	5,082,963	6,065,197	4,003,680	5,099,071	5,642,614	6,770,698	5,554,104	3,197,107	3,197,107
	Prior year	4,971,341	5,885,953	6,142,233	5,704,140	5,813,432	5,308,113	6,077,405	6,459,321	6,550,330	7,646,692	-	-
	Change	(875,413)	(907,028)	(692,214)	(621,177)	251,765	(1,304,433)	(978,334)	(816,707)	220,368	(2,092,588)	3,197,107	3,197,107

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct.#	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
232.12	Accounts Payable-short term note	-	-	-	-	-	-	-	-	-	-	-	(399)
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	-	-	-	-	(399)
232.14	GE Meter Purchase	-	-	-	-	-	-	-	140,828	140,828	140,828	(7,752)	(7,752)
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	140,828	140,828	140,828	(7,752)	(7,752)
232.50	Radcliff franchise	37,296	59,701	26,684	51,965	72,001	18,472	39,567	64,391	33,617	59,503	79,808	18,249
	Prior year	42,086	67,792	25,304	52,524	73,418	20,194	47,929	78,131	33,026	67,053	89,555	17,937
	Change	(4,790)	(8,091)	1,380	(559)	(1,417)	(1,722)	(8,362)	(13,740)	591	(7,550)	(9,747)	312
232.60	Vine Grove franchise	8,021	13,060	5,746	11,395	15,986	3,920	8,495	13,753	7,738	14,040	18,612	4,217
	Prior year	8,413	13,720	5,296	10,833	15,454	19,522	25,271	31,547	7,384	15,462	20,612	4,001
	Change	(392)	(660)	450	562	532	(15,602)	(16,776)	(17,794)	354	(1,422)	(2,000)	216
232.61	AP Franchise Tax	126	200	93	175	235	65	151	273	161	252	326	59
	Prior year	131	217	79	164	223	77	184	321	147	303	374	59
	Change	(5)	(17)	14	11	12	(12)	(33)	(48)	14	(51)	(48)	-
232.70	Winter Care	243	257	267	277	287	297	307	428	235	160	321	362
	Prior year	382	392	402	412	422	432	442	535	724	58	126	186
	Change	(139)	(135)	(135)	(135)	(135)	(135)	(135)	(107)	(489)	102	195	176
232.71	Operation Roundup	75,614	78,502	66,883	69,818	72,678	75,539	78,588	81,582	84,610	87,610	90,728	93,777
	Prior year	58,254	50,948	53,780	56,546	59,225	61,929	64,719	67,515	70,236	73,003	69,882	72,691
	Change	17,360	27,554	13,103	13,272	13,453	13,610	13,869	14,067	14,374	14,607	20,846	21,086
232.80	AP Scholarships	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Prior year	-	-	-	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Change	10,000	10,000	10,000	10,000	10,000	-	-	-	-	-	-	-
232.90	E'town franchise	34,914	55,478	24,812	50,096	71,259	18,439	35,231	54,332	23,682	47,301	67,143	16,963
	Prior year	39,336	61,375	24,914	50,367	72,513	19,130	38,164	60,827	25,566	50,770	74,237	17,606
	Change	(4,422)	(5,897)	(102)	(271)	(1,254)	(691)	(2,933)	(6,495)	(1,884)	(3,469)	(7,094)	(643)
235.00	Customer deposits	2,327,119	2,333,465	2,340,666	2,347,009	2,379,832	2,359,500	2,363,437	2,349,994	2,331,921	2,349,720	2,336,774	2,330,006
	Prior year	2,197,841	2,180,493	2,167,553	2,191,062	2,189,007	2,243,852	2,288,299	2,283,377	2,302,018	2,326,518	2,328,321	2,332,471
	Change	129,278	152,972	173,113	155,947	190,825	115,648	75,138	66,617	29,903	23,202	8,453	(2,465)
236.10	Acc property taxes	319,355	285,973	121,571	185,442	245,847	195,304	(54,093)	-	63,979	128,060	192,141	256,222
	Prior year	304,445	262,531	95,266	161,126	223,218	(35,138)	(59,680)	-	63,871	127,742	191,613	255,484
	Change	14,910	23,442	26,305	24,316	22,629	230,442	5,587	-	108	318	528	738
236.20	Acc FUTA tax	304	450	524	74	89	89	(89)	-	-	(3,380)	(3,357)	(3,340)
	Prior year	66	292	-	133	138	165	247	-	-	532	133	116
	Change	238	158	524	(59)	(49)	(76)	(336)	-	-	(3,912)	(3,490)	(3,456)
236.40	Acc SUTA tax	338	-	123	187	-	2	2	-	7,523	12,256	13,092	82
	Prior year	367	579	190	315	-	27	100	-	-	-	-	136
	Change	(29)	(579)	(67)	(128)	-	(25)	(98)	-	7,523	12,256	13,092	(54)
236.50	Sales tax	56,755	116,527	71,581	68,570	127,859	116,445	114,707	117,386	128,981	58,204	113,997	107,983
	Prior year	66,586	69,797	72,219	74,933	(11,067)	63,512	66,345	67,122	69,921	64,681	58,692	53,212
	Change	(9,831)	46,730	(638)	(6,363)	138,926	52,933	48,362	50,264	59,060	(6,477)	55,305	54,771

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
241.30	Raddliff tax w/held	1,389	-	781	1,487	-	716	1,420		700	1,355	-	604
	Prior year	1,412	-	765	1,439	(12,062)	715	1,366		711	1,377	-	714
	Change	(23)	-	16	48	12,062	1	54		(11)	(22)	-	(110)
242.06	Touchstone Energy Friends Asst	4,095	4,219	4,349	4,482	4,617	4,743	4,879	5,016	5,055	4,567	4,505	4,642
	Prior year	2,500	2,886	3,026	3,164	3,302	3,486	3,522	3,676	3,706	3,702	3,907	4,001
	Change	1,595	1,333	1,323	1,318	1,315	1,257	1,357	1,340	1,349	865	598	641
242.07	Misc Accrued-ACRE	3,023	3,371	430	691	1,000	1,256	1,521	1,865	2,052	2,350	2,562	2,724
	Prior year	2,992	3,360	3,518	611	929	1,183	1,543	1,819	1,987	2,147	2,511	2,860
	Change	31	11	(3,088)	80	71	73	(22)	46	65	203	51	(136)
242.09	Misc Accrued-Met Ins	-	-	-	-	-	-	-	-	(382)	284	-	(21)
	Prior year	-	-	-	-	-	-	-	-	-	-	(365)	(365)
	Change	-	-	-	-	-	-	-	-	(382)	284	365	345
242.12	Misc Accrued-125B LT	1	2	3	3	3	3	4		125	(41)	(69)	(96)
	Prior year	2	2	3	3	4	-	(59)		-	1	72	1
	Change	(1)	-	-	-	(1)	3	63		125	(42)	(141)	(97)
242.13	Misc Accrued-125B IN	365	1	1	2	2,896	2	2	-	12	(40)	(61)	(81)
	Prior year	1	1	1	2	2	2,843	2,858	2,841	2,924	2,997	186	259
	Change	364	-	-	-	2,894	(2,841)	(2,856)	(2,841)	(2,912)	(3,037)	(247)	(340)
242.15	Misc Accrued-Retirement	-	-	-	-	-	-	-	-	-	-	-	-
	Prior year	-	2,185	-	-	-	-	-	-	-	-	-	-
	Change	-	(2,185)	-	-	-	-	-	-	-	-	-	-
242.16	Misc Accrued-Homestead	-	-	-	-	-	-	-	-	-	-	135	-
	Prior year	-	-	-	-	-	-	-	-	-	(1,780)	-	-
	Change	-	-	-	-	-	-	-	-	-	1,780	135	-
242.18	King Island	(4,266)	(3,042)	(1,074)	(542)	(506)	(398)	(398)	90	90	90	90	90
	Prior year	891	(4,697)	(1,562)	(692)	(560)	(461)	(461)	-	-	-	-	(5,090)
	Change	(5,157)	1,655	488	150	54	63	63	90	90	90	90	5,180
242.19	Holiday World	207	625	1,314	773	660	628	628	628	628	628	628	628
	Prior year	198	318	3,804	4,622	214	214	214	-	-	-	-	-
	Change	9	307	(2,490)	(3,849)	446	414	414	628	628	628	628	628
242.21	Ky Kingdom	99	1,354	4,660	317	482	228	228	228	228	228	228	228
	Prior year	524	1,608	307	971	1,041	1,041	127	-	-	-	-	-
	Change	(425)	(254)	4,353	(654)	(559)	(813)	101	228	228	228	228	228
242.23	Misc Accrued AD&D Spouse	18	5	6	35	36	7	20		17	5	5	158
	Prior year	70	67	51	44	38	29	10		4	13	21	42
	Change	(52)	(62)	(45)	(9)	(2)	(22)	10		13	(8)	(16)	116
242.30	Accrued Vacation	915,849	915,849	915,849	915,849	915,849	915,849	915,849	936,369	915,224	915,224	880,141	880,141
	Prior year	904,237	893,334	873,519	863,529	863,529	863,529	863,529	929,927	922,148	922,148	915,849	915,849
	Change	11,612	22,515	42,330	52,320	52,320	52,320	52,320	6,442	(6,924)	(6,924)	(35,708)	(35,708)
242.39	Payroll Clearing											(364)	(364)
	Prior year												
	Change											(364)	(364)

Nolin Rural Electric Cooperative
 Comparison of Test Year Balance Sheet Account
 Balances with those of the Preceding Year Case No. 2016-00367
 April 30, 2016

Exhibit W
 Witness: James Adkins

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12
242.60	Accrued-Audit	-	-	-	-	-	-	-	-	-	-	-	-
	Prior year	1,800	300	300	300	300	300	-	-	-	-	-	-
	Change	(1,800)	(300)	(300)	(300)	(300)	(300)	-	-	-	-	-	-
242.80	Accrued Interest Deposits	51,787	52,002	52,214	52,427	52,628	52,803	52,998	53,656	53,608	54,237	51,053	51,746
	Prior year	51,810	52,008	52,188	52,374	52,551	52,721	52,914	53,100	53,281	53,378	51,343	51,568
	Change	(23)	(6)	26	53	77	82	84	556	327	859	(290)	178
242.90	Miscellaneous accruals	770	-	385	790	-	405	810	-	467	934	-	463
	Prior year	766	1,149	383	766	1,149	1,532	766	1,149	385	770	-	385
	Change	4	(1,149)	2	24	(1,149)	(1,127)	44	(1,149)	82	164	-	78
****	Total Current & Accrued Liab	9,297,812	10,543,052	11,046,457	10,808,217	12,726,892	9,620,424	10,981,081	17,263,589	18,720,096	19,075,368	11,917,463	11,708,225
	Prior year	10,063,932	11,258,891	11,546,516	10,694,672	11,082,742	10,622,040	10,924,726	11,777,676	12,115,877	12,904,467	11,467,363	10,037,594
	Change	(766,120)	(715,839)	(500,059)	113,545	1,644,150	(1,001,616)	56,355	5,485,913	6,604,219	6,170,901	450,100	1,670,632
252.00	Consumer advances	75,448	80,476	79,602	73,906	72,322	73,151	69,984	69,963	68,436	70,749	67,593	63,446
	Prior year	70,104	69,953	67,603	64,275	69,806	76,957	74,541	74,135	71,618	77,976	77,318	75,348
	Change	5,344	10,523	11,999	9,631	2,516	(3,806)	(4,557)	(4,172)	(3,182)	(7,227)	(9,725)	(11,902)
252.10	Consumer advances	118,779	118,779	118,779	118,779	118,779	119,901	119,901	119,901	119,901	119,901	119,901	119,901
	Prior year	156,470	156,470	156,470	156,470	156,470	156,470	156,470	118,779	118,779	118,779	118,779	118,779
	Change	(37,691)	(37,691)	(37,691)	(37,691)	(37,691)	(36,569)	(36,569)	1,122	1,122	1,122	1,122	1,122
253.00	Deferred credits Insurance	386,714	464,896	361,322	262,775	235,564	136,428	136,428	136,428	128,403	128,403	128,403	128,403
	Prior year	359,057	345,022	338,832	332,642	326,452	320,262	314,072	307,882	837,289	716,931	610,352	494,115
	Change	27,657	119,874	22,490	(69,867)	(90,888)	(183,834)	(177,644)	(171,454)	(708,886)	(588,528)	(481,949)	(365,712)
253.20	Deferred credits Meter Instal	-	-	-	-	-	-	-	(3,198)	(3,198)	(3,198)	(3,198)	-
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	(3,198)	(3,198)	(3,198)	(3,198)	-
253.60	Deferred credit-Ft Knox	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
	Prior year	1,895,496	1,761,656	1,746,447	1,657,382	1,629,171	1,594,275	1,594,275	1,558,010	1,554,085	1,365,141	857,976	258,870
	Change	(1,889,446)	(1,755,606)	(1,740,397)	(1,651,332)	(1,623,121)	(1,588,225)	(1,588,225)	(1,551,960)	(1,548,035)	(1,359,091)	(851,926)	(252,820)
*****	Total Equities & Liabilities	177,072,946	178,000,404	178,285,166	176,758,656	179,031,236	177,353,328	180,374,728	185,817,732	187,528,703	186,459,052	187,832,385	187,149,582
	Prior year	197,994,838	199,070,384	199,202,418	200,371,319	200,169,715	199,996,133	198,318,803	183,061,317	184,177,763	183,517,720	181,181,714	180,180,314
	Change	(20,921,892)	(21,069,980)	(20,917,252)	(23,612,663)	(21,138,479)	(22,642,805)	(17,944,075)	2,756,415	3,350,940	2,941,332	6,650,671	6,959,268

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
	Change	0	2,416	2,800	3,857	858	4,848	2,693	2,337	961	3,073	161	373	24,377
582.00	Station expense	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0	0
09.582.00	Station expense	0	0	594	934	1,510	261	156	(3)	0	0	0	0	3,451
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	594	934	1,510	261	156	(3)	0	0	0	0	3,451
583.00	Overhead Line Exp	130,625	117,065	141,251	110,374	115,658	101,604	163,833	185,372	111,139	104,178	123,158	138,660	1,542,918
	Prior Year	104,318	188,201	91,178	118,719	54,343	89,058	123,328	108,695	136,228	94,921	122,041	103,749	1,334,778
	Change	26,307	(71,135)	50,074	(8,345)	61,316	12,547	40,505	76,677	(25,089)	9,257	1,116	34,911	208,140
9.583.00	Overhead Line Exp	39,947	35,166	5,146	5,169	7,175	4,986	20,325	15,623	6,266	9,202	4,610	6,976	160,593
	Prior Year	21,892	30,862	3,368	(13,285)	20,500	7,868	7,174	10,841	14,993	4,942	87,207	2,845	199,208
	Change	18,055	4,305	1,778	18,454	(13,325)	(2,881)	13,151	4,782	(8,727)	4,260	(82,597)	4,131	(38,614)
584.00	Underground line expense	9,930	8,565	9,982	8,012	6,791	8,434	7,376	6,917	6,800	7,905	10,556	7,545	98,812
	Prior Year	8,427	8,176	8,816	9,325	7,641	7,776	6,716	7,138	7,429	7,139	8,768	9,144	96,493
	Change	1,503	389	1,165	(1,314)	(850)	658	660	(221)	(628)	766	1,788	(1,598)	2,318
09.584.00	Underground line expense	349	7,852	8,020	5,513	7,462	6,097	7,258	4,499	7,946	7,055	5,980	6,415	74,444
	Prior Year	0	2,110	5,706	3,506	2,814	6,269	4,753	5,755	5,477	3,924	1,410	242	41,966
	Change	349	5,743	2,314	2,007	4,648	(173)	2,505	(1,257)	2,470	3,131	4,569	6,173	32,478
586.00	Meter	31,392	36,748	26,933	27,821	(851,933)	(409,470)	30,875	1,186,307	22,286	25,692	(702,365)	29,787	(545,928)
	Prior Year	23,351	92,986	26,202	32,754	26,977	26,298	21,918	32,664	22,078	26,041	23,400	29,824	384,494
	Change	8,040	(56,238)	731	(4,934)	(878,911)	(435,768)	8,957	1,153,643	208	(349)	(725,765)	(37)	(930,423)
9.586.00	Meter	0	0	0	114	0	0	299	651	403	869	208	123	2,668
	Prior Year	0	1,000	0	0	0	0	1,305	325	300	2,033	949	0	5,912
	Change	0	(1,000)	0	114	0	0	(1,005)	326	103	(1,164)	(741)	123	(3,244)
586.10	Meter Expense-Testing	3,777	317	19,554	6,859	19,313	10,523	10,135	0	25,482	16,838	21,612	13,615	148,024
	Prior Year	0	3,143	2,933	2,637	0	3,658	5,322	1,952	2,938	1,015	1,804	3,789	29,191
	Change	3,777	(2,826)	16,621	4,222	19,313	6,865	4,813	(1,952)	22,544	15,823	19,808	9,826	118,833
586.40	Meter Expense-Testing Pwr Mtr	31	0	1,508	692	21,031	94	220	(4)	3,320	29,227	1,164	2,053	59,337
	Prior Year	2,914	290	531	1,450	233	430	259	1,914	957	1,142	297	286	10,703
	Change	(2,883)	(290)	977	(757)	20,798	(335)	(39)	(1,918)	2,363	28,084	868	1,767	48,634
586.50	Changing Meters-Test	23,566	18,601	20,538	29,845	31,408	22,742	16,488	35,723	39,748	51,224	42,779	39,024	371,685
	Prior Year	13,981	11,262	13,238	12,149	11,684	10,561	11,832	12,251	11,950	13,648	12,503	12,817	147,876
	Change	9,585	7,339	7,300	17,696	19,724	12,180	4,656	23,471	27,798	37,576	30,276	26,207	223,809
587.00	Consumer Installation	7,258	7,303	7,045	8,046	7,273	7,420	6,422	6,997	8,168	8,578	8,236	6,860	89,606
	Prior Year	7,652	6,564	9,494	8,736	7,856	7,870	6,993	9,676	7,662	6,986	7,990	9,170	96,649
	Change	(395)	738	(2,449)	(689)	(583)	(450)	(571)	(2,679)	507	1,591	247	(2,310)	(7,042)
588.00	Miscellaneous Distribution	186,241	128,355	131,410	136,388	106,955	102,562	112,125	130,912	152,011	126,971	143,416	142,578	1,599,923
	Prior Year	103,205	126,049	126,398	107,786	97,386	94,851	108,402	118,286	146,081	123,303	122,124	108,099	1,381,970
	Change	83,036	2,306	5,012	28,602	9,569	7,711	3,722	12,626	5,930	3,668	21,292	34,479	217,953

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
9.588.00	Miscellaneous Distribution	6,604	5,504	8,804	8,012	5,508	4,080	7,591	9,473	10,216	9,057	9,322	6,645	90,816
	Prior Year	1,928	5,353	515	2,793	1,468	3,292	2,226	1,001	1,528	5,577	5,788	6,093	37,562
	Change	4,676	151	8,289	5,219	4,040	788	5,365	8,473	8,688	3,480	3,534	552	53,253
***	Total Operations	454,828	384,298	399,618	388,668	(511,818)	(126,271)	394,132	1,602,450	406,423	407,018	(324,143)	409,569	3,884,772
	Prior Year	303,612	492,010	303,866	301,632	242,748	271,495	323,222	326,218	372,905	307,948	411,422	301,481	3,958,560
	Change	151,216	(107,712)	95,752	87,035	(754,566)	(397,766)	70,910	1,276,232	33,518	99,070	(735,566)	108,089	(73,788)
590.00	Engineering & Supervision	13,852	15,123	16,036	37,031	8,432	9,549	8,335	8,696	20,811	9,086	8,247	8,547	163,744
	Prior Year	15,226	14,081	12,920	15,062	12,536	13,580	13,003	12,519	15,261	15,092	15,099	14,611	168,990
	Change	(1,373)	1,042	3,116	21,969	(4,104)	(4,031)	(4,668)	(3,824)	5,550	(6,006)	(6,852)	(6,064)	(5,245)
09.590.00	Engineering & Supervision	14,096	4,013	4,378	5,811	4,327	4,696	6,042	6,050	8,489	7,814	5,801	6,081	77,598
	Prior Year	0	1,125	0	0	0	0	0	0	0	0	16,273	15,393	32,791
	Change	14,096	2,889	4,378	5,811	4,327	4,696	6,042	6,050	8,489	7,814	(10,472)	(9,312)	44,807
592.00	Station Expense	0	0	0	0	0	0	0	(49)	0	0	0	0	(49)
	Prior Year	0	280	0	0	0	0	4,305	346	137	350	0	0	5,418
	Change	0	(280)	0	0	0	0	(4,305)	(395)	(137)	(350)	0	0	(5,467)
9.592.00	Station Expense	54,936	14,463	3,572	8,442	3,062	63,656	91,776	16,216	11,950	14,680	85,719	13,622	382,095
	Prior Year	281,411	129,690	31,245	25,914	278,828	(187,948)	18,830	27,531	11,841	45,751	22,796	15,220	701,109
	Change	(226,474)	(115,228)	(27,673)	(17,472)	(275,766)	251,604	72,947	(11,315)	108	(31,071)	62,924	(1,598)	(319,014)
593.00	Maint of overhead line	360,438	101,882	294,474	155,245	148,363	65,747	271,912	67,054	318,649	97,899	282,085	368,262	2,532,011
	Prior Year	208,121	79,351	198,123	178,647	468,819	151,760	213,462	749,529	98,402	322,489	124,754	147,980	2,941,437
	Change	152,317	22,531	96,351	(23,402)	(320,456)	(86,013)	58,450	(682,475)	220,247	(224,590)	157,331	220,282	(409,426)
9.593.00	Maint of overhead line	28,412	36,986	22,717	16,357	39,554	18,390	24,033	35,056	30,163	41,353	27,590	36,748	357,356
	Prior Year	15,539	19,772	31,707	18,310	19,571	23,214	11,925	17,854	29,125	29,120	37,501	24,462	278,100
	Change	12,873	17,214	(8,990)	(1,953)	19,982	(4,824)	12,108	17,203	1,037	12,233	(9,911)	12,285	79,256
593.30	Walking Inspection-Cleanup	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior Year	0	0	0	580	0	0	0	0	0	0	0	0	581
	Change	0	0	0	(580)	0	0	0	(0)	0	0	0	0	(581)
594.00	Maint of underground	1,796	2,794	525	13,851	1,246	203	802	3,839	319	1,377	2,259	7,035	36,047
	Prior Year	2,070	2,538	1,356	20,200	131	2,922	983	1,619	647	3,088	1,117	403	37,074
	Change	(274)	255	(830)	(6,349)	1,115	(2,719)	(181)	2,219	(328)	(1,711)	1,141	6,632	(1,027)
9.594.00	Maint of underground	25,818	609	93	3,482	4,105	3,140	1,353	1,373	0	6,639	3,731	4,329	54,671
	Prior Year	1,186	0	617	797	288	1,392	1,589	790	1,400	480	20,904	22,210	51,653
	Change	24,632	609	(524)	2,684	3,818	1,747	(236)	582	(1,400)	6,160	(17,173)	(17,881)	3,019
595.00	Transformer maint	0	0	0	0	0	0	32,428	8,427	(10,539)	7,984	687	0	38,987
	Prior Year	(8,923)	82	0	0	47	0	0	0	0	0	0	0	(8,795)
	Change	8,923	(82)	0	0	(47)	0	32,428	8,427	(10,539)	7,984	687	0	47,782
9.595.00	Transformer maint	0	(66)	0	(3,494)	0	0	0	0	0	(1,065)	0	0	(4,625)
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	(66)	0	(3,494)	0	0	0	0	0	(1,065)	0	0	(4,625)
596.00	Installation maint	3,152	3,294	4,475	7,547	7,682	8,757	5,343	6,184	14,701	16,028	25,946	12,939	116,050

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
	Prior Year	2,915	2,829	3,852	3,812	2,741	3,315	1,241	3,281	4,864	3,073	3,211	3,143	38,278
	Change	237	466	623	3,735	4,941	5,442	4,102	2,903	9,837	12,955	22,736	9,797	77,772
9.596.00	Installation maint	36,427	16,318	16,856	19,445	15,768	10,194	22,960	6,176	12,244	11,654	1,639	6	169,686
	Prior Year	32,801	24,840	17,833	14,772	13,806	48,668	15,144	18,114	14,971	14,853	3,668	100	219,572
	Change	3,626	(8,523)	(977)	4,673	1,962	(38,475)	7,815	(11,938)	(2,726)	(3,200)	(2,030)	(94)	(49,886)
597.00	Meter maintenance	10,411	11,929	10,050	11,526	8,999	9,421	7,546	11,420	7,722	12,299	11,195	10,734	123,253
	Prior Year	10,672	9,304	8,876	9,868	8,148	8,038	9,083	8,994	8,244	7,354	10,259	8,198	107,038
	Change	(261)	2,625	1,174	1,658	851	1,383	(1,537)	2,426	(521)	4,944	936	2,537	16,215
09.597.00	Meter maintenance	0	0	0	0	0	0	0	0	1,321	2,414	254	280	4,269
	Prior Year	0	0	0	0	0	0	0	748	0	0	0	0	748
	Change	0	0	0	0	0	0	0	(748)	1,321	2,414	254	280	3,521
598.00	Miscellaneous distribution	7,501	8,563	18,336	17,962	38,512	22,463	31,385	33,302	51,451	36,027	43,458	44,160	353,119
	Prior Year	4,602	4,338	5,388	4,779	5,262	4,934	6,033	5,120	7,383	5,429	6,040	6,712	66,020
	Change	2,899	4,225	12,948	13,184	33,249	17,529	25,353	28,182	44,068	30,598	37,418	37,448	287,100
09.598.00	Miscellaneous distribution	0	0	18,313	0	43,200	0	215	215	7,220	50,055	9,229	8,095	136,540
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	18,313	0	43,200	0	215	215	7,220	50,055	9,229	8,095	136,540
***	Total Maintenance	556,839	215,907	409,824	293,206	323,249	216,216	504,130	203,958	474,502	314,244	507,839	520,839	4,540,753
	Prior Year	565,618	288,230	311,917	292,742	810,177	69,876	295,598	846,444	192,275	447,081	261,622	258,433	4,640,013
	Change	(8,779)	(72,324)	97,908	464	(486,928)	146,340	208,532	(642,486)	282,227	(132,836)	246,217	262,406	(99,259)
901.00	Supervision	13,630	12,512	13,591	15,495	11,617	11,704	12,334	16,324	15,333	15,647	14,381	16,132	168,699
	Prior Year	12,715	10,601	12,388	13,005	11,490	12,287	12,082	16,460	14,329	13,233	13,731	14,019	156,339
	Change	915	1,911	1,203	2,489	127	(583)	252	(136)	1,005	2,414	650	2,113	12,359
902.00	Meter reading	11,932	14,738	14,321	14,389	9,722	11,495	10,493	10,884	12,486	10,435	11,361	9,417	141,673
	Prior Year	12,779	13,481	13,468	13,087	10,628	12,006	9,251	12,443	12,941	14,274	16,014	13,473	153,846
	Change	(847)	1,257	853	1,302	(906)	(511)	1,242	(1,559)	(455)	(3,839)	(4,653)	(4,057)	(12,173)
9.902.00	Meter reading	2,394	2,220	2,470	2,237	1,904	2,363	1,843	3,054	3,369	2,504	2,270	1,771	28,398
	Prior Year	2,559	2,019	2,883	3,689	1,428	2,061	2,058	2,252	1,224	1,513	181	179	22,046
	Change	(165)	201	(413)	(1,453)	475	302	(215)	801	2,145	991	2,089	1,592	6,352
903.00	Consumer records	165,981	161,567	167,576	164,032	146,606	150,003	151,362	170,199	179,656	179,474	159,984	187,481	1,983,921
	Prior Year	156,937	170,206	202,480	177,571	157,503	166,247	161,827	172,795	155,726	179,822	176,083	176,972	2,054,167
	Change	9,044	(8,639)	(34,904)	(13,538)	(10,897)	(16,243)	(10,465)	(2,596)	23,931	(347)	(16,099)	10,510	(70,246)
9.903.00	Consumer records	949	403	706	458	1,484	331	241	609	1,732	880	243	52	8,088
	Prior Year	451	202	490	745	390	478	323	955	1,834	2,116	1,391	290	9,666
	Change	498	201	216	(288)	1,094	(148)	(81)	(346)	(102)	(1,236)	(1,149)	(238)	(1,578)
903.10	Cash short/over	(93)	(1)	(19)	(8)	(15)	6	1	(667)	2	(1,662)	4	(0)	(2,451)
	Prior Year	(1)	117	(1)	(1)	(11)	5	(145)	17	5	100	93	100	278
	Change	(92)	(117)	(18)	(7)	(4)	1	146	(685)	(3)	(1,762)	(89)	(100)	(2,728)
904.00	Uncollectibles	12,498	14,478	16,807	15,857	13,118	12,429	13,784	15,681	20,222	16,017	13,167	11,705	175,762
	Prior Year	14,178	16,349	16,137	16,996	13,736	13,660	17,310	18,612	19,790	20,164	14,338	11,752	193,022
	Change	(1,680)	(1,872)	669	(1,138)	(618)	(1,231)	(3,525)	(2,932)	432	(4,147)	(1,171)	(47)	(17,260)

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
***	Total Consumer Accounts	207,291	205,917	215,452	212,460	184,435	188,330	190,058	216,082	232,801	223,296	201,410	226,557	2,504,089
	Prior Year	199,618	212,974	247,844	225,093	195,165	206,743	202,706	223,535	205,848	231,222	221,832	216,784	2,589,364
	Change	7,673	(7,058)	(32,392)	(12,633)	(10,730)	(18,413)	(12,648)	(7,453)	26,953	(7,926)	(20,422)	9,773	(85,275)
907.00	Customer service	4,980	4,052	3,537	4,052	3,441	3,545	6,761	3,920	4,611	4,493	4,185	4,584	52,161
	Prior Year	4,200	4,171	4,058	4,130	3,447	3,498	7,546	3,830	4,198	4,273	4,133	4,253	51,737
	Change	780	(118)	(521)	(78)	(6)	46	(785)	90	413	220	52	331	425
908.00	Consumer Assistance	(7,363)	1,480	6,708	13,657	7,420	(11,196)	(4,535)	1,668	3,943	12,246	3,280	(9,237)	18,070
	Prior Year	3,327	7,890	7,787	8,777	8,096	3,326	3,118	10,308	5,147	13,509	2,584	2,584	76,454
	Change	(10,690)	(6,410)	(1,080)	4,880	(677)	(14,522)	(7,653)	(8,640)	(1,205)	(1,263)	696	(11,821)	(58,384)
908.52	Customer Serv Exp-Energy Cons	3,338	4,476	3,342	3,347	3,350	3,352	3,348	3,348	3,888	3,352	2,720	3,994	41,855
	Prior Year	2,679	4,459	5,018	3,383	3,307	638	6,038	3,512	0	6,708	4,447	3,328	43,517
	Change	659	17	(1,676)	(36)	43	2,715	(2,690)	(164)	3,888	(3,355)	(1,728)	666	(1,662)
908.53	Customer Serv Exp-Marketing	13,639	21,455	17,358	13,322	(1,670)	(18,501)	14,213	(11,787)	20,974	(29,199)	14,882	14,093	68,778
	Prior Year	29,021	27,830	4,813	23,742	27,150	(13,307)	21,488	30,087	6,978	31,777	17,465	33,176	240,220
	Change	(15,382)	(6,375)	12,545	(10,421)	(28,820)	(5,194)	(7,275)	(41,874)	13,996	(60,976)	(2,583)	(19,083)	(171,441)
909.00	Advertising Expense	4,828	1,154	3,098	4,920	6,479	(15,132)	4,256	(711)	15,712	4,486	6,566	(6,248)	29,408
	Prior Year	3,369	4,800	(4,055)	3,678	(2,630)	4,141	5,439	(7,952)	4,275	7,559	5,227	9,734	33,586
	Change	1,459	(3,646)	7,153	1,242	9,109	(19,273)	(1,183)	7,241	11,437	(3,073)	1,339	(15,982)	(4,178)
910.00	Misc customer service	34,716	44,061	38,605	41,836	39,926	38,954	35,691	29,640	38,732	36,043	37,333	37,365	452,902
	Prior Year	37,979	29,239	45,845	38,755	34,992	23,673	45,554	31,265	24,487	43,067	34,596	34,500	423,952
	Change	(3,263)	14,821	(7,240)	3,081	4,933	15,281	(9,864)	(1,625)	14,246	(7,024)	2,737	2,865	28,950
910.11	Key Accounts Exp	0	60	0	339	89	276	0	695	1,516	808	0	0	3,783
	Prior Year	238	3,154	0	149	312	0	0	60	1,516	0	0	0	5,429
	Change	(238)	(3,094)	0	190	(222)	276	0	635	0	808	0	0	(1,645)
***	Total Customer Service	54,136	76,737	72,649	81,473	59,035	1,298	59,734	26,773	89,376	32,229	68,966	44,551	666,958
	Prior Year	80,811	81,541	63,467	82,615	74,675	21,969	89,183	71,110	46,600	106,894	68,453	87,576	874,894
	Change	(26,674)	(4,804)	9,182	(1,142)	(15,640)	(20,672)	(29,448)	(44,337)	42,776	(74,665)	513	(43,025)	(207,936)
920.00	Administrative Salaries	146,385	144,849	151,515	144,748	126,469	127,183	139,814	145,410	161,872	168,780	166,094	155,335	1,778,453
	Prior Year	139,710	132,969	136,343	135,693	116,705	122,179	163,317	136,358	144,052	142,046	145,487	145,399	1,660,258
	Change	6,675	11,879	15,172	9,055	9,765	5,004	(23,503)	9,053	17,820	26,734	20,607	9,936	118,195
09.920.	Administrative Salaries	21,098	18,463	24,181	13,367	10,600	9,694	10,359	12,103	15,144	15,029	14,728	11,951	176,718
	Prior Year	11,017	11,160	9,000	6,813	6,685	11,949	16,825	14,650	16,554	10,093	19,051	15,559	149,355
	Change	10,081	7,303	15,181	6,555	3,916	(2,256)	(6,466)	(2,547)	(1,409)	4,936	(4,322)	(3,608)	27,362
921.00	Office supplies & exp	66,535	54,782	41,478	62,807	50,082	66,164	76,394	42,965	55,729	53,098	55,239	49,168	674,440
	Prior Year	46,455	76,013	42,144	68,558	60,859	119,415	65,594	52,166	50,077	45,274	49,656	65,592	741,803
	Change	20,080	(21,231)	(666)	(5,751)	(10,778)	(53,251)	10,800	(9,200)	5,652	7,823	5,582	(16,424)	(67,363)
09.921.	Office supplies & exp	3,511	764	2,695	9,531	662	4,588	1,496	2,148	3,005	3,907	581	10,280	43,168
	Prior Year	855	1,392	3,892	562	1,747	1,590	822	709	644	409	8,838	1,185	22,645
	Change	2,657	(628)	(1,197)	8,970	(1,085)	2,998	675	1,438	2,361	3,498	(8,256)	9,095	20,524
923.00	Outside services	35,402	25,165	22,181	20,845	21,843	52,759	25,342	53,622	32,026	97,425	62,789	57,570	506,969
	Prior Year	4,284	21,593	68,536	34,908	49,711	84,998	44,325	69,727	23,791	28,715	24,786	55,227	540,601
	Change	31,118	3,572	(46,355)	(14,062)	(27,868)	(32,239)	(18,983)	(46,105)	8,235	68,710	38,003	2,343	(33,631)

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
***	Total Depreciation	336,581	336,261	337,403	339,445	341,744	347,988	346,441	376,672	370,340	374,489	374,890	379,801	4,262,055
	Prior Year	331,204	332,816	332,544	332,155	332,306	333,281	331,611	331,848	332,339	332,819	335,379	335,752	3,994,053
	Change	5,377	3,445	4,860	7,291	9,438	14,706	14,830	44,824	38,001	41,670	39,511	44,049	268,001
427.20	CFC Interest	243,115	252,595	261,015	236,578	249,074	257,376	232,381	260,085	260,085	213,404	284,122	274,957	3,024,787
	Prior Year	355,960	278,842	288,137	263,256	294,745	294,745	254,116	240,251	240,251	221,905	237,210	229,558	3,198,976
	Change	(112,846)	(26,247)	(27,122)	(26,678)	(45,671)	(37,369)	(21,735)	19,834	19,834	(8,501)	46,912	45,399	(174,189)
***	Total Interest on Long Term Debt	243,115	252,595	261,015	236,578	249,074	257,376	232,381	260,085	260,085	213,404	284,122	274,957	3,024,787
	Prior Year	355,960	278,842	288,137	263,256	294,745	294,745	254,116	240,251	240,251	221,905	237,210	229,558	3,198,976
	Change	(112,846)	(26,247)	(27,122)	(26,678)	(45,671)	(37,369)	(21,735)	19,834	19,834	(8,501)	46,912	45,399	(174,189)
431.00	Short-term loans	0	0	0	0	795	2,463	1,589	6,515	9,852	13,825	953	0	35,992
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	795	2,463	1,589	6,515	9,852	13,825	953	0	35,992
431.10	interest-customer dep	229	231	232	233	235	234	233	709	0	702	704	704	4,445
	Prior Year	217	215	215	215	216	220	225	226	229	229	230	230	2,667
	Change	13	15	17	17	19	14	8	483	(229)	473	474	474	1,777
431.12	Short-term loans	0	0	0	0	0	0	0	0	650	0	0	0	650
	Prior Year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	650	0	0	0	650
****	Total Interest-Other	229	231	232	233	1,030	2,697	1,822	7,224	10,502	14,526	1,657	704	41,086
	Prior year	217	215	215	215	216	220	225	226	229	229	230	230	2,667
	Change	13	15	17	17	813	2,477	1,597	6,998	10,273	14,297	1,427	474	38,419
426.00	Donations	2,753	5,620	1,400	4,250	1,340	0	1,774	601	3,152	0	972	2,149	24,010
	Prior Year	1,300	0	1,692	1,100	5,850	850	300	251	1,337	250	1,111	4,805	18,846
	Change	1,453	5,620	(292)	3,150	(4,510)	(850)	1,474	350	1,815	(250)	(139)	(2,656)	5,165
426.40	Contribution-Integrity Fund	0	0	0	6,806	0	0	0	0	0	0	0	0	6,806
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	6,806	0	0	0	0	0	0	0	0	6,806
426.50	Other deductions	0	0	0	0	0	0	0	3,788	0	0	0	0	3,788
	Prior year	0	0	0	0	0	0	0	0	0	0	0	6,819,244	6,819,244
	Change	0	0	0	0	0	0	0	3,788	0	0	0	(6,819,244)	(6,815,456)
***	Total Other Deductions	2,753	5,620	1,400	11,056	1,340	0	1,774	4,388	3,152	0	972	2,149	34,604
	Prior year	1,300	0	1,692	1,100	5,850	850	300	251	1,337	250	1,111	6,824,049	6,838,090
	Change	1,453	5,620	(292)	9,956	(4,510)	(850)	1,474	4,138	1,815	(250)	(139)	(6,821,900)	(6,803,486)
****	Total Cost of Elec Service	5,703,557	6,373,810	7,024,031	6,440,790	5,105,247	4,778,497	6,171,519	7,571,335	8,092,083	7,040,243	5,262,632	5,611,112	75,174,857
	Prior year	6,379,443	6,814,085	6,835,892	6,869,721	6,577,791	5,391,408	6,797,714	7,653,852	7,678,215	7,943,050	6,708,166	11,756,100	87,405,437
	Change	(675,886)	(440,276)	188,139	(428,931)	(1,472,544)	(612,911)	(626,194)	(82,517)	413,868	(902,806)	(1,445,533)	(6,144,988)	(12,230,580)
****	Operating Margins	(744,276)	(575,880)	(297,951)	(105,170)	199,806	266,789	2,913,530	(4,204,984)	103,622	(364,672)	293,248	(677,160)	(3,193,096)
	Prior year	(558,223)	(305,047)	(369,634)	34,497	(1,111,379)	127,990	58,409	(205,846)	131,943	114,788	(836,023)	(7,019,722)	(9,938,248)
	Change	(186,053)	(270,832)	71,683	(139,667)	1,311,185	138,799	2,855,122	(3,999,138)	(28,320)	(479,460)	1,129,272	6,342,561	6,745,151
419.00	Interest Income	12,706	9,460	12,151	11,774	11,716	11,658	11,599	27,799	10,791	10,742	10,692	10,642	151,729
	Prior year	24,142	236,209	76,048	80,411	73,611	12,677	5,074	17,316	(88,740)	11,270	18,589	4,623	471,230

Nolin Rural Electric Cooperative
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year
 April 30, 2016

Acct #	Description	May Month 1	June Month 2	July Month 3	August Month 4	September Month 5	October Month 6	November Month 7	December Month 8	January Month 9	February Month 10	March Month 11	April Month 12	Total
	Change	(11,436)	(226,749)	(63,898)	(68,637)	(61,894)	(1,020)	6,525	10,483	99,531	(528)	(7,897)	6,019	(319,501)
09.419.00	Interest Income	9,577	9,571	9,564	9,557	9,549	9,541	9,534	9,526	9,519	9,511	9,503	9,496	114,449
	Prior year	9,644	9,640	9,635	9,629	9,623	9,618	9,612	9,606	9,600	9,595	9,589	9,583	115,374
	Change	(67)	(69)	(71)	(72)	(74)	(76)	(78)	(80)	(82)	(84)	(85)	(87)	(925)
419.10	Interest Mod Wo-Ft.Knox	0	0	0	0	0	0	0	0	0	302	0	0	302
	Prior year	4,143	0	0	0	(4,143)	0	0	0	0	0	0	0	0
	Change	(4,143)	0	0	0	4,143	0	0	0	0	302	0	0	302
419.11	Interest Ft.Knox Pwer Plant	132,479	131,661	131,774	130,774	130,023	126,529	232,870	137,271	136,961	136,715	136,682	136,421	1,700,160
	Prior year	131,909	132,035	131,775	139,203	138,505	139,358	138,404	139,921	138,945	133,756	134,268	133,345	1,631,424
	Change	569	(374)	(1)	(8,429)	(8,482)	(12,829)	94,465	(2,650)	(1,984)	2,959	2,414	3,076	68,736
***	Total non operating Margins	154,762	150,692	153,489	152,105	151,288	147,728	254,002	174,596	157,271	157,270	156,878	156,559	1,966,640
	Prior Year	169,839	377,884	217,458	229,243	217,595	161,653	153,090	166,843	59,805	154,620	162,446	147,552	2,218,028
	Change	(15,077)	(227,192)	(63,969)	(77,138)	(66,307)	(13,924)	100,912	7,753	97,466	2,649	(5,568)	9,008	(251,388)
415.00	Rev from merchandise	500	555	515	530	500	530	1,122	500	500	500	500	537	6,789
	Prior year	506	500	0	500	540	500	522	1,785	500	500	500	524	6,876
	Change	(6)	55	515	30	(40)	30	600	(1,285)	0	0	0	13	(88)
415.10	Rev from Ft.Knox	11,215	10,479	12,726	13,252	11,950	13,069	6,720	1,709	2,586	1,372	1,303	1,372	87,751
	Prior year	13,514	12,342	17,931	26,555	15,098	17,839	11,673	11,562	10,979	11,105	10,577	11,895	171,069
	Change	(2,299)	(1,863)	(5,206)	(13,303)	(3,148)	(4,771)	(4,953)	(9,853)	(8,392)	(9,733)	(9,275)	(10,523)	(83,319)
415.12	Rev from Ft.Knox	13,089	123	0	0	0	231	0	0	0	9	0	0	13,453
	Prior year	0	0	0	3,381	609	0	611	0	28,114	537	26,153	0	59,405
	Change	13,089	123	0	(3,381)	(609)	231	(611)	0	(28,114)	(528)	(26,153)	0	(45,952)
415.16	Rev Knox Hills	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	1,535	(1,220)	1,328	(51)	160	242	321	8,835	1,168	1,325	0	13,644
	Change	0	(1,535)	1,220	(1,328)	51	(160)	(242)	(321)	(8,835)	(1,168)	(1,325)	0	(13,644)
416.00	Cost & Expenses of Merchandg	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	(4)	0	0	0	0	0	0	(5)	0	0	0	0	(9)
	Change	4	0	0	0	0	0	0	5	0	0	0	0	9
416.10	Cost of Ft.Knox	(6,285)	(5,011)	(1,477)	(2,428)	(2,893)	(3,482)	(2,441)	(2,946)	(1,445)	(2,685)	(346)	(335)	(31,773)
	Prior year	(5,400)	(3,210)	(14,843)	(22,828)	(11,756)	(7,454)	(567)	(4,365)	(3,925)	(6,388)	(1,800)	(4,064)	(86,600)
	Change	(885)	(1,802)	13,366	20,401	8,863	3,972	(1,874)	1,419	2,481	3,704	1,454	3,730	54,828
421.10	Gain on disposal of property	0	0	0	0	0	0	0	(21,596)	5,250	16,877	3,500	22,780	26,811
	Prior year	10,528	(62,551)	1,245	0	0	2,625	(3,126)	0	0	9,500	4,000	101	(37,678)
	Change	(10,528)	62,551	(1,245)	0	0	(2,625)	3,126	(21,596)	5,250	7,377	(500)	22,679	64,489
423.00	Patronage Capital - East Ky	0	0	0	0	0	0	0	3,476,947	0	0	0	(2,484)	3,474,463
	Prior year	0	0	0	0	0	0	0	3,948,912	0	0	0	0	3,948,912
	Change	0	0	0	0	0	0	0	(471,964)	0	0	0	(2,484)	(474,449)
424.00	Other Capital Credit Allocation	0	0	0	272,238	6,467	0	0	(273,515)	0	24,300	63,926	0	93,416
	Prior year	2,149	0	0	0	315,240	0	0	27,470	0	0	336,290	0	681,150
	Change	(2,149)	0	0	272,238	(308,773)	0	0	(300,986)	0	24,300	(272,364)	0	(587,734)



Nolin Rural Electric Cooperative
Comparison of Test Year Income Statement Account
Balances with those of the Preceding Year
April 30, 2016

<u>Acct #</u>	<u>Description</u>	<u>May Month 1</u>	<u>June Month 2</u>	<u>July Month 3</u>	<u>August Month 4</u>	<u>September Month 5</u>	<u>October Month 6</u>	<u>November Month 7</u>	<u>December Month 8</u>	<u>January Month 9</u>	<u>February Month 10</u>	<u>March Month 11</u>	<u>April Month 12</u>	<u>Total</u>
****	Net Margins	(570,995)	(419,042)	(132,698)	330,529	367,117	424,865	3,172,933	(849,288)	267,785	(167,029)	519,008	(498,732)	2,444,454
	Prior year	(367,092)	21,453	(149,062)	272,676	(574,105)	303,313	220,853	3,946,677	236,250	285,830	(296,531)	(6,863,715)	(2,963,452)
	Change	(203,904)	(440,495)	16,364	57,852	941,222	121,552	2,952,080	(4,795,965)	31,534	(452,859)	815,540	6,364,983	5,407,906

Nolin Rural Electric Coop
 Trial Balance - Balance Sheet
 Case No. 2016-00357
 April 30, 2016

Account	Description	Debit	Credit
107.1	CONSTRUCTION WORK IN PROGRESS-CO	590,495.13	0.00
107.12	CONTRACT LABOR-FORT KNOX	0.00	44,817.54
107.2	CONSTRUCTION WORK IN PROGRESS	1,212,541.96	0.00
107.21	FORT KNOX CONTRACT	0.00	19,763.66
108.21	RETIREMENT WORK-FORT KNOX CONTRA	231.22	0.00
108.6	ACCUM DEPR OF ELECTRIC UTILITY P		33,881,821.46
108.62	ACCUMULATED DEPRECIATION STORES		5,400.00
108.63	ACCUM DEPR OF LABORATORY EQUIPME		17,175.52
108.64	ACCUM DEPR OF MISC EQUIPMENT-FOR		4,140.83
108.65	ACCUM DEPR-COMMUNICATION EQUIPME		7,303.23
108.66	ACCUM DEPR-FURNITURE & EQUIPMENT		31,248.99
108.67	ACCUM DEPR OF SHOP EQUIPMENT-FOR		8,758.16
108.68	ACCUM DEPR-PCB BUILDING		74,148.81
108.69	ACCUM DEPR OF RADCLIFF OFFICE		61,367.17
108.71	ACCUM DEPR OF HEADQUARTERS		2,250,901.21
108.72	ACCUM DEPR OF FURNITURE AND EQUI		1,612,072.98
108.73	ACCUM DEPR OF TRANSPORTATION EQU		2,572,658.03
108.74	ACCUM DEPR OF STORES EQUIPMENT		62,823.28
108.75	ACCUM DEPR OF SHOP EQUIPMENT		270,390.41
108.76	ACCUM DEPR OF LABORATORY EQUIPME		121,784.68
108.77	ACCUM DEPR OF POWER OPERATED EQU		128,880.86
108.78	ACCUM DEPR OF COMMUNICATIONS EQU		697,306.39
108.79	ACCUM DEPR OF MISC EQUIPMENT		84,978.34
108.8	RETIREMENT WORK IN PROGRESS	11,026.13	
108.9	RETIREMENT WORK IN PROGRESS-CONT	12,552.85	
123.1	PATRONAGE CAPITAL-ASSOC COOPERAT	34,288,148.83	
123.11	PATRONAGE CAPITAL-ASSOC COOPERAT	79,802.96	
123.12	PATRONAGE CAPITAL-ASSOC COOPERAT	672,590.29	
123.14	PATRONAGE CAPITAL-ASSOC COOPERAT	1,545,161.96	
123.15	PATRONAGE CAPITAL ASSOC COOPERAT	208,261.93	
123.22	INVESTMENT IN CAPITAL TERM CERTI	1,404,998.00	
123.23	OTHER INVESTMENTS ASSOC ORGAN MB	10.00	
123.24	OTHER INVESTMENTS ASSOC ORGAN MB	100.00	
123.25	OTHER INVESTMENTS ASSOC ORGAN MB	1,000.00	
123.32	OTHER INV ASSOC ORG NAT'L RURAL	7,793.92	
123.34	OTHER INVESTMENTS-ENVISION ENER	21,098.45	
123.35	OTHER INVESTMENTS ASSOC ORG-NISC	100.00	
123.36	OTHER INVESTMENT-TOUCHSTONE ENER	2,500.00	
124.0	OTHER INVESTMENTS RADCLIFF IND F	1,000.00	
124.03	OTHER INVESTMENTS-FEDERATED INS-	293,781.81	
131.13	CASH GENERAL FUND-KNB	1,974,945.28	

Nolin Rural Electric Coop
 Trial Balance - Balance Sheet
 Case No. 2016-00357
 April 30, 2016

Account	Description	Debit	Credit
131.17	OPERATION ROUND UP - KNB	23,815.25	
131.18	CASH INTERNET ACCOUNT-KNB	675,729.66	
135.0	WORKING FUNDS	2,375.00	
136.17	TEMPORARY CASH INVESTMENT - ROUND U	63,794.31	
141.1	NOTES RECEIVABLE-EMPLOYEES-COMPU	3,423.91	
142.0	CUSTOMER ACCOUNTS RECEIVABLE-ELE	7,488,551.22	
142.1	RETURNED CHECKS	294.50	
142.11	DEFERRED PAYMENT PLAN-DEBITS & C	7,673.23	
142.12	DEFERRED PAYMENT PLAN-DRS & CRS-	0.00	300.59
143.0	ACCOUNTS RECEIVABLE-OTHER	4,846,221.41	0.00
143.03	ACCOUNTS RECEIVABLE-125B-MEDICAL	0.00	1,404.49
143.07	ACCOUNTS RECEIVABLE-POLE RENTAL	84,228.15	0.00
143.21	ACCOUNTS RECEIVABLE-125B DENTAL	0.00	47.31
143.96	ACCOUNTS RECEIVABLE-FT.KNOX SOLAR AR	4,663,606.00	0.00
143.97	ACCOUNTS RECEIVABLE-FT.KNOX POWER PL	53,630,298.79	0.00
144.1	RESERVE FOR UNCOLLECTIBLE ACCOUN	0.00	892,601.27
154.0	MATERIALS AND SUPPLIES-ELECTRIC	1,193,657.43	
155.0	MERCHANDISE	9,292.87	
156.0	INVENTORY-GAS, LP GAS AND OIL	9,901.48	
156.1	FORT KNOX-INVENTORY	110,497.08	
163.0	STORES EXPENSE UNDISTRIBUTED	2,794.75	
165.1	PREPAID INSURANCE	274,586.80	
165.4	OTHER PREPAYMENTS-DUES KAEC	57,278.18	
165.5	OTHER PREPAYMENTS-DUE NRECA	0.00	12,356.00
165.7	PREPAYMENT OF SALES & USE TAX	30,855.08	0.00
165.71	PREPAID-POSTAGE	1,201.35	0.00
171.0	INTEREST & DIVIDENDS RECEIVABLE	0.00	10,504.74
186.1	MISC DEFERRED & ACCRUED LIABILIT	0.00	1,513.86
186.3	MISC DEFERRED DEBIT-RETIREMENT/SECUR	2,485,255.37	0.00
200.1	MEMBERSHIPS	0.00	274,455.00
201.1	PATRONS CAPITAL CREDITS-ASSIGNED	0.00	70,917,518.45
201.2	PATRONS CAPITAL CREDITS-CURRENT YEAR	2,805,045.26	0.00
201.21	PATRONS CAPITAL CREDITS-UNASSIGN	0.00	123,409.55
201.22	PRIOR YEARS DEFICIT	5,353,503.42	0.00
208.0	DONATED CAPITAL	0.00	121,153.24
215.3	ACCUM OTHER COMPREHENSIVE INCOME	3,064,955.00	0.00
217.0	RETIRED CAPITAL CREDITS-GAIN		2,591,428.72
217.1	RETIRED CAPITAL CREDITS - DISC		890,090.90
224.12	OTHER LONG TERM DEBT-CFC		100,544,778.13
228.3	ACCUM PROVISION FOR PENSIONS AND		6,921,517.52
232.1	ACCOUNTS PAYABLE-GENERAL		3,898,877.69

Nolin Rural Electric Coop
 Trial Balance - Balance Sheet
 Case No. 2016-00357
 April 30, 2016

Account	Description	Debit	Credit
232.11	ACCTS PAYABLE-FT KNOX FY 2014-15 TRUEUP		3,197,106.54
232.11201	ACCTS PAYABLE FT KNOX FY 2015-16 TRUEUP		3,289,988.18
232.12	ACCOUNTS PAYABLE-SHORT TERM NOTE	399.14	0.00
232.14	GE METER PURCHASE		664,968.35
232.5	ACCOUNTS PAYABLE-RADCLIFF FRANCH		18,248.90
232.6	ACCOUNTS PAYABLE-VINE GROVE FRAN		4,216.96
232.61	ACCOUNTS PAYABLE FRANCHISE TAX - SONORA		59.02
232.7	AP-WINTER CARE		362.12
232.71	AP OPERATION ROUNDUP		93,777.23
232.8	ACCTS PAYABLE-SCHOLARSHIPS		10,000.00
232.9	ACCOUNTS PAYABLE-E-TOWN FRANCHIS		16,963.40
235.0	CONSUMER DEPOSITS		2,330,006.47
236.1	TAXES ACCRUED-PROPERTY		256,221.99
236.2	TAXES ACCRUED-U S UNEMPLOYMENT	3,339.69	0.00
236.4	TAXES ACCRUED-STATE UNEMPLOYMENT		82.03
236.5	TAXES ACCRUED-KENTUCKY SALES		107,982.87
236.6	TAXES ACCRUED-HARDIN COUNTY SCHO		248,204.25
236.61	TAXES ACCRUED-GRAYSON COUNTY SCH		1,851.30
236.62	TAXES ACCRUED-MEADE COUNTY SCHOO		698.61
236.63	TAXES ACCRUED-KY SALES AND USE		1,452.09
236.64	TAXES ACCRUED-GREEN COUNTY SCHOO		661.72
236.65	TAXES ACCRUED-LARUE COUNTY SCHOO		25,701.73
236.66	TAXES ACCRUED-HARDIN CO-E-TOWN S		1,921.73
237.2	INTEREST ACCRUED CFC OBLIGATION		559,079.27
237.3	INTEREST ACCRUED-SHORT TERM CFC		1,430.12
241.2	TAXES-CITY OF ETOWN OCCUPATIONAL		3,948.42
241.3	TAXES-CITY OF RADCLIFF OCCUPATIO		603.92
242.06	TOUCHSTONE ENERGY FRIENDS ASSIST		4,642.06
242.07	MISC ACCRUED LIABILITIES-ACRE		2,724.09
242.09	MISC ACCRUED LIABILITIES-MET-INS	20.60	
242.12	MISC ACCRUED LIABILITIES-125B LT	95.98	
242.13	MISC ACCRUED LIABILITIES-L25B IN	80.93	
242.18	MISC ACCRUED LIABILITIES-KINGS I		90.00
242.19	MISC ACCRUED LIABILITIES-HOLIDAY		627.70
242.21	MISC ACCRUED LIABILITIES-KY KING		227.75
242.23	MISC ACCRUED LIAB AD&D SPOUSE CH		157.54
242.3	ACCRUED VACATION		880,141.15
242.39	PAYROLL - CLEARING	363.65	0.00
242.8	ACCRUED INTEREST-CONSUMER DEPOSI		51,746.39
242.9	MISC ACCRUED LIABLILITIES-UNITED		463.00
252.0	CONSUMER ADVANCE FOR CONSTRUCTIO		63,445.84

Nolin Rural Electric Coop
Trial Balance - Balance Sheet
Case No. 2016-00357
April 30, 2016

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
252.1	CONSUMER ADVANCE FOR CONSTRUCTIO		119,901.35
253.0	OTHER DEFERRED CREDITS-ROLLING F		128,402.68
253.6	DEFERRED CREDIT - FT KNOX		6,049.64
362.0	STATION EQUIPMENT-SCADA	649,002.32	
364.0	POLES, TOWERS AND FIXTURES	24,791,093.70	
364.1	POLES, TOWERS, & FIXTURES- FT KN	651.18	
365.0	OVERHEAD CONDUCTOR & DEVICES-INS	22,269,374.75	
365.1	OH-COND & DEVICES-INST COST-FORT	303.62	
367.0	UNDERGROUND CONDUCTORS AND DEVIC	7,893,140.27	
367.1	UNDERGROUND CONDUCTORS & DEVICES	293,401.59	
368.0	TRANSFORMER-INSTALLATION COST	18,400,485.78	
368.1	TRANSFORMER-INSTALLATION COST-FT	28.64	
369.0	SERVICES	11,795,289.61	
369.1	SERVICES- FT KNOX	7,638.51	
370.0	METER & SOCKET-INSTALLATION COST	6,845,229.78	
370.1	METERS-MINI-MAX AMP	10.97	
371.0	INSTALLATION ON CONSUMER PREMISE	1,947,271.67	
371.1	INSTALLATION ON CONSUMER PREMISE	0.87	
372.0	TEMPORARY METER POLES	101,945.46	
373.0	STREET LIGHTING AND SIGNAL EQUIP	622,162.78	
373.1	STREET LIGHTING & SIGNAL EQUIPME	9.60	
389.0	LAND AND LAND RIGHTS	589,512.53	
389.1	LAND AND LAND RIGHTS-RADCLIFF OF	5,000.00	
390.0	STRUCTURES AND IMPROVEMENTS-MISC	15,774.29	
390.1	STRUCTURES AND IMPROVEMENTS-HEAD	6,364,575.48	
390.11	STRUCTURES AND IMPROVEMENTS-PCB	239,019.00	
390.12	STRUCTURES AND IMPROVEMENTS-RADC	206,953.11	
391.0	FURNITURE AND OFFICE EQUIPMENT	2,492,965.77	
392.0	TRANSPORTATION EQUIPMENT	3,726,575.14	
393.0	STORES EQUIPMENT	79,008.28	
394.1	SHOP EQUIPMENT	381,065.70	
395.0	LABORATORY EQUIPMENT	173,045.50	
396.0	POWER OPERATED EQUIPMENT	158,041.90	
397.0	COMMUNICATIONS EQUIPMENT	1,853,757.50	
398.0	MISCELLANEOUS EQUIPMENT	130,243.91	
		241,253,855.42	241,253,855.42

Nolin Rural Electric Cooperative
Trial Balance
April 30, 2016

<u>Account</u>	<u>Description</u>	<u>12 months</u>		
		<u>04/30/16</u>	<u>Nolin Only</u>	<u>Ft. Knox</u>
Operating Revenues				
440.1	Residential Rural	46,307,328.32	46,307,328.32	
442.10	Small commercial	9,842,901.67	9,842,901.67	
442.22	Large industrial	10,076,966.20	10,076,966.20	
444.00	Public lights	325,666.04	325,666.04	
		66,552,862.23	66,552,862.23	-
Other operating revenues				
450.00	Forfiet discounts	459,298.41	459,298.41	
451.00	Miscellaneous	260,874.79	260,874.79	
454.00	Rent from Electric Prop	298,273.14	298,273.14	
456.00	Other Electric Prop	1,558.13	1,558.13	
456.00	Ft. Knox - Privatization	1,953,435.67	-	1,953,435.67
456.00	Ft. Knox - Power plant	202,100.35	-	202,100.35
		69,728,402.72	67,572,866.70	2,155,536.02
Cost of Power				
555	Purchased Power	51,781,247.00	51,781,247.00	-
	Markup on sales	17,947,155.72	15,791,619.70	2,155,536.02
Distribution - Operations				
580	Super & Eng	164,045.66	164,045.66	
580.0	"" Ft. Knox	24,377.01	-	24,377.01
582	Station Ft. Knox	3,451.43	-	3,451.43
583	O/H Line	1,542,917.84	1,542,917.84	
583	"" Ft. Knox	160,593.40	-	160,593.40
584	U/G line	98,811.65	98,811.65	
584	"" Ft. Knox	74,443.85	-	74,443.85
586	Meter	705,838.94	705,838.94	
586	"" Ft. Knox	2,667.62	-	2,667.62
587	Constr Install Eqt	89,606.26	89,606.26	
587	"" Ft. Knox	-	-	-
588	Misc Dist Eqt	1,599,923.24	1,599,923.24	
588	"" Ft. Knox	90,815.76	-	90,815.76
		4,557,492.66	4,201,143.59	356,349.07
Distribution - Maintenance				
590	Supervision	163,744.18	163,744.18	
590	"" Ft. Knox	77,598.27	-	77,598.27
592	Substation	(48.95)	(48.95)	
592	"" Ft. Knox	382,094.92	-	382,094.92
593	Maintenance	2,532,010.98	2,532,010.98	
593	"" Ft. Knox	357,356.23	-	357,356.23
594	Underground	36,046.73	36,046.73	
594	"" Ft. Knox	54,671.39	-	54,671.39

Nolin Rural Electric Cooperative
Trial Balance
April 30, 2016

<u>Account</u>	<u>Description</u>	<u>12 months</u>		
		<u>04/30/16</u>	<u>Nolin Only</u>	<u>Ft. Knox</u>
595	Transformers	38,987.30	38,987.30	
595	"" Ft. Knox	(4,625.01)	-	(4,625.01)
596	Street lights	116,050.35	116,050.35	
596	"" Ft. Knox	169,686.49	-	169,686.49
597	Meters	123,252.55	123,252.55	
597	"" Ft. Knox	4,268.70	-	4,268.70
598	Misc Distr Plant	353,119.27	353,119.27	
598	"" Ft. Knox	136,540.08	-	136,540.08
		<u>4,540,753.48</u>	<u>3,363,162.41</u>	<u>1,177,591.07</u>
Consumer Accounts				
901	Supervision	168,698.60	168,698.60	
902	Meter Read Exp	141,672.56	141,672.56	
902	"" Ft. Knox	28,397.57	-	28,397.57
903	Consumer Collection	1,983,921.41	1,983,921.41	
903	"" Ft. Knox	8,087.89	-	8,087.89
903.10	Cash short (over)	(2,450.81)	(2,450.81)	
904	Uncollectible A/c	175,761.57	175,761.57	
		<u>2,504,088.79</u>	<u>2,467,603.33</u>	<u>36,485.46</u>
Sales				
907	Supervision Consumer Records	52,161.21	52,161.21	
908	Consumer Assistance	128,703.89	128,703.89	
909	Advertising	29,407.66	29,407.66	
910	Miscellaneous Consumer Svc	456,685.00	456,685.00	
913	Advertising	-	-	
		<u>666,957.76</u>	<u>666,957.76</u>	<u>-</u>
Administrative & General				
920	Office Salaries	1,778,453.42	1,778,453.42	
920	"" Ft. Knox	176,717.72	-	176,717.72
921	Office Supplies	674,440.15	674,440.15	
921	"" Ft. Knox	43,168.45	-	43,168.45
923	Outside Services	506,969.20	506,969.20	
923	"" Ft. Knox	19,429.87	-	19,429.87
926	Emp benefits	368,186.04	368,186.04	
928	Regulatory Commission	12,844.96	12,844.96	
929	Duplicate Charges	(68,933.34)	(68,933.34)	
930.20	Miscellaneous	294,235.38	294,235.38	
930.21	Directors	126,169.36	126,169.36	
930.23	Dues	120,405.08	120,405.08	
935	Misc General Plant	364,017.90	364,017.90	
935	"" Ft. Knox	18,401.11	-	18,401.11
		<u>4,434,505.30</u>	<u>4,176,788.15</u>	<u>257,717.15</u>
Depreciation				
403.6	Distribution Plant	3,897,015.22	3,897,015.22	

Nolin Rural Electric Cooperative
Trial Balance
April 30, 2016

<u>Account</u>	<u>Description</u>	<u>12 months</u>		
		<u>04/30/16</u>	<u>Nolin Only</u>	<u>Ft. Knox</u>
403.7	General Plant	358,916.59	358,916.59	
403.71	" " Ft Knox	6,123.12	-	6,123.12
		<u>4,262,054.93</u>	<u>4,255,931.81</u>	<u>6,123.12</u>
Interest on long-term debt				
427.30	CFC	3,024,787.11	1,718,140.91	1,306,646.20
Other interest				
431.00	CFC	35,991.78	35,991.78	
431.10	Customer deposits	4,444.55	4,444.55	
431.12	EKPC short term	649.65	649.65	
		<u>41,085.98</u>	<u>41,085.98</u>	<u>-</u>
Non Operating Income				
415.00	Merchandising	(6,788.85)	(6,788.85)	
415.10	Ft Knox contract	(87,750.82)	-	(87,750.82)
415.12	Ft Knox maintenance	(13,452.97)	-	(13,452.97)
416.10	Ft Knox expenses	31,772.79	-	31,772.79
421.20	Loss on sale of general plant	(26,811.09)	(26,811.09)	
		<u>(103,030.94)</u>	<u>(33,599.94)</u>	<u>(69,431.00)</u>
Other Deductions				
426.00	Donations	30,816.35	30,816.35	
426.5	Others	3,787.55	3,787.55	
		<u>34,603.90</u>	<u>34,603.90</u>	<u>-</u>
Interest Income				
419	Interest Income	(151,729.36)	(37,572.00)	(114,157.36)
419	Interest Income-Ft Knox	(114,750.66)	-	(114,750.66)
419	Interest Income-Power plant	(1,700,160.20)	-	(1,700,160.20)
		<u>(1,966,640.22)</u>	<u>(37,572.00)</u>	<u>(1,929,068.22)</u>
Patronage Capital				
423.00	EKP	(3,474,463.30)	(3,474,463.30)	
424.00	Assoc organizations	(93,415.99)	(93,415.99)	
		<u>(3,567,879.29)</u>	<u>(3,567,879.29)</u>	<u>-</u>
Net Margins (loss)				
		<u>(481,623.74)</u>	<u>(1,494,746.91)</u>	<u>1,013,123.17</u>

Nolin Rural Electric Cooperative
Case No. 2016 - 00367
Comparative Capital Structure (Excluding JDIC)
For the Periods as Shown
"000" Omitted

Line No.	Type of Capital	2005 8th Year		2006 7th Year		2007 6th Year		2008 5th Year		2009 6th Year		2010 5th Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	30,073	57%	31,144	57%	31,008	55%	36,035	58%	34,434	21%	35,723	22%
2	Short Term Debt	0	0%	0	0%	575	1%	432	1%	1,058	1%	0	0%
3	Memberships	408	1%	413	1%	416	1%	420	1%	426	0%	430	0%
4	Patronage Capital	22,737	43%	23,016	42%	24,506	43%	25,757	41%	27,347	17%	30,893	19%
5	Other (Itemize by type)												
6	Total Capitalization	53,218	100%	54,573	100%	56,505	100%	62,644	100%	63,265	38%	67,046	42%

Line No.	Type of Capital	2011 2nd Year		2012 1st Year		2013 2nd Year		2014 1st Year		2015 Test year		Latest Quarter April 30, 2016		Average Test Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	37,526	52%	37,921	50%	42,813	52%	91,805	57%	93,839	58%	97,878	59%	96,174	60%
2	Short Term Debt	0	0%	790	1%	0	0%	0	0%	0	0%	0	0%	0	0%
3	Memberships	430	1%	431	1%	432	1%	277	0%	275	0%	275	0%	275	0%
4	Patronage Capital	34,222	47%	36,569	48%	39,662	48%	70,366	43%	67,219	42%	66,429	40%	65,053	40%
5	Other (Itemize by type)														
6	Total Capitalization	72,178	100%	75,711	100%	82,907	100%	162,448	100%	161,333	100%	164,582	100%	161,503	100%

Nolin Rural Electric Cooperative
 Case No. 2016 - 00367
 Calculation of Average Test Period Capital Structure
 12 months ended April 30, 2016

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Memberships (e)	Common Stock (f)	Patronage Capital (g)	Total Common Equity (h)
1	Balance Beginning of Test year	162,389	98,354		276		63,759	
2	1st month	160,361	96,892		276		63,193	
3	2nd month	159,950	96,892		276		62,782	
4	3rd month	159,826	96,892		276		62,658	
5	4th month	158,632	95,362		276		62,994	
6	5th month	159,004	95,362		276		63,366	
7	6st month	160,520	95,362		276		64,882	
8	7th month	162,177	93,839		275		68,063	
9	8th month	161,333	93,839		275		67,219	
10	9th month	161,604	93,839		274		67,491	
11	10th month	160,155	92,545		275		67,335	
12	11th month	168,680	100,545		275		67,860	
13	12th month	164,912	100,545		274		64,093	
14	Total (Line 1 through Line 13)	2,099,543	1,250,268	0	3,580	0	845,695	0
15	Average balance (Line 14/13)	161,503	96,174	0	275	0	65,053	0
16	Average capitalization ratios	100%	60%	0%	0%	0%	40%	0%
17	End of period capitalization ratios	100%	61%	0%	0%	0%	39%	0%

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Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Payroll Adjustment

To reflect the increase granted by the Board of Directors, the step increases granted and promotions during the year. To give recognition to employees terminated and employees hired during the test year. Increases are granted each November 1 based on Nolin's Wage and Salary Plan. Overtime pay is calculated at 1-1/2 times regular pay rate for hours worked in excess of 8 hours per day.

Nolin Rural Electric has always hired summer and part time employees, and anticipates this to continue into future years. These employees were normalized at the same rate and hours during the test year.

There are no union employees.

Wage and salary increases are as follows:

2016	3.25%
2015	2.80%
2014	3.00%
2013	2.00%
2012	1.50%
2011	2.75%

The amount of increase was allocated based on the actual test year.

Projected wages	\$7,404,012
Actual wages for test year	<u>7,381,846</u>
Adjustment	<u>\$22,166</u>

The allocation is on the following page:

Nolin Rural Electric Cooperative
Case No. 2016-00367
Allocation of Increase in Payroll

		Labor <u>Distribution</u>	<u>Percent</u>	<u>Allocation</u>	
10	107.20	Construction work in progress	1,209,735	16.4%	3,633
11	108.80	Retirement work in progress	147,684	2.0%	443
12	163.00	Stores	191,588	2.6%	575
13	184.00	Transportation	35,492	0.5%	107
14	186.10	Employee sick leave	56,228	0.8%	169
15	416.00	Non operating accounts	21,544	0.3%	65
16	580.00	Operations	110,356		
17	583.00	Overhead line	398,287		
18	584.00	Underground	69,112		
19	586.00	Meter	403,059		
20	587.00	Consumer installation	12,619		
21	588.00	Miscellaneous distribution	731,937	23.4%	5,181
22	590.00	Maintenance	133,338		
23	592.00	Station	21,413		
24	593.00	Overhead line	708,438		
25	594.00	Underground	31,851		
26	596.00	Street lights	89,002		
27	597.00	Meters	71,237		
28	598.00	Miscellaneous maintenance	50,275	15.0%	3,320
29	901.00	Supervision, customer accounts	106,603		
30	902.00	Meter reading	102,080		
31	903.00	Consumer records	973,389	16.0%	3,550
32	907.00	Customer service & information	32,935		
33	908.00	Consumer assistance	203,716		
34	910.00	Consumer information	144,628	5.2%	1,145
35	920.00	Administrative	1,258,251		
36	930.00	Miscellaneous	12,287		
37	935.00	Maintenance general plant	<u>54,762</u>	<u>18.0%</u>	<u>3,980</u>
38					
39		Total	<u>7,381,846</u>	<u>100.0%</u>	<u>22,168</u>

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42 Separation of Payroll between Ft. Knox and Nolin only:

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	Total	Ft. Knox	<u>Net Nolin</u>	
	<u>Payroll</u>	<u>Operations</u>	<u>Amount</u>	<u>Percent</u>
Capitalized	1,357,419	53,655	1,303,764	96.05%
Clearing and others	304,852	2,376	302,476	99.22%
Operations	1,725,370	15,032	1,710,338	99.13%
Maintenance	1,105,554	108,604	996,950	90.18%
Consumer accounts	1,182,072	1,972	1,180,100	99.83%
Customer service	381,279	0	381,279	100.00%
Sales	0	0	0	0.00%
Administration and general	<u>1,325,300</u>	<u>189,374</u>	<u>1,135,926</u>	85.71%
	<u>7,381,846</u>	<u>371,013</u>	<u>7,010,833</u>	94.97%

Allocation of increase to Nolin only:

	Total	<u>Net Nolin</u>	
	<u>Adjustment</u>	<u>Percent</u>	<u>Amount</u>
Capitalized	4,076	96.05%	3,915
Clearing and others	916	99.22%	909
Operations	5,181	99.13%	5,136
Maintenance	3,320	90.18%	2,994
Consumer accounts	3,550	99.83%	3,544
Customer service	1,145	100.00%	1,145
Sales	0	0.00%	0
Administration and general	<u>3,980</u>	85.71%	<u>3,411</u>
	<u>22,168</u>	94.97%	<u>21,054</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
Employee Information
April 30, 2016

The following is a list of employees added during the test year, and the employees that were replaced, or reason for hiring the employees.

Employee <u>Hired</u>	<u>Reason</u>
293	Replaced employee #231 who resigned
303	Replaced employee who took #11 position

The following is a list of employees terminated, and the date.

<u>Employee Number</u>	<u>Month Terminated</u>
11	8/31/15
95	3/31/16
231	1/31/16

Nolin Rural Electric Cooperative
 Case No. 2016-00367
 Compensation of Executive Officers

	<u>Test Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Chief Executive Officer - CEO	[REDACTED]	226,131	219,545	213,150
Percent Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
VP, System Operations	[REDACTED]	214,824	208,567	202,493
Percent Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
VP, Administration and Finance	[REDACTED]	146,669	143,075	135,575
Percent Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
VP, Member Services	[REDACTED]	121,944	118,604	112,104
Percent Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
VP, Office Services	[REDACTED]	110,384	107,215	101,215
Percent Increase	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

VP, Administration and Finance retired during the test year.

Exhibit 1
Page of
Witness: Michael Miller

Nolin Rural Electric Cooperative
Case No. 2016-00367
Duties and Responsibilities of Officers

President & CEO It is the responsibility of the President & CEO to report directly to the Board of Directors in implementing the Board policies and directives.

VP of Operations Collaborates with Construction and Maintenance Supervisors, and contractors, on a daily basis for operational needs. Prepares and presents the President & CEO an annual capital budget. Plans and organizes to serve members with efficient work. Promotes fast, dependable electric service to the members and maintain power quality. Maintains a knowledge of local and national laws and regulations governing the operations of Nolin. Reports directly to the President & CEO.

VP, Finance and Accounting Coordinates all audit efforts by various agencies. Maintains the financial status of Nolin by developing budgets and financial statements. Collaborates with supervisors to fill any vacant positions. Assists and advises other departments as requested in the preparation of departmental budgets. Maintains all information related to accounting, as needed. Develops short term cash investments and long term cash requirements. Assists in the development of information necessary for filing loan applications. Reviews the financial information to ensure compliance with regulatory agencies. Ensures that taxes are properly prepared and filed on a timely basis. Analyzes electric sales revenues, collections, delinquents, write-offs, and penalty charges for efficiencies. Maintains knowledge of laws and regulations governing the administration of Nolin. Directs in the preparation of daily cash transactions. Reports directly to the President & CEO.

VP, Member Services Plans and organizes to serve member/owners with efficient work. Works with demand-side management, conservation and energy efficiency programs for consumers. Investigates member concerns that have not been satisfied by other employees. Encourages in economic development in the region. Maintains knowledge of laws and regulations governing the operations of Nolin. Participates in community events and programs. Reports directly to the President & CEO.

Nolin Rural Electric Cooperative
Case No. 2016-00367

Exhibit 1
page of
Witness: Jim Adkins

Analysis of Salaries and Wages
For the calendar years 2013 through 2015
and the Test year

Line No	Item (a)	Twelve Months Ended						Test year 4/30/2016	
		2013		2014		2015		Amount (l)	%
		Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)		
1	Wages charged to expense:								
2	Distribution expense	2,492	-4%	2,713	9%	2,792	3%	2,831	1%
3	Customer accounts expense	1,201	7%	1,241	3%	1,181	-5%	1,182	0%
4	Customer service and information	351	5%	363	3%	379	4%	381	1%
5	Sales expense		0%		0%		0%		0%
6	Administrative and general expenses:								
	(a) Administrative and general	1,067	5%	1,092	2%	1,225	12%	1,259	3%
	(b) Office supplies and expense								
	(c) Outside services employed								
	(d) Property insurance								
	(e) Injuries and damages		0%		0%		0%		0%
	(f) Employees hospitalization and benefits		0%		0%		0%		0%
	(g) Retirement and security								
	(h) Miscellaneous general	6	0%	11	83%	10	-9%	11	10%
	(i) Maintenance of general plant	37	6%	39	5%	48	23%	55	15%
7	Total administrative and general expenses L6(a) to L6(i)	1,110	5%	1,142	-3%	1,283	12%	1,325	-3%
8	Charged to clearing and others	249	-5%	351	41%	264	-25%	305	16%
9	Total salaries and wages charged to expense and other L2 to L6 + L7 + L8	5,403	1%	5,810	8%	5,899	2%	6,024	2%
10	Wages capitalized	1,202	7%	1,259	5%	1,391	10%	1,357	-2%
11	Total salaries and wages	6,605	2%	7,069	7%	7,290	3%	7,381	1%
12	Ratio of salaries and wages charged to expense to total wages L9 / L11	82%		82%		81%		82%	
13	Ratio of salaries and wages capitalized to total wages L10 / L11	18%		18%		19%		18%	
14	Overtime wages	413	-26%	563	36%	551	-2%	510	-7%

Nolin Rural Electric Cooperative
Case No. 2016-00367
Payroll Taxes

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit did not change from \$118,500 in 2015 to 2016 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 1.40% for the first \$10,200 of wages.

Proposed FICA amounts

FICA	446,640	
Medicare	<u>107,358</u>	
	553,998	
Proposed FUTA	5,545	
Proposed SUTA	<u>13,189</u>	<u>572,732</u>
Test year amount		
FICA and Medicare	546,741	
Test year FUTA	4,649	
Test year SUTA	<u>13,798</u>	<u>565,188</u>
Increase		<u><u>7,544</u></u>

Adjustment:		Percent	Total	Net Nolin	
			Adjustment	Percent	Amount
107	Capitalized	18.70%	1,411	96.05%	1,355
163 - 416	Clearing and others	4.80%	362	99.22%	359
580	Operations	22.80%	1,720	99.13%	1,705
590	Maintenance	18.70%	1,411	90.18%	1,272
901	Consumer accounts	16.40%	1,237	99.83%	1,235
908	Customer service	5.20%	392	100.00%	392
912	Sales	0.00%	0	0.00%	0
920	Administrative and general	<u>13.40%</u>	<u>1,011</u>	85.71%	<u>867</u>
		<u>100.00%</u>	<u>\$7,544</u>		<u>7,185</u>

State unemployment (SUTA) wage rates are as follows:

2016	1.31%
2015	1.00%
2014	1.20%
2013	0.70%
2012	0.70%
2011	0.70%

Nolin Rural Electric Cooperative

Case No. 2016-00367

April 30, 2016

Depreciation Expense

Depreciation is computed on a composite basis. The ending plant balance is multiplied by rates that are within RUS approved guidelines. Depreciation rates and procedures follow RUS Bulletin 183-1. Nolin has not changed its depreciation rates since its last general rate application. Except for the rates this Commission allowed for meters. Nolin implemented these new rates effective January 1, 2016. The rates for meters increased from 3.0% to 8.20%.

Depreciation on transportation equipment is charged to a clearing account. Transportation costs are then cleared to various accounts based on time used for each vehicle from the daily time sheets of employees driving the vehicles.

Items of general plant that are fully-depreciated have been removed from the calculation in order to determine the normalized depreciation cost. These amounts have been separated on the right had column of the normalized calculation.

Witness: James Adkins

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Depreciation Adjustment

Normalized depreciation accrual:

Distribution plant	4,258,554	
General plant	671,667	
Less charged to clearing	<u>(284,223)</u>	4,645,998

Test year depreciation accrual:

Distribution plant	3,897,015	
General plant	633,473	
Less charged to clearing	<u>(268,433)</u>	4,262,055
		<u><u>383,944</u></u>

Transportation clearing:

Normalized	284,223	
Test year	<u>268,433</u>	
	<u><u>15,790</u></u>	

The allocation of the increase in depreciation on transportation equipment is based on actual test year transportation clearing.

<u>Account</u>	<u>%</u>	<u>Amount</u>
Construction and retirement WIP	34%	\$5,436
Others	1%	186
Distribution - operations	15%	2,376
Distribution - maintenance	27%	4,248
Consumer accounts	7%	1,092
Consumer service and information	6%	902
Sales	0%	0
Administrative and general	10%	1,549
		<u><u>15,790</u></u>
Total	100%	\$15,790

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Schedule 3
page 3 of 6

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Account Number	Description	Test Year Balance	Rate	Normalized Expense	Test Year Accrual	Exclude Items Fully Depreciated
Distribution plant:						
362	Station equipment	649,002	10.250%	66,523	66,523	
364	Poles, towers and fixtures	24,791,745	5.724%	1,419,079	1,399,538	
365	Overhead conductor and devices	22,269,678	3.408%	758,951	742,867	
367	Underground conductor and devices	8,186,542	4.140%	338,923	333,835	
368	Line transformers	18,400,514	2.544%	468,109	463,277	
369	Services	11,802,928	4.596%	542,463	531,986	
370	Meters	6,845,241	8.280%	566,786	262,747	
371	Security lights	1,947,273	3.528%	68,700	67,572	
372	Temporary meter poles	101,945	6.936%	7,071	7,071	
373	Street lighting and signals	622,172	3.528%	21,950	21,600	
		<u>95,617,040</u>		<u>4,258,554</u>	<u>3,897,015</u>	
General plant:						
389	Land	594,513				
390	Structures and improvements	6,826,321	3.00%	135,440	135,189	2,311,645
391	Office furn and eqt	2,492,966	6.00%	122,241	110,652	455,610
392	Transportation	3,726,575	9.00%	284,223	268,433	568,546
393	Stores	79,008	6.00%	2,670	2,493	34,515
394	Tools, shop and garage	381,066	6.00%	15,990	14,587	114,570
395	Laboratory	173,046	6.00%	4,260	4,893	102,047
396	Power operated	158,042	6.00%	5,189	4,813	71,565
397	Communication	1,853,758	6.00%	97,053	87,673	236,206
398	Miscellaneous	130,244	6.00%	4,602	4,740	53,551
		<u>16,415,539</u>		<u>671,667</u>	<u>633,473</u>	
	Total electric plant	<u>\$ 112,032,579</u>		<u>\$ 4,930,221</u>	<u>\$ 4,530,488</u>	

Items that are fully depreciated are removed from the ending balance to compute test year depreciation.

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Exhibit 3
page 4 of 6

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Changes in electric plant:		<u>Begin</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>End</u> <u>Balance</u>
362	Station equipment	649,002	-	-	649,002
364	Poles, towers and fixtures	24,108,943	991,603	308,801	24,791,745
365	Overhead conductor and devices	21,325,787	1,268,125	324,234	22,269,678
367	Underground conductor and devices	7,940,736	271,794	25,988	8,186,542
368	Line transformers	18,020,634	506,795	126,915	18,400,514
369	Services	11,347,038	539,955	84,065	11,802,928
370	Meters	6,060,750	4,838,017	4,053,526	6,845,241
371	Security lights	1,883,359	106,514	42,600	1,947,273
372	Temporary meter poles	101,945	-	-	101,945
373	Street lighting and signals	602,297	22,722	2,847	622,172
	Subtotal distribution plant	<u>92,040,491</u>	<u>8,545,525</u>	<u>4,968,976</u>	<u>95,617,040</u>
389	Land	594,513	-		594,513
390	Structures and improvements	6,652,247	174,074		6,826,321
391	Office furn and eqt	2,384,409	108,557	-	2,492,966
392	Transportation	3,657,075	403,857	334,357	3,726,575
393	Stores	79,008	-		79,008
394	Tools, shop and garage	327,867	53,199		381,066
395	Laboratory	167,330	5,716		173,046
396	Power operated	158,042	-		158,042
397	Communication	1,237,798	627,799	11,839	1,853,758
398	Miscellaneous	123,111	7,133		130,244
	Subtotal general plant	<u>15,381,400</u>	<u>1,380,335</u>	<u>346,196</u>	<u>16,415,539</u>
	Total electric plant in service	<u><u>107,421,891</u></u>	<u><u>9,925,860</u></u>	<u><u>5,315,172</u></u>	<u><u>112,032,579</u></u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Exhibit 3
page 5 of 6

Changes in reserve for depreciation:

	<u>Begin</u> <u>Balance</u>	<u>Accrual</u>	<u>Original</u> <u>Cost</u>	<u>Removal</u> <u>Cost</u>	<u>Salvage/</u> <u>Accum Deprec</u>	<u>Net</u> <u>Charge</u>	<u>End</u> <u>Balance</u>
Distribution plant	35,365,807	3,897,015	4,968,976	446,413	34,388	5,381,001	33,881,821
Land							
Structures and improvements	2,251,228	135,189				-	2,386,417
Office furn and eqt	1,532,670	110,652				-	1,643,322
Transportation	2,634,683	268,433			330,458	330,458	2,572,658
Stores	65,730	2,493				-	68,223
Tools, shop and garage	264,562	14,587				-	279,149
Laboratory	134,067	4,893				-	138,960
Power operated	124,068	4,813				-	128,881
Communication	628,776	87,673			11,839	11,839	704,610
Miscellaneous	84,379	4,740				-	89,119
Subtotal general plant	7,720,163	633,473	-	-	342,297	342,297	8,011,339
Retirement WIP	22,905			905		905	23,810
Total accumulated depreciation	43,063,065	4,530,488	4,968,976	445,508	376,685	5,722,393	41,869,350

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Nolin Rural Electric Cooperative
Case No. 2016-00367
Depreciation Guideline Curve
April 30, 2016

Year Ended	Distribution Plant in Service	Accumulated Deprec for Distribution	Reserve Ratio	Ratio of Current Distribution Plant to Distribution Plant 10 Years Prior
2015	93,498,026	35,317,903	37.77%	1.48
2014	90,530,356	34,613,320	38.23%	1.52
2013	89,005,030	32,686,638	36.72%	1.62
2012	85,483,970	31,218,880	36.52%	1.69
2011	82,636,441	28,936,099	35.02%	1.70
2005	63,058,261	19,496,595	30.92%	
2004	59,451,340	18,227,090	30.66%	
2003	54,860,933	16,513,941	30.10%	
2002	50,686,144	15,485,543	30.55%	
2001	48,581,164	14,214,118	29.26%	

Nolin Rural Electric Cooperative
Case No. 2016-00367
Schedule of Outstanding Long-Term Debt
Adjustment for Interest on Long Term Debt

Exhibit 4
page 1 of 2
Format 8a
Schedule 2

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
CFC loans						
9022001	5/1/83	6/1/18	80,238	3.65%	2,929	3,542
9023001	9/1/92	9/1/27	528,462	3.25%	17,175	17,782
9024001	6/1/95	6/1/30	984,385	3.90%	38,391	44,588
9025001	5/1/98	2/29/32	1,410,653	4.55%	64,185	65,521
9031004	4/1/08	5/31/23	7,531,423	2.90%	218,411	231,758 x
9032004	4/1/08	5/31/16	291,417	2.24%	6,528	6,076
9032005	4/1/08	5/31/17	1,157,273	2.24%	25,923	24,129
9032006	4/1/08	5/31/18	1,157,273	2.24%	25,923	24,129
9032007	4/1/08	5/31/19	1,157,273	2.24%	25,923	24,129
9032008	4/1/08	5/31/20	1,157,273	2.24%	25,923	24,129
9032009	4/1/08	5/31/21	1,157,273	2.24%	25,923	24,129
9032010	4/1/08	5/31/22	1,157,273	2.24%	25,923	24,129
9032011	4/1/08	5/31/23	1,157,273	2.24%	25,923	24,129
9032012	4/1/08	5/31/24	1,157,273	2.24%	25,923	24,129
9032013	4/1/08	5/31/25	1,157,273	2.24%	25,923	24,129
9032014	4/1/08	5/31/26	1,157,273	2.24%	25,923	24,129
9032015	4/1/08	5/31/27	1,157,273	2.24%	25,923	24,129
9032016	4/1/08	5/31/28	1,157,273	2.24%	25,923	24,129
9032017	4/1/08	5/31/29	1,157,273	2.24%	25,923	24,129
9032018	4/1/08	5/31/30	1,157,273	2.24%	25,923	24,129
9032023	4/1/08	5/31/16	268,624	2.80%	7,521	18,648
9032024	7/1/12	5/31/17	1,050,647	2.95%	30,994	30,994
9032025	7/1/12	5/31/18	1,072,480	3.10%	33,247	33,247
9032026	7/1/12	5/31/19	1,095,869	3.25%	35,616	35,616
9032027	7/1/12	5/31/20	1,122,506	3.40%	38,165	38,165
9032028	7/1/12	5/31/21	1,157,926	3.50%	40,527	40,527
9032029	7/1/12	5/31/22	1,203,972	3.60%	43,343	43,343
9032030	7/1/12	5/31/23	1,246,697	3.65%	45,504	45,504
9032031	7/1/12	5/31/24	1,294,307	3.70%	47,889	47,889
9032032	7/1/12	5/31/25	1,344,293	3.80%	51,083	51,083
9032033	7/1/12	5/31/26	1,397,756	3.85%	53,814	53,814
9032034	7/1/12	5/31/27	1,150,115	3.90%	44,854	44,854
9032035	7/1/12	5/31/28	1,309,979	3.95%	51,744	51,744
9032036	7/1/12	5/31/29	1,173,463	3.95%	46,352	46,352
9032037	7/1/12	5/31/30	1,329,631	4.00%	53,185	53,185
9032038	7/1/12	5/31/31	1,147,478	4.00%	45,899	45,899
9032039	7/1/12	5/31/32	1,173,392	4.05%	47,522	47,522
9032040	7/1/12	5/31/33	1,079,377	4.05%	43,715	43,715
9032041	7/1/12	5/31/34	1,112,214	4.05%	45,045	45,045

Nolin Rural Electric Cooperative
Case No. 2016-00367
Schedule of Outstanding Long-Term Debt
Adjustment for Interest on Long Term Debt

Exhibit 4
 page 1 of 2
 Format 8a
 Schedule 2

	Type of <u>Debt Issued</u> (a)	Date of <u>Issue</u> (b)	Date of <u>Maturity</u> (c)	Outstanding Amount (d)	Cost Rate to <u>Maturity</u> (g)	Annualized Cost <u>Col (d)x(g)</u> (j)	Test Year Interest <u>Cost</u>	
51	9032042	7/1/12	5/31/35	1,186,591	4.05%	48,057	48,057	
52	9032043	7/1/12	5/31/36	1,211,205	4.05%	49,054	49,054	
53	9032044	7/1/12	5/31/37	1,106,889	4.10%	45,382	45,382	
54	9033001	7/1/12	5/31/16	188,226	2.80%	5,270	15,629	
55	9033002	6/1/13	5/31/43	9,441,482	2.80%	264,362	267,555	
56	9034001	2/1/14	11/30/38	4,724,175	3.15%	148,812	151,018	x
57	9034002	2/1/14	5/31/39	4,739,007	3.35%	158,757	160,979	x
58	9034003	2/1/14	11/30/38	4,724,175	3.15%	148,812	151,018	x
59	9034004	2/1/14	2/28/39	953,463	3.40%	32,418	32,876	x
60	9035001	2/1/14	2/28/39	3,813,851	3.40%	129,671	131,502	x
61	9035002	2/1/14	5/31/39	3,842,170	3.45%	132,555	134,385	x
62	9035003	2/1/14	5/31/39	7,854,413	4.30%	337,740	302,110	x
63	9036001	2/1/14	5/31/39	6,000,000	4.00%	240,000	11,001	x
64	9036002	2/1/14	5/31/39	2,000,000	4.00%	80,000	-	x
65				<u>100,544,778</u>		<u>3,337,448</u>	<u>3,024,787</u>	

	<u>Total</u>	<u>Non Ft. Knox</u>
69	Normalized interest expense	3,337,448
70	Test year interest expense	1,710,274
71	Test year adjustment	<u>3,024,787</u>
72		<u>312,662</u>
73		<u>(7,866)</u>
74	Total short-term interest expense	41,086
75	Interest on customer deposits	4,445
76	Remove interest on short-term debt	<u>36,641</u>

78 The loans for Ft. Knox activities is designated with the "x" and has been omitted from the
 79 adjustment for Interest on long term debt. The loans excluding Ft. Knox reflects a decrease
 80 in normalized interest expense.

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Nolin Rural Electric Cooperative

Case No. 2016-00367

April 30, 2016

**Financial Accounting Standard No. 106
Employer's Accounting for Postretirement Benefits**

Nolin Rural Electric updated its study of SFAS No. 106. As a result, the annual accrual increased. Directors are not provided health insurance premiums when they retire, as a result, this study does not include amounts for Directors, or their spouses.

Proposed annual cost	497,406
Test year accrual	<u>452,676</u>
Proposed adjustment	<u><u>44,730</u></u>

The adjustment is allocated as follows:

		<u>Percent</u>	<u>Total Adjustment</u>	<u>Net Nolin Percent</u>	<u>Amount</u>
107	Capitalized	18.70%	8,365	96.05%	8,034
163 - 416	Clearing and others	4.80%	2,147	99.22%	2,130
580	Operations	22.80%	10,198	99.13%	10,109
590	Maintenance	18.70%	8,365	90.18%	7,543
901	Consumer accounts	16.40%	7,336	99.83%	7,324
908	Customer service	5.20%	2,326	100.00%	2,326
912	Sales	0.00%	0	0.00%	0
920	Administrative and general	13.40%	5,994	85.71%	5,138
		<u>100.00%</u>	<u>\$44,731</u>		<u>\$42,604</u>

W. DUDLEY SHRYOCK, CPA, PSC
 CERTIFIED PUBLIC ACCOUNTANTS
 P.O. BOX 542
 145 COLLEGE STREET
 LAWRENCEBURG, KY 40342
 (502) 839-8112

MEMBER AICPA

MEMBER KY SOCIETY
OF CPAs

August 1, 2016

Sara Roberson, VP, Administration & Finance
 Nolin Rural Electric Cooperative
 411 Ring Road
 Elizabethtown, Kentucky 42701

Dear Sara:

Please find enclosed the actuarial valuation results as of January 1, 2016 for Financial Accounting Standards Boards' Accounting Standards Codification ("ASC") 715 - *Compensation - Retirement Plans*.

The accrual for 2016 should be \$497,406 as follows:

	<u>Debit</u>	<u>Credit</u>
<i>Monthly entry for 2016</i>		
926 Employee benefits	\$ 41,450	
214.00 Accum other comprehensive income		\$ 14,191
228.30 Postretirement benefits other than pensions		\$ 27,259
Record postretirement benefits.		

The adjustment for postretirement benefits as of January 1, 2016 is as follows:

228.30 Postretirement benefits other than pensions	\$ 562,243	
214.00 Accum other comprehensive income		\$ 562,243
Record SFAS No. 158 adjustment.		

If you have any questions or would like to discuss these results, please give me a call.

Sincerely,

Dudley Shryock

W. Dudley Shryock, CPA

Exhibit 1
 Nolin Rural Electric Cooperative
 SFAS No. 106/158 Financial Statement Disclosures
 January 1, 2016

Net Periodic Benefit Cost

1.	Service cost	\$ 57,854
2.	Interest cost	213,646
3.	Expected return on plan assets	-
4.	Amortization of transition obligation	-
5.	Amortization gain / (loss)	181,176
6.	Net periodic benefit cost	<u>\$ 452,676</u>

Change in Accumulated Benefit Obligation

1.	Accumulated benefit obligation, beginning	\$ 6,776,758
2.	Service cost	57,854
3.	Interest cost	213,646
4.	Expected return on plan assets	
5.	Amortization of transition obligation	
6.	Amortization gain / (loss)	
7.	Plan amendments	
8.	Disbursements	(155,751)
9.	Accumulated other comprehensive income, initial	-
10.	Accumulated other comprehensive income	(562,243)
11.	Accumulated benefit obligation, ending	<u>\$ 6,330,264</u>

Change in Fair Value of Plan Assets

1.	Fair value of plan assets, beginning	
2.	Actual return on plan assets	
3.	Employer contributions	
4.	Benefits paid	
5.	Administrative expenses	
6.	Fair value of plan assets, ending	<u>\$ -</u>

Exhibit 2
 Nolin Rural Electric Cooperative
 SFAS No. 106/158 Financial Statement Disclosures
 January 1, 2016

Benefit obligations at end of year

1.	Accumulated benefit obligation (APBO)	\$ 6,330,264
2.	Expected benefit obligation (EPBO)	\$14,250,172

Statement of funded status

1.	Accumulated benefit obligation (APBO)	\$ (6,330,264)
2.	Fair value of plan assets	-
3.	Funded status of plan	<u>\$ (6,330,264)</u>

Amounts recognized in the statement of financial position

1.	Noncurrent assets	\$ -
2.	Current liabilities	-
3.	Noncurrent liabilities	<u>6,330,264</u>
4.	Funded status	\$ 6,330,264

Amounts recognized in accumulated other comprehensive income

1.	Net loss (gain)	\$ 2,563,104
2.	Transition obligation	-
3.	Total	<u>\$ 2,563,104</u>

**Other changes in plan assets and benefit obligations
 recognized in other comprehensive income**

1.	Beginning of year	<u>\$ 3,306,523</u>
2.	Net loss (gain)	(562,243)
3.	Amortization of net loss (gain)	(181,176)
4.	Amortization of transition obligation	-
5.	Total recognized in other comprehensive income	<u>(743,419)</u>
6.	End of year	\$ 2,563,104

**Nolin Rural Electric Cooperative
Medical Insurance Premiums
SFAS 106 Obligation as of January 1, 2016**

	<u>Total</u>
A. Accumulated Postretirement Benefit Obligation (APBO)	
1. Actives not yet eligible	\$ 1,636,153
2. Actives fully eligible	905,304
3. Retirees and dependents	<u>3,788,807</u>
4. Total APBO	6,330,264
B. Future accruals	<u>7,919,909</u>
C. Total Expected Postretirement Benefit Obligation (EPBO) (A4 + B)	<u>\$ 14,250,172</u>
D. Accrued Postretirement Benefit Cost	
Balance January 1, 2015	\$ 6,776,758
Accrual	271,500
Payout	<u>(155,751)</u>
Balance December 31, 2015	6,892,507
Accum other comprehensive income	<u>(562,243)</u>
Adjusted balance December 31, 2015	6,330,264
Accrual for 2017	327,112
Estimated payout	<u>(168,966)</u>
Estimated balance December 31, 2016	<u>\$ 6,488,409</u>

Nolin Rural Electric Cooperative
Medical Insurance Premiums
SFAS 106 Obligation as of January 1, 2016

FAS 106 Expense Components

1. Service cost	\$ 110,797
2. Interest cost	216,315
3. Expected return on assets	-
4. Amortization of transition obligation	-
5. Amortization of actuarial (gain) / loss	<u>170,294</u>
6. Total FAS 106 expense	<u>\$ 497,406</u>
7. Expected pay-as-you-go expense	<u>\$ 168,966</u>

Alternate assumptions:

Impact on obligations and expense of a health care cost trend increase of 1%

	Current <u>Plan</u>	Alternate <u>Assumptions</u>	<u>% Change</u>
APBO	\$ 6,330,264	\$ 6,750,000	6.6%
EPBO	\$ 14,250,172	\$ 15,175,000	6.5%
SFAS 106 Expense	\$ 497,406	\$ 530,000	6.6%

Payments for the next five (5) years are as follows:

2017	\$ 168,966
2018	\$ 165,311
2019	\$ 174,403
2020	\$ 183,996
2021	\$ 194,115

Nolin Rural Electric Cooperative

SFAS 106 Assumptions

Covered Groups All eligible employees.

Medicare At age 65 retirees will commence with Medicare coverage.

Regular and Early Retirement All full-time employees hired before 02-09-2006 who have 31 years utility service and are covered under the medical insurance plan at retirement will be eligible for medical insurance coverage during retirement. Years of service for employees hired after 02-09-2006 must be years of service at Nolin RECC. The following scale is used to determine the percentage of the medical insurance premium payable for the retiree and dependents. (Note: Dependents must also be covered on the medical insurance at the time the employee retires.) In percentages less than 100%, the retiree will be responsible for the remaining percentage of the premium.

Years of Service	Percentage Payable by Co-op
31 or more	100%
26 through 30	80%
21 through 25	60%
16 through 20	40%
11 through 15	20%

Mortality - Used RP2000 Tables, updated through 2014, separately for males and females, projected with Scale AA.

Retirement and Withdrawals Estimate that employees will retire at age 62 and will be replaced in the normal course of business.

Terminations Rates vary by attained age for employees. Sample rates are as follows:

<u>Age</u>	<u>Rate</u>	<u>No. of Employees</u>
20	15%	11
30	7%	20
40	3%	20
50	1%	28
60	0%	<u>19</u>
		<u>98</u>

Discount Rate 4.50% per year.

Medical Inflation Rate 5.0% for the first year, then decreasing by 0.25% per year until level at 4% per year.

Eligibility Classes Based on employees and retirees as of January 1, 2016, are as follows:

	<u>Employees</u>
Actives not fully eligible	90
Actives fully eligible	8
Non-eligible employees	5
Retirees and dependents	<u>25</u>
Total	<u>128</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Financial Accounting Standard No. 106
Employer's Accounting for Postretirement Benefits

Nolin Rural Electric Rural Electric implemented Statement of Financial Accounting Standard No. 106 (SFAS 106) as of January 1, 2000.

The journal entry to record the expense for the initial year of 2000 is as follows:

	<u>Account</u>	<u>Debit</u>	<u>Credit</u>
Benefits clearing	184.20	220,000	
Accumulated provision for pensions and benefits	228.30		220,000

The updated study has been included with this response.

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Nolin Rural Electric Cooperative
Case No. 2016-00367
Retirement and Security

Nolin Rural Electric provides pension benefits for substantially all employees through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security (R & S) Program. It is the policy of Nolin Rural Electric to fund pension costs accrued. R & S contributions are based on base salary at a rate determined by NRECA. Nolin Rural Electric's plan discontinues coverage when an employee has accumulated 30 years of service. At that time contributions to the plan discontinue.

The rate for 2015 was 24.53% of base wages. For the 2016, the rate is 25.28%. The adjustment is to normalize the R & S contributions using the rate for 2016 and normalized base wages for full-time salary and hourly employees.

Proposed contribution cost	1,369,554
Test year R & S contributions	<u>1,291,009</u>
Proposed adjustment	<u><u>78,545</u></u>

The adjustment is allocated as follows:

Adjustment:	<u>Percent</u>	<u>Total Adjustment</u>	<u>Net Nolin Percent</u>	<u>Amount</u>
107 Capitalized	18.70%	14,688	96.05%	14,107
163 - 416 Clearing and others	4.80%	3,770	99.22%	3,741
580 Operations	22.80%	17,908	99.13%	17,752
590 Maintenance	18.70%	14,688	90.18%	13,245
901 Consumer accounts	16.40%	12,881	99.83%	12,860
908 Customer service	5.20%	4,084	100.00%	4,084
912 Sales	0.00%	0	0.00%	0
920 Administrative and general	<u>13.40%</u>	<u>10,525</u>	85.71%	<u>9,021</u>
	<u>100.00%</u>	<u>78,544</u>		<u>74,810</u>

**Nolin Rural Electric Cooperative
Case No. 2016-00367
Professional Services**

The Board of Directors has a responsibility to select an attorney to represent the board and cooperative to maintain the legal entity. The duties and responsibilities of the attorney are to perform routine services, special services, and other services for the cooperative. The attorney also attends the monthly and special board meetings. Services are billed at the normal hourly billing rates for the attorney and his staff.

The Board of Directors hires the outside auditor to perform the annual audit.

Adjustments are to remove items that are normally excluded or rate-making purposes. Among the expenses excluded are costs for attending legal seminars, Christmas gifts, and costs for one-time events.

The list of \$326,143 of costs that have been removed for rate-making purposes is attached.

Exhibit 7
Witness: Michael Miller

Nolin Rural Electric Cooperative
Case No. 2016-00367

Professional Services
April 30, 2016

<u>Line No</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1	Legal	\$ -	\$ -	\$ 235,477.15	\$ 235,477.15
2	Engineering	\$ -	\$ -	\$ 122,221.29	\$ 122,221.29
3	Accounting	\$ -	\$ 10,750.00	3,000.00	\$ 13,750.00
4	Other	\$ -	\$ -	\$ 154,950.63	\$ 154,950.63
5	Total	\$ -	\$ 10,750.00	\$ 515,649.07	\$ 526,399.07

1 **Nolin Rural Electric Cooperative**
2 **Case No. 2016-00367**
3 **April 30, 2016**
4 **Professional Services**

Exhibit 7
Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	
8	DBL LAW PSC	7/17/15	FT KNOX LEGAL DEFENSE	90110074	678.65	
9	DBL LAW PSC	9/28/15	FT KNOX LEGAL DEFENSE	90111160	170.00	
10	DBL LAW PSC	10/15/15	FT KNOX LEGAL DEFENSE	90111409	758.00	
11	DBL LAW PSC	11/11/15	FT KNOX LEGAL DEFENSE	90111691	594.00	
12	DBL LAW PSC	12/9/15	FT KNOX LEGAL DEFENSE	15000641	11,043.00	
13	DBL LAW PSC	1/11/16	FT KNOX LEGAL DEFENSE	15000942	952.00	
14	DBL LAW PSC	2/10/16	FT KNOX LEGAL DEFENSE	15001281	<u>340.00</u>	
15					14,535.65	X
17	DEANDORTON PLLC	10/1/15	CORPORATE ETHICS MONITOR	90111159	19,699.00	
18	DEANDORTON PLLC	10/31/15	CORPORATE ETHICS MONITOR	90111408	11,783.15	
19	DEANDORTON PLLC	11/30/15	CORPORATE ETHICS MONITOR	15000156	7,189.41	
20	DEANDORTON PLLC	12/28/15	CORPORATE ETHICS MONITOR	15000640	14,748.75	
21	DEANDORTON PLLC	1/25/16	CORPORATE ETHICS MONITOR	15001028	11,081.57	
22	DEANDORTON PLLC	2/29/16	CORPORATE ETHICS MONITOR	15001476	33,606.90	
23	DEANDORTON PLLC	3/23/16	CORPORATE ETHICS MONITOR	15001632	2,010.00	
24	DEANDORTON PLLC	4/20/16	CORPORATE ETHICS MONITOR	15002229	<u>1,567.50</u>	
25					101,686.28	X
27	DINSMORE & SHOHL LLP	2/4/16	FT KNOX LEGAL DEFENSE	15001303	13,137.00	
28	DINSMORE & SHOHL LLP	3/31/16	FT KNOX LEGAL DEFENSE	15002261	15,146.00	
29	DINSMORE AND SHOLH LLP	4/1/16	FT KNOX LEGAL DEFENSE	15001728	<u>19,284.86</u>	
30					47,567.86	X
32	ELPO LAW LLP	5/31/15	FT KNOX LEGAL DEFENSE	90109460	717.50	
33	ELPO LAW LLP	6/30/15	FT KNOX LEGAL DEFENSE	90109863	1,496.50	
34	ELPO LAW LLP	8/18/15	FT KNOX LEGAL DEFENSE	90110444	389.50	

1 **Nolin Rural Electric Cooperative**
 2 **Case No. 2016-00367**
 3 **April 30, 2016**
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35	ELPO LAW LLP	8/31/15	FT KNOX LEGAL DEFENSE	90110891	4,445.50	
36	ELPO LAW LLP	9/30/15	FT KNOX LEGAL DEFENSE	90111164	574.00	
37	ELPO LAW LLP	10/31/15	FT KNOX LEGAL DEFENSE	90111693	2,316.50	
38	ELPO LAW LLP	11/30/15	FT KNOX LEGAL DEFENSE	15000508	4,387.00	
39	ELPO LAW LLP	1/1/16	FT KNOX LEGAL DEFENSE	15000945	3,567.42	
40	ELPO LAW LLP	1/31/16	FT KNOX LEGAL DEFENSE	15001102	1,075.00	
41	ELPO LAW LLP	2/29/16	FT KNOX LEGAL DEFENSE	15001480	645.00	
42	ELPO LAW LLP	4/30/16	FT KNOX LEGAL DEFENSE	15002536	<u>4,470.10</u>	
43					24,084.02	X
44						
45	ENVISION ENERGY SERVICES,LLC	5/11/15	ENGINEERING STUDIES	90109038	4,606.00	
46	ENVISION ENERGY SERVICES,LLC	5/11/15	ENGINEERING STUDIES	90109038	588.00	
47	ENVISION ENERGY SERVICES,LLC	7/31/15	ENGINEERING STUDIES	90110461	392.00	
48	ENVISION ENERGY SERVICES,LLC	7/31/15	ENGINEERING STUDIES	90110461	1,568.00	
49	ENVISION ENERGY SERVICES,LLC	7/31/15	ENGINEERING STUDIES	90110461	3,920.00	
50	ENVISION ENERGY SERVICES,LLC	9/30/15	ENGINEERING STUDIES	90111084	2,548.00	
51	ENVISION ENERGY SERVICES,LLC	9/30/15	Arc Flash Study	90111084	4,116.00	
52	ENVISION ENERGY SERVICES,LLC	10/31/15	RUS Insp & Arc Flash	90111445	4,312.00	
53	ENVISION ENERGY SERVICES,LLC	4/30/16	ENGINEERING STUDIES	15002421	<u>3,080.50</u>	
54					25,130.50	
55						
56	GDS ASSOCIATES, INC.	5/7/15	ENGINEER STUDY	90109111	452.25	
57	GDS ASSOCIATES, INC.	5/7/15	ENGINEER STUDY	90109111	6,105.00	
58	GDS ASSOCIATES, INC.	5/7/15	Sectionalizing Study	90109111	7,127.50	
59	GDS ASSOCIATES, INC.	6/19/15	Sectionalizing Study	90109705	9,749.50	
60	GDS ASSOCIATES, INC.	7/20/15	Long Range Study	90110240	1,046.00	
61	GDS ASSOCIATES, INC.	7/24/15	FT KNOX DEFENSE	15000229	1,822.73	X

1 **Nolin Rural Electric Cooperative**
2 **Case No. 2016-00367**
3 **April 30, 2016**
4 **Professional Services**

Exhibit 7
Witness: James Adkins

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62	GDS ASSOCIATES, INC.	8/24/15	FT KNOX DEFENSE	15000229	6,197.70	X
63	GDS ASSOCIATES, INC.	8/24/15	Long Range Plan	15000229	4,058.00	
64	GDS ASSOCIATES, INC.	8/24/15	Sectionalizing Study	15000229	4,148.00	
65	GDS ASSOCIATES, INC.	9/18/15	Long Range Plan	15001987	6,171.25	
66	GDS ASSOCIATES, INC.	9/18/15	Sectionalizing Study	15001987	659.18	
67	GDS ASSOCIATES, INC.	10/21/15	Long Range Plan	90111370	3,090.21	
68	GDS ASSOCIATES, INC.	10/21/15	Sectionalizing Study	90111370	553.75	
69	GDS ASSOCIATES, INC.	10/22/15	FT KNOX DEFENSE	90111370	1,798.67	X
70	GDS ASSOCIATES, INC.	11/17/15	Sectionalizing Study	15000229	525.00	
71	GDS ASSOCIATES, INC.	1/13/16	Long Range Plan	15000967	3,799.02	
72	GDS ASSOCIATES, INC.	1/13/16	Sectionalizing Study	15000967	2,479.23	
73	GDS ASSOCIATES, INC.	1/19/16	FT KNOX DEFENSE	15000967	1,027.33	X
74	GDS ASSOCIATES, INC.	2/22/16	FT KNOX DEFENSE	15001396	8,987.42	X
75	GDS ASSOCIATES, INC.	2/23/16	LONG RANGE PLAN	15001396	11,051.25	
76	GDS ASSOCIATES, INC.	2/23/16	OUTAGE ANALYSIS	15001396	600.00	
77	GDS ASSOCIATES, INC.	2/23/16	ENGINEER STUDY	15001396	1,510.00	
78	GDS ASSOCIATES, INC.	2/23/16	SECTIONALIZING STUDY	15001396	11,407.00	
79	GDS ASSOCIATES, INC.	4/1/16	GDS LONG RANGE PLAN	15001738	4,292.15	
80	GDS ASSOCIATES, INC.	4/1/16	GDS OUTAGE ANALYSIS	15001738	2,505.25	
81	GDS ASSOCIATES, INC.	4/1/16	GDS SECTIONALIZING STUDY	15001738	3,060.00	
82	GDS ASSOCIATES, INC.	4/1/16	Sectionalizing Study	15001738	180.00	
83	GDS ASSOCIATES, INC.	4/20/16	GDS LONG RANGE PLAN	15002424	4,352.50	
84	GDS ASSOCIATES, INC.	4/20/16	GDS OUTAGE ANALYSIS	15002424	2,072.50	
85	GDS ASSOCIATES, INC.	4/20/16	GDS ARC FLASH HAZARD ANALYSIS	15002424	2,974.50	
86	GDS ASSOCIATES, INC.	4/20/16	GDS SECTIONALIZING STUDY	15002424	<u>2,528.00</u>	
87					116,330.89	

88

1 **Nolin Rural Electric Cooperative**
 2 **Case No. 2016-00367**
 3 **April 30, 2016**
 4 **Professional Services**

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89	GUTHRIE MAYES & ASSOCIATES INC	5/1/15	PUBLIC RELATIONS FT KNOX	90109179	4,656.25	
90	GUTHRIE MAYES & ASSOCIATES INC	5/31/15	PUBLIC RELATIONS FT KNOX	90109602	<u>410.00</u>	
91					5,066.25	X
92						
93	INTANDEM, LLC	4/22/16	INTANDEM COMPENSATION PLAN	15001965	16,925.99	
94						
95	JAMES ADKINS	1/3/16	LED Tariff	15000617	593.75	
96						
97	JOHN J SCOTT, P.S.C. ATTORNEY	5/31/15	FT KNOX LEGAL DEFENSE	90109220	3,227.50	X
98	JOHN J SCOTT, P.S.C. ATTORNEY	5/31/15	RETAINER FEE	90109220	750.00	
99	JOHN J SCOTT, P.S.C. ATTORNEY	5/31/15	LEGAL SERVICES	90109220	385.00	
100	JOHN J SCOTT, P.S.C. ATTORNEY	6/30/15	FT KNOX LEGAL DEFENSE	90109885	1,695.00	X
101	JOHN J SCOTT, P.S.C. ATTORNEY	6/30/15	RETAINER FEE	90109885	750.00	
102	JOHN J SCOTT, P.S.C. ATTORNEY	6/30/15	LEGAL SERVICES	90109885	717.50	
103	JOHN J SCOTT, P.S.C. ATTORNEY	7/8/15	FT KNOX LEGAL DEFENSE	90110337	1,592.50	X
104	JOHN J SCOTT, P.S.C. ATTORNEY	7/8/15	RETAINER FEE	90110337	750.00	
105	JOHN J SCOTT, P.S.C. ATTORNEY	7/8/15	LEGAL SERVICES	90110337	1,347.50	
106	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	LEGAL SEMINAR MEALS	90110798	121.37	
107	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	LEGAL SEMINAR MILEAGE	90110798	469.20	
108	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	LEGAL SEMINAR PER DIEM	90110798	1,400.00	
109	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	FT KNOX LEGAL DEFENSE	90110798	910.00	X
110	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	RETAINER FEE	90110798	750.00	
111	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	LEGAL SERVICES	90110798	1,032.50	
112	JOHN J SCOTT, P.S.C. ATTORNEY	8/31/15	LEGAL SERVICES	90110798	490.00	
113	JOHN J SCOTT, P.S.C. ATTORNEY	9/22/15	FT KNOX LEGAL DEFENSE	90110956	665.00	X
114	JOHN J SCOTT, P.S.C. ATTORNEY	9/22/15	RETAINER FEE	90110956	750.00	
115	JOHN J SCOTT, P.S.C. ATTORNEY	9/22/15	LEGAL SERVICES	90110956	175.00	

1 **Nolin Rural Electric Cooperative**
2 **Case No. 2016-00367**
3 **April 30, 2016**
4 **Professional Services**

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116	JOHN J SCOTT, P.S.C. ATTORNEY	9/22/15	LEGAL SERVICES	90110956	140.00	
117	JOHN J SCOTT, P.S.C. ATTORNEY	9/22/15	LEGAL SERVICES	90110956	472.50	
118	JOHN J SCOTT, P.S.C. ATTORNEY	11/1/15	FT KNOX LEGAL DEFENSE	15000192	1,470.00	X
119	JOHN J SCOTT, P.S.C. ATTORNEY	11/1/15	RETAINER FEE	15000192	750.00	
120	JOHN J SCOTT, P.S.C. ATTORNEY	11/1/15	LEGAL SERVICES	15000192	1,960.00	
121	JOHN J SCOTT, P.S.C. ATTORNEY	11/1/15	LEGAL SERVICES	15000192	752.50	
122	JOHN J SCOTT, P.S.C. ATTORNEY	11/11/15	FT KNOX LEGAL DEFENSE	15000192	1,750.00	X
123	JOHN J SCOTT, P.S.C. ATTORNEY	11/11/15	RETAINER FEE	15000192	750.00	
124	JOHN J SCOTT, P.S.C. ATTORNEY	11/11/15	LEGAL SERVICES	15000192	1,050.00	
125	JOHN J SCOTT, P.S.C. ATTORNEY	11/11/15	LEGAL SERVICES	15000192	105.00	
126	JOHN J SCOTT, P.S.C. ATTORNEY	11/11/15	LEGAL SERVICES	15000192	455.00	
127	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	KAEC ANNUAL MTG HOTEL	15000785	338.65	X
128	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	KAEC ANNUAL MTG MLGE	15000785	46.00	X
129	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	KAEC ANNUAL MTG PER DIEM	15000785	1,050.00	X
130	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	FT KNOX LEGAL DEFENSE	15000785	3,255.00	X
131	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	RETAINER FEE	15000785	750.00	
132	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	LEGAL SERVICES	15000785	2,197.50	
133	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	LEGAL SERVICES	15000785	537.50	
134	JOHN J SCOTT, P.S.C. ATTORNEY	12/3/15	LEGAL SERVICES	15000785	647.50	
135	JOHN J SCOTT, P.S.C. ATTORNEY	12/28/15	FT KNOX LEGAL DEFENSE	15000785	2,817.50	X
136	JOHN J SCOTT, P.S.C. ATTORNEY	12/28/15	RETAINER FEE	15000785	750.00	
137	JOHN J SCOTT, P.S.C. ATTORNEY	12/28/15	LEGAL SERVICES	15000785	4,122.50	
138	JOHN J SCOTT, P.S.C. ATTORNEY	12/28/15	LEGAL SERVICES	15000785	105.00	
139	JOHN J SCOTT, P.S.C. ATTORNEY	12/28/15	LEGAL SERVICES	15000785	1,452.50	
140	JOHN J SCOTT, P.S.C. ATTORNEY	2/2/16	FT KNOX LEGAL DEFENSE	15001295	5,920.00	X
141	JOHN J SCOTT, P.S.C. ATTORNEY	2/2/16	RETAINER FEE	15001295	750.00	
142	JOHN J SCOTT, P.S.C. ATTORNEY	2/2/16	LEGAL SERVICES	15001295	1,040.00	

1 **Nolin Rural Electric Cooperative**
 2 **Case No. 2016-00367**
 3 **April 30, 2016**
 4 **Professional Services**

Exhibit 7
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143	JOHN J SCOTT, P.S.C. ATTORNEY	2/2/16	LEGAL SERVICES	15001295	600.00	
144	JOHN J SCOTT, P.S.C. ATTORNEY	2/2/16	LEGAL SERVICES	15001295	550.00	
145	JOHN J SCOTT, P.S.C. ATTORNEY	4/1/16	FT KNOX LEGAL DEFENSE	15001725	4,060.00	X
146	JOHN J SCOTT, P.S.C. ATTORNEY	4/1/16	FT KNOX LEGAL DEFENSE	15001725	200.00	X
147	JOHN J SCOTT, P.S.C. ATTORNEY	4/1/16	RETAINER FEE	15001725	750.00	
148	JOHN J SCOTT, P.S.C. ATTORNEY	4/1/16	LEGAL SERVICES	15001725	6,572.86	
149	JOHN J SCOTT, P.S.C. ATTORNEY	4/1/16	LEGAL SERVICES	15001725	1,260.00	
150	JOHN J SCOTT, P.S.C. ATTORNEY	4/11/16	FT KNOX LEGAL DEFENSE	15002253	640.00	X
151	JOHN J SCOTT, P.S.C. ATTORNEY	4/11/16	FT KNOX LEGAL DEFENSE	15002253	320.00	X
152	JOHN J SCOTT, P.S.C. ATTORNEY	4/11/16	RETAINER FEE	15002253	750.00	
153	JOHN J SCOTT, P.S.C. ATTORNEY	4/11/16	LEGAL SERVICES	15002253	4,120.00	
154	JOHN J SCOTT, P.S.C. ATTORNEY	4/11/16	LEGAL SERVICES	15002253	<u>4,080.00</u>	
155					77,315.58	
156						
157	KAEC	12/2/15	J SCOTT KAEC MTG	15000651	121.00	
158	KAEC	12/7/15	ANNUAL MTG J SCOTT	15000651	226.00	
159	KAEC	12/22/15	SERVICES-COOP SALES TAX MATTER	15000651	<u>1,125.82</u>	
160					1,472.82	X
161						
162	NRECA	6/30/15	LEGAL REPORTING SVC SUBSCRIPTION	90109842	180.20	
163	NRECA	11/19/15	NRECA	15000138	230.00	
164	NRECA	2/25/16	REM MAGAZINE	15001270	39.00	
165	NRECA	3/22/16	MEMBERSHIP RENEWAL	15001791	375.00	
166	NRECA	1/12/16	NRECA REFUND	0	(115.00)	
167	NRECA GROUP BENEFITS TRUST	5/1/15	NRECA GROUP LIFE & LTD	90108810	27.33	
168	NRECA GROUP BENEFITS TRUST	6/1/15	NRECA GROUP LIFE & LTD	90109392	27.33	
169	NRECA GROUP BENEFITS TRUST	7/2/15	NRECA GROUP LIFE/LTD	90109878	27.33	

1 Nolin Rural Electric Cooperative
2 Case No. 2016-00367
3 April 30, 2016
4 Professional Services

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170	NRECA GROUP BENEFITS TRUST	8/1/15	NRECA GROUP LIFE/LTD	90110214	27.33
171	NRECA GROUP BENEFITS TRUST	9/1/15	NRECA GROUP LIFE/LTD	90110590	27.33
172	NRECA GROUP BENEFITS TRUST	10/1/15	NRECA GROUP LIFE/LTD	90110949	27.33
173	NRECA GROUP BENEFITS TRUST	11/1/15	NRECA GROUP LIFE/LTD	90111349	27.33
174	NRECA GROUP BENEFITS TRUST	12/1/15	NRECA GROUP LIFE/LTD	15000547	27.33
175	NRECA GROUP BENEFITS TRUST	1/1/16	NRECA GROUP LIFE/LTD	15000929	25.68
176	NRECA GROUP BENEFITS TRUST	2/1/16	NRECA GROUP LIFE/LTD	15001227	25.68
177	NRECA GROUP BENEFITS TRUST	3/1/16	NRECA GROUP LIFE/LTD	15001370	25.68
178	NRECA GROUP BENEFITS TRUST	4/1/16	NRECA GROUP LIFE/LTD	15001814	<u>25.68</u>
179					1,030.56 X
180					
181	JOHN J SCOTT, P.S.C. ATTORNEY	5/1/15	MED INS ALLOTMENT	90109159	1,000.00
182	SCOTT, JOHN	6/1/15	MEDICAL ALLOTMENT	90109396	1,000.00
183	SCOTT, JOHN	7/1/15	MEDICAL ALLOTMENT	90109886	1,000.00
184	SCOTT, JOHN	8/1/15	MEDICAL ALLOTMENT	90110799	1,000.00
185	SCOTT, JOHN	9/6/15	MEDICAL ALLOTMENT	90110799	1,000.00
186	SCOTT, JOHN	10/1/15	MEDICAL ALLOTMENT	90110957	1,000.00
187	SCOTT, JOHN	11/2/15	MEDICAL ALLOTMENT	90111432	1,000.00
188	SCOTT, JOHN	12/3/15	MEDICAL ALLOTMENT	15000525	1,000.00
189	SCOTT, JOHN	1/5/16	MEDICAL ALLOTMENT	15000786	1,000.00
190	SCOTT, JOHN	2/9/16	MEDICAL ALLOTMENT	15001296	1,000.00
191	SCOTT, JOHN	3/1/16	MEDICAL ALLOTMENT	15001381	1,000.00
192	SCOTT, JOHN	4/2/16	MEDICAL ALLOTMENT	15001824	<u>1,000.00</u>
193					12,000.00 X
194					
195	TRUE GUARNIERI AYER LLP	5/6/15	FT KNOX LEGAL DEFENSE	90108908	8,453.00
196	TRUE GUARNIERI AYER LLP	6/4/15	FT KNOX LEGAL DEFENSE	90109477	8,415.87

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 3 **April 30, 2016**
 4 **Professional Services**

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	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	
197	TRUE GUARNIERI AYER LLP	7/9/15	FT KNOX LEGAL DEFENSE	90109896	8,033.42	
198	TRUE GUARNIERI AYER LLP	8/6/15	FT KNOX LEGAL DEFENSE	90110339	805.00	
199	TRUE GUARNIERI AYER LLP	9/8/15	FT KNOX LEGAL DEFENSE	90110750	10,946.25	
200	TRUE GUARNIERI AYER LLP	10/7/15	FT KNOX LEGAL DEFENSE	90111072	9,216.50	
201	TRUE GUARNIERI AYER LLP	11/5/15	FT KNOX LEGAL DEFENSE	90111578	2,380.00	
202	TRUE GUARNIERI AYER LLP	12/7/15	FT KNOX LEGAL DEFENSE	15000198	7,350.00	
203	TRUE GUARNIERI AYER LLP	1/7/16	FT KNOX LEGAL DEFENSE	15000791	5,880.00	
204	TRUE GUARNIERI AYER LLP	2/10/16	FT KNOX LEGAL DEFENSE	15001135	6,679.00	
205	TRUE GUARNIERI AYER LLP	3/8/16	FT KNOX LEGAL DEFENSE	15001494	3,325.00	
206	TRUE GUARNIERI AYER LLP	4/15/16	FT KNOX LEGAL DEFENSE	15001951	<u>490.00</u>	
207					71,974.04	X
208						
209	WAYNE CORPORATION	5/14/15	COUSELING SERVICE	90109037	2.66	
210	WAYNE CORPORATION	6/15/15	COUSELING SERVICE	90109481	2.66	
211	WAYNE CORPORATION	7/16/15	COUSELING SERVICE	90110014	2.66	
212	WAYNE CORPORATION	8/6/15	COUSELING SERVICE	90110230	2.66	
213	WAYNE CORPORATION	9/1/15	COUSELING SERVICE	90110761	2.66	
214	WAYNE CORPORATION	10/1/15	COUSELING SERVICE	90111081	2.66	
215	WAYNE CORPORATION	11/18/15	COUSELING SERVICE	90111705	2.66	
216	WAYNE CORPORATION	12/31/15	COUSELING SERVICE	15000675	2.66	
217	WAYNE CORPORATION	1/1/16	COUSELING SERVICE	15000872	2.66	
218	WAYNE CORPORATION	2/25/16	COUSELING SERVICE	15001311	2.66	
219	WAYNE CORPORATION	3/9/16	COUSELING SERVICE	15001587	2.66	
220	WAYNE CORPORATION	4/5/16	COUSELING SERVICE	15001837	<u>2.66</u>	
221					31.92	X
222						
223	ZUMSTEIN, ALAN M	5/18/15	FORM 990	90109109	1,500.00	

1 **Nolin Rural Electric Cooperative**
 2 **Case No. 2016-00367**
 3 **April 30, 2016**
 4 **Professional Services**

Exhibit 7
 Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>
224	ZUMSTEIN, ALAN M	4/14/16	ALAN ZUMSTEIN 2015 AUDIT	15001984	10,750.00
225	ZUMSTEIN, ALAN M	4/25/16	FORM 990	15002065	<u>1,500.00</u>
226					13,750.00
227					
228	TAX ON GE SYSTEM PURCHASE	9/30/15	POSTED TO INCORRECT ACCOUNT	0	2,466.00
229	CORRECT POSTING GE METER PURCHASE	9/30/15	POSTED TO INCORRECT ACCOUNT	0	(8,900.00)
230	MECHONDA O'BRIEN	11/30/15	FT KNOX LEGAL MILEAGE	2	69.23
231	REF FLAG REPORTING	1/8/16	FT KNOX LEGAL RELATIONS	15000755	657.39
232	RURAL COOPERATIVE CREDIT UNION	6/30/15	JOHN SCOTT LEGAL SEMINAR	90109680	1,130.00
233	RURAL COOPERATIVE CREDIT UNION	8/31/15	US GOVT MTG - FT KNOX	90110596	796.40
234	RURAL COOPERATIVE CREDIT UNION	12/31/15	NRECA DIRECTOR TRNG - J SCOTT	15000693	550.00
235	RURAL COOPERATIVE CREDIT UNION	2/29/16	NRECA ANNUAL MTG SCOTT	15001489	<u>133.94</u>
236					(3,097.04) X
237					
238					
239					<u>526,399.07</u>
240					
241			ITEMS TO EXCLUDE FOR RATE MAKING		326,143.36 X
242					
243					

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

BOARD POLICY NO. 206.0

SUBJECT: THE COOPERATIVE'S GENERAL LEGAL COUNSEL
BOARD – ATTORNEY RELATIONSHIPSI. PURPOSE:

The Cooperative's unique corporate nature requires that it have available knowledgeable and experienced legal counsel, with a broad background in all aspects of the law, including corporate and regulatory law. In addition, changing conditions in the utility industry necessitate that counsel be informed on new developments in the law affecting the Cooperative. As society becomes increasingly litigious, the role of the Cooperative's legal counsel assumes greater importance in maintaining the integrity of the corporation.

The purposes of this policy are:

- A. To recognize the need for continuing legal guidance and counsel in the regular and special activities of the Cooperative, to insure maximum protection of the legal rights of the Cooperative, and to maintain operational conformity to the limitations prescribed by law.
- B. To provide for the functions of the legal consultant employed as the regular Cooperative Attorney on a monthly or annual retainer fee basis and for additional counsel as required from time to time.
- C. To ensure that legal counsel is able to keep abreast of the changes in the law affecting the Cooperative.

The general counsel must be of high moral character, impeccable ethical and professional conduct, and professionally competent to perform the services required by the Cooperative. The Cooperative's legal counsel must have an understanding of, be philosophically sympathetic with, and supportive of cooperatives as one of the vital and desirable types of business institutions within the nation's overall economic context.

II. POLICY STATEMENT:

It shall be the policy of Nolin Rural Electric Cooperative Corporation to maintain a continuing relationship with an attorney or a firm of attorneys for the purpose of procuring the necessary legal assistance and advice to protect the corporate interests of the Cooperative.

Board Policy No. 206, page 2

III. PROVISIONS:

Most activities of the Cooperative have legal implications which necessitate the availability of competent legal counsel and advice to the Board of Directors and the President/CEO and his/her staff. The Cooperative's Legal Counsel is an important part of the total organizational structure of the Cooperative. The following details cover some of the aspects of his/her relationship to the Cooperative.

A. Selection

1. When it is determined that a new legal counsel is needed by the Cooperative, the President/CEO will interview qualified persons who have indicated an interest in serving the Cooperative.
2. On the basis of his/her interviews, the President/CEO will submit recommendations to the Board of Directors of persons whom they may wish to interview.
3. On the basis of their interviews, the Board will make a selection of a person or firm to serve as the Cooperative's general legal counsel.

B. Retained Legal Services

The Attorney shall receive a retainer fee in the amount agreed upon by the Board of Directors, and the Attorney shall perform the following services for the Corporation.

1. Attend the regular monthly meeting of the Board of Directors.
2. Attend the annual meeting of the membership.
3. Render routine legal opinions requiring minimal research.
4. Perform legal services requiring only casual performance time.
5. Render legal opinions for auditors and other similar situations.

C. Billed Legal Services

For attendance at special board meetings, review or preparation of contracts, representation of the Cooperative in court or before regulatory bodies, extensive legal research on issues of special interest, or other similar legal activities, the Attorney will be paid on an hourly basis, as determined from time to time by the Board and the Attorney.

Board Policy No. 206, page 3

D. Fees and Expenses

The general counsel shall be remunerated for his/her legal services upon the presentation to the President/CEO of an invoice detailing the time and services performed. For attendance at seminars and meetings other than Board meetings, he/she shall be paid a set fee, to be established from time to time. Additionally, the Cooperative will pay all travel, out of pocket, cost advancements, long distance calls, copying, and any extraordinary labor or supply expenses related to the general counsel's performance of services.

E. Reporting Relationships:

1. The legal counsel shall have a direct reporting relationship to the Board of Directors relative to the corporation as a legal entity, the legal implications for specific actions considered by the Cooperative, the effect of legal decisions on possible activities, and the conduct of directors' and officers' duties.
2. He/she shall have a direct reporting relationship to the President/CEO on matters affecting the operations of the Cooperative. He/she shall be available to management staff personnel for specific concerns in their areas of responsibility.

IV. RESPONSIBILITY:

The selection of an Attorney is the responsibility of the Board of Directors upon a recommendation of the President/CEO. The Attorney shall be selected for one year, subject to reappointment thereafter, or until his/her successor shall be appointed and approved.

This policy supersedes any existing policy which may be in conflict with the provisions of this policy.

Adopted: 06/08/00

Amended: 01/09/14

Nolin Rural Electric Cooperative
 Case No. 2016-00367
 LINDA GRIMES
 April 30, 2016

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<u>Date</u>	<u>Check Number</u>	<u>Description</u>	<u>Regular Board Mtg</u>	<u>Other Board Mtg</u>	<u>Per Diem</u>	<u>Mileage</u>	<u>Air Fare</u>	<u>Meeting Fees</u>	<u>Hotel</u>	<u>Meals</u>	<u>Health Insurance</u>	<u>Miscellaneous Include</u>	<u>Expense Exclude</u>	<u>Total</u>
[REDACTED]	[REDACTED]	[REDACTED]												[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]												[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]												[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]							[REDACTED]				[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]				[REDACTED]					[REDACTED]			[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]						[REDACTED]				[REDACTED]
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[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]							[REDACTED]				[REDACTED]
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[REDACTED]	[REDACTED]	[REDACTED]								[REDACTED]				[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]								[REDACTED]				[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]							[REDACTED]				[REDACTED]

**Nolin Rural Electric Cooperative
Case No. 2016-00367**

**Name of Board Members
April 30, 2016**

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Name and Address

Board Title

Associated Organizations

[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	
[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	
[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	
[REDACTED] [REDACTED] [REDACTED]	[REDACTED]	
[REDACTED] [REDACTED] [REDACTED]		

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

BOARD POLICY NO. 202.0

SUBJECT: DIRECTORS' FEES AND EXPENSES

I. PURPOSE:

- A. To assure fair and equitable compensation for time spent and reimbursement for expenses incurred by Directors and the Cooperative attorney when attending regular or special board or committee meetings.
- B. To encourage adequate representation of the Cooperative by Directors at statewide, regional and national meetings, and training programs which will accrue to the benefit of the Cooperative.

II. POLICY STATEMENT:

In conformity with the Bylaws of the Cooperative, it shall be the policy of Nolin Rural Electric Cooperative Corporation to reimburse Directors for time and travel expenses as established in the provisions of this policy.

III. PROVISIONS:

The following provisions and procedures shall apply to this policy:

A. Attendance Fee

Members of the Board of Directors shall be paid a fee for attendance at regular or special meetings of the Board of Directors as shall be determined from time to time by the Board. For attendance at Board committee meetings held on other than board meeting days, or for attendance at authorized state, regional, national, or training meetings, a Board member shall receive a set daily fee to be determined by the Board for time actually in attendance.

1. Attendance at meetings within the state will be paid only for the actual days of the meetings and not for travel time to and from the meetings.
2. For attendance at meetings out of state, a maximum of two day's fees will be paid for travel, regardless of the mode of transportation.
3. A fee will not be paid to Directors or the attorney for attendance at advisory committee, banquet and appreciation dinners where there is not a special meeting; the Cooperative will pay meal and incidental expenses. The meal expense for spouses invited to attend as guests will be also be paid.

Board Policy No. 202, page 2

B. Transportation Expenses

Directors shall be reimbursed for transportation expenses as follows:

1. When traveling by personal automobile, a Director shall be reimbursed at the prevailing mileage rate approved by the Internal Revenue Service for Federal income tax purposes (on the basis of coach-class round trip air fare or actual mileage incurred, whichever is less), plus any related out-of-pocket charges, such as tolls, parking charges, etc.
2. When traveling by common carrier, a Director shall be reimbursed on the basis of coach-class round-trip air fare or actual transportation expense incurred, whichever is less. In addition, the director will be reimbursed shuttle or taxicab fares to and from the terminal and the hotel or meeting place.

C. Incidental Expenses

1. When a Director attends any of the meetings listed in Section A, above, the director shall be reimbursed actual incidental expenses incurred.
2. It is proper for Directors to receive advance travel funds with appropriate post-event accounting. When properly authorized, the President/CEO will advance funds to Directors prior to departure on trips to include: anticipated attendance fees and travel costs.
3. All Directors are authorized and urged to attend the meetings of the Kentucky Association of Electric Cooperatives, Inc. (KAEC), the National Rural Electric Cooperative Association (NRECA), the National Rural Utilities Cooperative Finance Corporation (CFC), and other related organizations. They are also authorized and urged to attend training schools and meetings sponsored by these Associations within the limits of approved budgets.

Board Policy No. 202, page 3

IV. RESPONSIBILITY:

- A. It shall be the responsibility of each Director to submit an itemized expense report to include fees and all authorized reimbursement expenses, including travel. Expenses of spouses accompanying Directors to meetings will not be reimbursed.
- B. It shall be the responsibility of the Secretary-Treasurer to review all Director expense reports and to assure that all reimbursements are reasonable and in accordance with this policy.
- C. It shall be the responsibility of the President/CEO to see that Director expenses are paid upon the submission of appropriate expense reports. When travel funds have been advanced, the President/CEO shall provide for appropriate reconciliation of the accounts. When Director expenses are paid by the President/CEO, appropriate adjustments and review shall be made of the Director expense accounts.

This policy supersedes any existing policy which may be in conflict with the provisions of this policy.

Adopted: 06/08/00

Amended: 06/07/07

Amended: 01/09/14

Amended: 04/09/15

Nolin Rural Electric Cooperative
Case No. 2014-00367
Donations

Amounts included in Account 426, Donations have been removed for rate-making purposes. The list is attached.

**Nolin Rural Electric Cooperative
Case No. 2016-00367**

Account 426 - Other Income Deductions
April 30, 2016

<u>Line No</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1	Donations	13,010.39
2	Civic activities	5,500.00
3	Political Activities	5,500.00
4	Other	<u>10,593.51</u>
5	Total	<u>34,603.90</u>

1 **Nolin Rural Electric Cooperative**
2 **Case No. 2016-00367**
3 **April 30, 2016**
4 **Account 426- Donation Accounts**

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>
7	AUSA FT KNOX CHPTR	5/29/15	Golf Scramble	90109195	1,000.00
8	HALL OF FAME CAPITAL CAMPAIGN	6/1/15	Donation	90109186	5,000.00
9	CASA OF THE HEARTLAND	6/22/15	Donation	90109609	500.00
10	KY SHERIFF'S BOYS & GIRLS RANCH	6/22/15	Camp Sponsor	90109631	120.00
11	NRECA INTERNATIONAL FOUNDATION	7/1/15	Donation	90109915	1,000.00
12	KY SHERIFF'S BOYS & GIRLS RANCH	7/22/15	Golf Scramble	90110050	300.00
13	WKU ARMY ROTC	7/22/15	Donation	90110052	100.00
14	CENTRAL HARDIN HIGH SCHOOL	8/20/15	Donation	90110457	650.00
15	ETOWN HIGH SCHOOL	8/20/15	Donation	90110437	650.00
16	JOHN HARDIN HIGH SCHOOL	8/20/15	Donation	90110470	650.00
17	LARUE CO BOARD OF EDUC	8/20/15	Donation	90110447	650.00
18	NORTH HARDIN HIGH SCHOOL	8/20/15	Donation	90110467	650.00
19	LIVING WATERS 2015 ROTARY CLUB	8/21/15	Donation	90110544	1,000.00
20	BURGER KING BREAST CANCER AWARENESS	9/11/15	Donation	90110711	250.00
21	HUMANITARIAN AWARD DINNER SPONSOR	9/17/15	Donation	90110774	1,000.00
22	RADCLIFF ROTARY SCHOLARSHIP GOLF SCRAMBL	9/17/15	Golf Scramble	90110776	90.00
23	AUSA CORE COMMITTEE	1/20/16	Donation	15001036	2,500.00
24	GLEN RICE	1/26/16	Concert Series	15001040	250.00
25	GREENSPACE	4/15/16	Donation	15001875	500.00
26	AJB FOUNDATION DONATION 2016	4/18/16	Donation	15001963	250.00
27	NRECA INTERNATIONAL FOUNDATION	4/22/16	Donation	15001985	1,000.00
28					
29			Labor and Overheads		3,055.81
30			Material Donated		2,844.58
31			CFC Integrity Fund		6,805.96
32			Joint Use Poles		<u>3,787.55</u>
33					
34					<u>34,603.90</u>
35					
36			Remove for Rate Making		<u>34,603.90</u>
37					
38					

Nolin Rural Electric Cooperative
Case No. 2016-00367
Account 930 - Miscellaneous General Expenses
April 30, 2016

Line <u>No</u>		
1	Industry Association Dues	120,405.08
2	Stockholder and Debt Servicing Expenses	
3	Institutional Advertising	
4	Conservation Advertising	
5	Rate Department Load Studies	
6	Director's Fees and Expenses	126,169.36
7	Dues and Subscriptions	
8	Annual Meeting	100,971.78
9	Miscellaneous	<u>193,263.60</u>
10	Total	<u>540,809.82</u>
	Account 930.20, Miscellaneous	294,235.38
	Account 930.21, Director	126,169.36
	Account 930.23, Dues	<u>120,405.08</u>
		<u>540,809.82</u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 930.20 Miscellaneous General Expense

Exhibit 10
page of
Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
8	ELIZABETHTOWN LAUNDRY CO, IN	5/1/15	TABLECLOTH RENTAL	90109145	288.65	
9	RICHARD A RYAN	5/1/15	ROTARY DUES	90109158	181.50	x
10	JOHN CONTI COFFEE COMPANY	5/12/15	COFFEE	90109005	114.44	
11	NISC	5/12/15	COMPUTER ALLOCAATION	90109112	2,985.49	
12	NRECA	5/13/15	R MEREDITH	90109188	1,950.00	
13	WAYNE CORPORATION	5/14/15	EMPLOYEE COUNSELING SERVICE	90109037	110.12	
14	ELIZABETHTOWN BAPTIST CHURCH	5/20/15	J DAVIS MEMORIAL	90109082	50.00	x
15	KAEC	5/20/15	LEGISLATIVE BREAKFAST-M.MILLER	90109383	64.00	x
16	ELIZABETHTOWN FLORIST	5/22/15	FLOWERS-OWENS	90109419	53.00	x
17	CHERYL THOMAS	5/31/15	ROUNDUP	90109178	40.24	x
18	HELEN'S FLOWERS	5/31/15	FLOWERS	90109360	66.25	x
19	NISC	5/31/15	COMPUTER ALLOCATION	90109420	2,985.49	
20	VISA	5/31/15	EMPLOYEE ID CONTEST	90109429	45.00	x
21	VISA	5/31/15	ORU FILING FEE	90109429	15.00	x
22	VISA	5/31/15	NRECA LEGIS CONF	90109429	952.00	
23	VISA	5/31/15	A COFFEY POWER UP CONF	90109429	845.00	
24	VISA	5/31/15	M ROGERS POWER UP CONF	90109429	845.00	
25	VISA	5/31/15	CONNECT CONF RYAN/WHITEHEAD	90109429	730.97	
26		5/31/15	ORU DONATIONS	GJ	78.78	x
27	JOHN CONTI COFFEE COMPANY	6/1/15	COFFEE	90109194	114.84	
28	WHOOOP DE DO DESIGN LLC	6/1/15	FLOWERS - HACK	90109446	53.00	x
29	ELIZABETHTOWN LAUNDRY CO, IN	6/1/15	RETIREMENT RECEPTION	90109651	59.89	x
30	DUKE'S SPORTING GOODS	6/2/15	ROUNDUP SHIRTS	90109203	175.59	x
31	HUFF, ANTHONY	6/4/15	TSE EMPLOYEE	90109197	25.00	x
32	STEVE ALLEN	6/4/15	TSE NOMINATION	90109227	25.00	x
33	RYAN RAY	6/5/15	TSE EMPLOYEE	90109240	25.00	x
34	WAYNE CORPORATION	6/15/15	EMPLOYEE COUNSELING SERVICE	90109481	108.93	
35	VISA	6/30/15	CFC FORUM	90109680	826.23	
36	VISA	6/30/15	EMPLOYEE ID BADGES	90109680	641.22	
37	VISA	6/30/15	NRECA FIN ACCT MTG SPARKS	90109680	480.00	
38	VISA	6/30/15	NRECA REGIONAL MTG	90109680	455.00	
39	VISA	6/30/15	TSE BOARD MTG - RYAN	90109680	395.20	
40	VISA	6/30/15	CFC FORUM MEALS	90109680	171.60	
41	VISA	6/30/15	FLAG SUPPLIES	90109680	146.28	
42	AFFIRMATIVE ACTION PLAN USA IN	6/30/15	AFFIRMATIVE ACTION PLAN USA IN	90109851	1,300.00	
43	NISC	6/30/15	COMPUTER ALLOCATION	90109927	2,985.49	
44	NISC	6/30/15	COMPUTER ALLOCATION	90109927	2,458.71	
45		7/8/15	EMPLOYEE HOLIDAY WORLD TKT	GJ	(279.84)	x
46	HOLIDAY WORLD	7/15/15	HOLIDAY WORLD	90109901	1,321.61	x
47	HOLIDAY WORLD	7/15/15	HOLIDAY WORLD	90109901	2,312.81	x
48	HOLIDAY WORLD	7/15/15	HOLIDAY WORLD	90109901	2,973.62	x
49	WAYNE CORPORATION	7/16/15	EMPLOYEE COUNSELING SERVICE	90110014	108.93	
50	ELIZABETHTOWN LAUNDRY CO, IN	7/24/15	RETIREMENT DINNER	90109996	113.42	x
51	ELIZABETHTOWN LAUNDRY CO, IN	7/24/15	MAC MTG	90109996	157.41	
52	VISA	7/31/15	FLOWERS - THOMPSON	90110317	47.70	x
53	VISA	7/31/15	NRECA INTERACT CONF - GOSSETT	90110317	803.09	
54	VISA	7/31/15	SPARKS NRECA FIN ACCT MTG	90110317	775.00	
55	VISA	7/31/15	NRECA INTERACT GOSSETT	90110317	683.27	
56	VISA	7/31/15	TSE BOARD MTG	90110317	609.91	
57	NISC	7/31/15	COMPUTER ALLOCATION	90110348	2,950.49	
58	MCCREAM'S ICE CREAM	8/6/15	ICE CREAM	90110183	125.00	
59	WAYNE CORPORATION	8/6/15	EMPLOYEE COUNSELING SERVICE	90110230	110.12	

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 930.20 Miscellaneous General Expense

Exhibit 10
page of
Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
60	VISA	8/31/15	EMPLOYEE ID GIFT CARDS	90110596	45.00	X
61	VISA	8/31/15	NRECA FIN/ACCT MTG	90110596	1,965.35	
62	VISA	8/31/15	SUPERVISOR TRNG - REDMOND	90110596	894.17	
63	CHERYL THOMAS	8/31/15	ROTARY	90110731	213.39	X
64	NISC	8/31/15	COMPUTER ALLOCATION	90110767	2,950.49	
65	RICHARD A RYAN	8/31/15	ROTARY DUES	90110797	338.00	X
66	GREG HARRINGTON	8/31/15	ROTARY AND INTERNET EXPENSES	90110815	181.50	X
67		8/31/15	ORU DONATIONS	GJ	75.33	X
68	CLARK JEWELERS	9/1/15	RETIREMENT GIFT	90110757	27.00	X
69	WAYNE CORPORATION	9/1/15	EMPLOYEE COUNSELING SERVICE	90110761	108.93	
70	CHAMBER OF COMMERCE	9/30/15	LUNCHEON	90111049	15.00	X
71	VISA	9/30/15	J BEAVIN - FLOWERS	90111066	54.95	X
72	VISA	9/30/15	ORU BOARD MTG	90111066	67.22	X
73	VISA	9/30/15	RETIREMENT - SHACKELFORD	90111066	212.00	X
74	NISC	9/30/15	COMPUTER ALLOCATION	90111093	2,950.49	
75	WAYNE CORPORATION	10/1/15	EMPLOYEE COUNSELING SERVICE	90111081	108.93	
76	HARDIN PROFESSIONAL SVCS	10/14/15	FLU VACCINATION - EMPLOYEE	90111243	1,020.00	
77	AMERICAN CANCER SOCIETY	10/21/15	DONATION	90111240	50.00	X
78	LANDS' END BUSINESS OUTFITTE	10/21/15	EMPLOYEE CLOTHING PURCHASES	90111306	5,704.30	
79	CHERYL THOMAS	10/23/15	ROTARY	90111413	135.00	X
80	CHAMBER OF COMMERCE	10/30/15	LUNCHEON	90111407	15.00	X
81	LITTLE RED BARN	10/30/15	WORK APPAREL	90111421	283.02	
82	NISC	10/31/15	COMPUTER ALLOCATION	90111455	2,888.88	
83	VISA	10/31/15	CHRISTMAS IN THE PARK	90111549	31.78	X
84	VISA	10/31/15	FLOWERS-GRIFFITH	90111549	56.00	X
85	VISA	10/31/15	POWER UP CONF - COFFEY	90111549	872.50	
86	VISA	10/31/15	POWER UP CONF - ROGERS	90111549	872.50	
87	VISA	10/31/15	NRECA REG MTG - MILLER	90111549	154.11	
88	SAM'S CLUB	11/9/15	OFFICE SUPPLIES	15000210	227.95	
89	CANTEEN OWENSBORO	11/9/15	COFFEE	90111551	143.32	
90	CANTEEN OWENSBORO	11/9/15	COFFEE	90111551	111.47	
91	MORGAN MORROW	11/17/15	SERVICE AWARD	15000145	30.00	X
92	MITCH HUNT	11/17/15	SERVICE AWARD	15000168	50.00	X
93	SONNY WOODSON	11/17/15	SERVICE AWARD	15000216	50.00	X
94	GEORGE CLARK	11/17/15	SERVICE AWARD	15000232	45.00	X
95	CHAD PENCE	11/17/15	SERVICE AWARD	15000237	35.00	X
96	DAVID COX	11/17/15	SERVICE AWARD	15000244	40.00	X
97	NOLIN RECC	11/18/15	ORU CASH PRIZE	90111680	175.00	X
98	WAYNE CORPORATION	11/18/15	EMPLOYEE COUNSELING SERVICE	90111705	108.93	
99	HEARTLAND CATERING	11/20/15	CATERING	15000223	1,317.88	
100	VISA	11/24/15	NET CONF 2016=PAIT/RYAN	15000190	1,975.00	
101	VISA	11/30/15	CHRISTMAS DECORATION	15000190	80.48	X
102	VISA	11/30/15	TSE BD MTG	15000190	575.49	
103	VISA	11/30/15	NRECA REG MTG	15000190	289.11	
104	VISA	11/30/15	NRECA CEO CONF	15000190	206.73	
105	CLARK JEWELERS	11/30/15	YATES - SVC AWARD	15000211	42.40	X
106	NISC	11/30/15	COMPUTER ALLOCATION	15000234	2,790.43	
107	RICHARD A RYAN	11/30/15	ROTARY DUES AND EXPENSES	15000334	206.50	X
108		11/30/15	ORU DONATIONS	GJ	79.35	X
109	JOHN H OEHLRICH	12/8/15	ORU WINNER	15000103	100.00	X
110	AWARDS CENTER	12/8/15	SERVICE AWARD	15000498	56.18	X
111	EXPRESSIONS	12/8/15	CHRISTMAS CARD	15000510	168.50	X

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 930.20 Miscellaneous General Expense

Exhibit 10
page of
Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
112	GENERAL RUBBER & PLASTICS	12/8/15	Christmas in the Park	15000583	15.00	X
113		12/10/15	ORU DRAWING	GJ	(100.00)	X
114	AWARDS CENTER	12/11/15	GENE YATES AWARD	15000498	26.50	X
115	CANTEEN	12/14/15	COFFEE	15000502	144.64	
116	CANTEEN	12/14/15	COFFEE	15000502	112.50	
117	SAM'S CLUB	12/15/15	CHRISTMAS DINNER	15000798	128.31	X
118	SAM'S CLUB	12/16/15	CHRISTMAS DINNER	15000798	12.22	X
119	GREG HARRINGTON	12/18/15	ROTARY AND INTERNET EXPENSES	15000552	206.50	X
120	KENTUCKY STATE TREASURER	12/18/15	KY STATE TREAS - SOFTWARE	15000584	1,838.30	
121	SELECT DESIGNS SIGNS & BA	12/22/15	Christmas in the park	15000870	58.30	X
122	ALFRED AKRIDGE	12/28/15	CONTRACT LABOR SAFETY DEMO	15000632	1,457.26	
123	WAYNE CORPORATION	12/31/15	EMPLOYEE COUNSELING SERVICE	15000675	108.93	
124	VISA	12/31/15	BOARD/STAFF GIFT CARDS	15000693	550.00	X
125	VISA	12/31/15	CHRISTMAS DINNER	15000693	101.63	X
126	VISA	12/31/15	EMPLOYEE CHRISTMAS DINNER	15000693	326.50	X
127	VISA	12/31/15	ORU BOARD MTG	15000693	132.85	X
128	VISA	12/31/15	NRECA NET CONF HEUSER	15000693	2,071.00	
129	VISA	12/31/15	NRECA TECH ADV MTG	15000693	1,224.42	
130	VISA	12/31/15	NRECA TECH ADV MTG MILLER	15000693	1,185.70	
131	VISA	12/31/15	NRECA TECH ADV MTG R THOMAS	15000693	686.00	
132	VISA	12/31/15	HARRINGTON NRECA TECH ADV MTG	15000693	628.00	
133	VISA	12/31/15	CHEESE	15000693	473.00	
134	VISA	12/31/15	NET CONF RYAN/PAIT	15000693	455.92	
135	VISA	12/31/15	NRECA INTERNATIONAL PROGRAM	15000693	318.51	
136	VISA	12/31/15	FLAGS	15000693	172.68	
137	VISA	12/31/15	FLAGS	15000693	134.30	
138	CHAMBER OF COMMERCE	1/1/16	MEMBERSHIP	15000638	700.00	
139	WAYNE CORPORATION	1/1/16	EMPLOYEE COUNSELING SERVICE	15000872	108.93	
140	NRECA GROUP BENEFITS TRUST	1/1/16	BTA	15000929	261.00	
141	CHERYL THOMAS	1/1/16	ROTARY	15000948	168.50	X
142	NISC	1/1/16	COMPUTER ALLOCATION	15000968	2,856.79	
143	NIDA LIGHTING	1/1/16	CHRISTMAS IN THE PARK	15001168	406.01	X
144	ELIZABETH TOWN LAUNDRY CO, IN	1/1/16	TABLECLOTH RENTAL	15001221	102.29	
145	BILLY PAIT	1/8/16	TSE EMPLOYEE	15000783	50.00	X
146	PATSY WHITEHEAD	1/8/16	TSE NOMINATION	15000801	25.00	X
147	SAM'S CLUB	1/21/16	G HARRINGTON RECEPTION	15001145	37.23	X
148	SAM'S CLUB	1/27/16	G HARRINGTON RECEPTION	15001145	31.66	X
149	GREG HARRINGTON	1/31/16	ROTARY AND INTERNET EXPENSES	15000970	117.50	X
150	CHAMBER OF COMMERCE	1/31/16	LUNCHEON	15001094	15.00	X
151	VISA	1/31/16	CE CONF/NISC MTG	15001127	1,138.25	
152	VISA	1/31/16	MILLER NRECA CEO CLOSE UP	15001127	895.00	
153	VISA	1/31/16	SPARKS NRECA TECH ADV MTG REG	15001127	686.00	
154	VISA	1/31/16	SPARKS NRECA TECH ADV MTG AIRLIN	15001127	423.33	
155	VISA	1/31/16	NRECA TECH ADV MTG R RYAN	15001127	258.96	
156	HOLIDAY WORLD	1/31/16	HOLIDAY WORLD	15001144	700.00	X
157	NISC	1/31/16	COMPUTER ALLOCATION	15001158	2,794.75	
158	KAEC	2/3/16	MGR'S ASSOCIATION DUES	15001109	300.00	
159	CLARK JEWELERS	2/3/16	HARRINGTON GIFT	15001306	27.00	X
160	HEARTLAND CATERING	2/11/16	MAC MTG	15001234	1,596.18	
161	KAEC	2/22/16	KY CHAMBER OF COMMERCE DUES	15001361	516.60	X
162	NRECA	2/25/16	REM MAGAZINE	15001270	663.00	
163	NRECA	2/25/16	REM MAGAZINE	15001270	117.00	

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 930.20 Miscellaneous General Expense

Exhibit 10
page of
Witness: James Adkins

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
164	NRECA	2/25/16	REM MAGAZINE	15001270	117.00	
165	WAYNE CORPORATION	2/25/16	EMPLOYEE COUNSELING SERVICE	15001311	107.73	
166	VISA	2/29/16	G HARRINGTON COOP GIFT	15001489	69.48	x
167	VISA	2/29/16	NRECA TECH ADV MTG - MATTINGLY	15001489	1,075.96	
168	VISA	2/29/16	NRECA TECH ADV MTG RYAN	15001489	713.00	
169	VISA	2/29/16	NET CONF PAIT	15001489	669.79	
170	VISA	2/29/16	NET CONF - RYAN	15001489	646.37	
171	VISA	2/29/16	NET CONF - RYAN	15001489	495.91	
172	VISA	2/29/16	NRECA TECH ADV MTG	15001489	278.20	
173	VISA	2/29/16	NRECA TECH ADV MTG	15001489	242.91	
174	VISA	2/29/16	NRECA TECH ADV MTG MILLER	15001489	216.22	
175	VISA	2/29/16	NRECA TECH ADV MTG - RYAN	15001489	205.34	
176	VISA	2/29/16	NRECA TECH ADV MTG - HEUSER	15001489	171.00	
177	VISA	2/29/16	NRECA TECH ADV - MATTINGLY	15001489	138.99	
178	NISC	2/29/16	COMPUTER ALLOCATION	15001507	2,794.74	
179		2/29/16	SALES TAX CALCULATION - G HARRING	GJ	4.17	x
180	RICHARD A RYAN	3/6/16	ROTARY JAN-MAR	15001579	181.50	x
181	WAYNE CORPORATION	3/9/16	EMPLOYEE COUNSELING SERVICE	15001587	107.73	
182	HARDIN CO BOARD OF EDUCATION	3/15/16	PSA OPERATION ROUNDUP	15001667	75.00	x
183	CHERYL THOMAS	3/20/16	ROUNDUP	15001637	34.16	x
184	SAM'S CLUB	3/28/16	OV RECEPTION	15001832	44.36	x
185		3/30/16	ORU DONATIONS	GJ	65.88	x
186	NISC	3/31/16	COMPUTER ALLOCATION	15002040	2,794.74	
187	VISA	4/1/16	NRECA MTGS	15001822	2,735.17	
188	VISA	4/1/16	NRECA MTGS	15001822	1,496.32	
189	VISA	4/1/16	NRECA MTGS	15001822	1,088.63	
190	VISA	4/1/16	NRECA MTGS	15001822	871.75	
191	WAYNE CORPORATION	4/5/16	EMPLOYEE COUNSELING SERVICE	15001837	106.53	
192	ELIZABETHTOWN LAUNDRY CO, IN	4/15/16	TABLECLOTH RENTAL	15001864	108.12	
193	HEARTLAND CATERING	4/15/16	CATERING	15001874	992.54	
194	BACK HOME VENDING	4/15/16	EMPLOYEE APPREC BFAS	15001956	1,116.56	
195	JOHN CONTI COFFEE COMPANY	4/25/16	COFFEE	15002046	147.09	
196	JOHN CONTI COFFEE COMPANY	4/25/16	COFFEE	15002046	114.40	
197	NISC	4/29/16	COMPUTER ALLOCATION	15002274	2,795.22	
198	NISC	4/30/16	SOFTWARE LICENSE	0	1,455.41	
199	VISA	4/30/16	OV RETIREMENT	15002251	4.92	x
200	VISA	4/30/16	OV RETIREMENT DINNER	15002251	1,679.80	x
201	VISA	4/30/16	NRECA IDE COURSE	15002251	3,600.00	
202	VISA	4/30/16	NRECA CONNECT CONF RYAN REGISTR	15002251	830.00	
203	VISA	4/30/16	NRECA CONNECT CONFERENCE RYAN I	15002251	528.96	
204	VISA	4/30/16	CFC CFO TRAINING ROBERSON HOTEL	15002251	488.16	
205		4/30/16	HEUSER SPOUSE MEALS	GJ	(11.45)	x
206			ITEMS LESS THAN \$100 INDIVIDUALLY		4,335.99	
207			PREPAID INSURANCE		13,960.19	
208			LABOR AND BENEFITS		40,631.28	
209					<u>184,646.73</u>	
210			ANNUAL MEETING EXPENSES		<u>109,588.65</u>	
211						
212					<u>294,235.38</u>	
213						
214			ITEMS DISALLOWED FOR RATE PURPOSES		15,822.28	x
215						

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 930.20 Annual Meeting Expense

Exh 10
Witness: James Adkins

<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
EXPRESSIONS	5/29/15	PRINTING SUPPLIES-VALUE ADDED SHEETS	90109207	948.70	
HARDIN COUNTY INDEPENDENT	5/31/15	ADVERTISING	90109382	375.00	
NISC	5/31/15	SUPPLIES	90109485	1,191.23	
DUKE'S SPORTING GOODS	6/2/15	EMPLOYEE SHIRTS	90109203	3,065.36	
AWARDS CENTER	6/9/15	EMPLOYEE NAME BADGES	90109369	71.76	
EAST KENTUCKY POWER	6/10/15	PRINTING SUPPLIES-MINUTES, ROUNDUP C.	90109599	633.50	
STILWELL SOUND LLC	6/15/15	SOUND SYSTEM	90109444	700.00	
FIRST CHRISTIAN CHURCH	6/16/15	PRIZE	90109490	125.00	x
MATT ENGLISH	6/16/15	EMCEE	90109484	400.00	
RICHARD A RYAN	6/16/15	CASH PRIZES	90109475	1,500.00	x
BRIAN J YOUNG	6/18/15	ENTERTAINMENT	90109448	500.00	
EXPRESSIONS	6/18/15	PROGRAMS	90109461	770.00	
RACHEL'S FACE PAINTING	6/19/15	FACE PAINTING	90109443	500.00	
SELECT DESIGNS SIGNS & BA	6/19/15	SIGNS	90109492	191.69	
PATSY WHITEHEAD	6/23/15	PHOTO PROCESSING	90109693	6.26	
KAEC	6/24/15	ANNUAL REPORT HANDOUTS	90109659	571.10	
KAEC	6/24/15	POSTERS	90109659	86.60	
ELIZABETHTOWN LAUNDRY CO, IN	6/26/15	LINENS & MATS	90109651	149.14	
WAKY 103.5	6/28/15	ADVERTISING	90109914	1,710.00	
HARDIN CO BOARD OF EDUCATION	6/29/15	JANITORS	90109628	264.04	
COMMONWEALTH BROADCASTING C	6/29/15	ADVERTISING	90109926	900.00	
VISA	6/30/15	PRIZES	90109680	683.80	x
VISA	6/30/15	SUPPLIES	90109680	26.24	
VISA	6/30/15	PRIZE RETURN	90109680	(29.68)	x
BROWN, DAVID P	6/30/15	PRIZE	90109690	50.00	x
DENNIS YATES	6/30/15	PRIZE	90109688	50.00	x
BIG CAT 105.5 WLK	6/30/15	ADVERTISING	90109906	1,710.00	
NISC	6/30/15	SUPPLIES BALLOTS	90109927	14,259.05	
NISC	6/30/15	SUPPLIES POSTAGE	90109927	11,117.33	
NEWS ENTERPRISE	6/30/15	ADVERTISING	90109880	2,964.75	
WQXE 98.3	6/30/15	ADVERTISING	90109899	1,395.00	
WULF 94.3 FM	6/30/15	ADVERTISING	90109910	1,350.00	
ROYALTY PRINTING CO.	6/30/15	ADVERTISING	90109978	322.56	
MISC ADJ	6/30/15	BILL CREDITS	GJ	300.00	
KERR OFFICE GROUP	6/30/15	SUPPLIES	90109639	6.56	
GOLDEN RULE GOLF CARTS	7/1/15	TRANSPORTATION	90109865	419.70	
MCCREAM'S ICE CREAM	7/7/15	ICE CREAM	90109983	175.00	
DUKE'S SPORTING GOODS	7/10/15	SHIRT	90109860	24.33	
HARDIN COUNTY BEEF CATTLE ACCO	7/13/15	FOOD	90109905	3,005.00	
HARDIN CO 4-H COUNCIL	7/15/15	ICE CREAM	90109920	469.00	
SAM'S CLUB	7/15/15	SUPPLIES	90109907	19.19	
VISA	7/31/15	SUPPLIES	90110317	274.02	
VISA	7/31/15	SUPPLIES	90110317	43.98	
VISA	7/31/15	SUPPLIES	90110317	937.28	
VISA	7/31/15	DINNER	90110317	45.49	
VISA	7/31/15	ELECTION TELLERS	90110317	10.06	
VISA	7/31/15	PICTURES	90110317	17.99	
VISA	7/31/15	ELECTION TELLERS	90110317	39.43	
VISA	7/31/15	ELECTION TELLERS	90110317	400.00	
EAST KENTUCKY POWER	8/4/15	SCHOLARSHIP SHEETS	90110441	206.50	x
KAEC	8/5/15	ENTERTAINMENT & BUCKET GIVEAWAYS	90110580	13,354.54	
VISA	9/30/15	SUPPLIES	90111066	319.31	
MEMORIAL METHODIST CHURCH	12/4/15		Cash Receipts	(198.00)	
VISA	4/30/16	NOMINATING COMMITTEE MEETING	15002251	51.33	
		LABOR AND BENEFITS		<u>32,492.64</u>	
				<u>100,971.78</u>	
		AMOUNT TO EXCLUDE FOR RATE MAKING PURPOSES		2,585.62	x

Nolin Rural Electric Cooperative
Case No. 2016-00367
Account 909 - Information and Instruction Expenses
April 30, 2016

Line No	Item (a)	Sales or Promotional Advertising (b)	Institutional Advertising (c)	Safety & Conservation Advertising (d)	Rate Case (e)	Other (f)	Total (g)
1	Newspaper	510.00	-	2,518.20	-	-	3,028.20
2	Magazines and Other	2,444.00	2,112.13	630.00	-	-	5,186.13
3	Television	20,125.00	-	1,132.08	-	-	21,257.08
4	Radio	10,904.00	2,437.00	34,026.00	-	-	47,367.00
5	Direct Mail	1,161.28	-	-	-	-	1,161.28
6	Sales Ads	1,425.00	-	-	-	-	1,425.00
7	Reimbursements	<u>(50,104.68)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87.65</u>	<u>(50,017.03)</u>
8	Total	(13,535.40)	4,549.13	38,306.28	-	87.65	29,407.66

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 909- Advertising Expenses

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
6						
7						
8	STRATEGIC PLANNING SPECIALISTS	5/28/15	CO-OP CARTOON AD	90109222	40.00	X
9	COMMONWEALTH BROADCASTING CO	5/31/15	SAFETY AND SIMPLE SAVER	90109235	700.00	S
10	ROYALTY PRINTING CO.	5/31/15	SAFETY	90109219	179.20	S
11	WQXE 98.3	5/31/15	SAFETY	90109226	1,054.00	S
12	WULF 94.3 FM	5/31/15	SAFETY	90109229	990.00	S
13	NEWS ENTERPRISE	5/31/15	LARUE COUNTY FAIR SPONSORSHIP	90109394	370.00	X
14	NEWS ENTERPRISE	5/31/15	SAFETY	90109394	1,495.00	S
15	LARUE CO EXPO	6/16/15	REIMBURSEMENTS	Cash Receipts	(315.00)	
16	WAKY 103.5	6/28/15	APPLIANCE RECYCLE	90109914	560.00	C
17	COMMONWEALTH BROADCASTING CO	6/29/15	SIMPLE SAVER	90109926	280.00	C
18	STRATEGIC PLANNING SPECIALISTS	6/30/15	CO-OP CARTOON AD	90109889	40.00	X
19	WQXE 98.3	6/30/15	SIMPLE SAVER	90109899	589.00	C
20	LARUE CO FARM BUREAU	7/14/15	SPONSORSHIP	90109837	350.00	X
21	LINCOLN DAYS CELEBRATION, IN	7/15/15	LINCOLN DAYS CELEBRATION	90109902	120.00	X
22	COMMONWEALTH BROADCASTING CO	7/27/15	APPLIANCE RECYCLE	90110111	560.00	C
23	WAKY 103.5	7/30/15	APPLIANCE RECYCLE	90110233	921.00	C
24	WQXE 98.3	7/31/15	APPLIANCE RECYCLE	90110225	1,147.00	C
25	HARDIN CO COMMUNITY FAIR, IN	8/1/15	HARDIN CO COMMUNITY FAIR SPONSO	90110458	1,300.00	X
26	HCEC - TV	8/6/15	FILMING CECILIA DAYS	90110180	125.00	X
27	NAACP, HARDIN CO BRANCH	8/18/15	SPONSORSHIP	90110469	100.00	X
28	STRATEGIC PLANNING SPECIALISTS	8/20/15	CO-OP CARTOON AD	90110532	40.00	X
29	WAKY 103.5	8/30/15	APPLIANCE RECYCLE	90110606	1,520.00	C
30	TIME WARNER CABLE MEDIA SALES	8/30/15	Simple Saver	90110801	80.87	C
31	COMMONWEALTH BROADCASTING CO	8/31/15	APPLIANCE RECYCLE	90110612	700.00	C
32	WQXE 98.3	8/31/15	APPLIANCE RECYCLE	90110753	1,054.00	C
33	MORRIS PROMOTIONAL SPECIALITIES	9/8/15	LITTER BAGS	90110947	1,712.13	X
34	STRATEGIC PLANNING SPECIALISTS	9/18/15	CO-OP CARTOON AD	90110800	40.00	X
35	WAKY 103.5	9/27/15	APPLIANCE RECYCLE	90110971	1,716.00	C
36	TIME WARNER CABLE MEDIA SALES	9/27/15	Simple Saver	90111176	177.71	C
37	BRANDENBURG TELEPHONE COMPAN	9/28/15	Simple Saver	90111048	90.00	C
38	COMMONWEALTH BROADCASTING CO	9/30/15	APPLIANCE RECYCLE	90110981	560.00	C
39	WQXE 98.3	9/30/15	APPLIANCE RECYCLE AND SIMPLE SAVER	90111075	1,733.00	C
40	WULF 94.3 FM	9/30/15	SIMPLE SAVER	90111080	450.00	C
41	HEART OF KY MEN'S CHORUS	10/1/15	SPONSORSHIP	90111035	50.00	X
42	WAVE TV	10/1/15	TOUCHSTONE ADVERTISING	90111036	10,000.00	X
43	EAST KENTUCKY POWER	10/13/15	REIMBURSEMENTS ADVERTISING	Cash Receipts	(15,996.50)	
44	STRATEGIC PLANNING SPECIALISTS	10/15/15	CO-OP CARTOON AD	90111289	40.00	X
45	WAKY 103.5	10/25/15	APPLIANCE RECYCLE AND SIMPLE SAVER	90111447	1,716.00	C
46	BRANDENBURG TELEPHONE COMPAN	10/26/15	SimpleSaver	90111404	120.00	C
47	EAST KENTUCKY POWER	10/27/15	REIMBURSEMENTS ADVERTISING	Cash Receipts	(15,092.87)	
48	COMMONWEALTH BROADCASTING CO	10/31/15	CO-OP MONTH ADVERTISING	90111454	560.00	X
49	WQXE 98.3	10/31/15	CO-OP MONTH ADVERTISING AND SIMP	90111439	1,877.00	X
50	WULF 94.3 FM	10/31/15	SIMPLE SAVER	90111443	750.00	C
51	NEWS ENTERPRISE	10/31/15	SIMPLE SAVER AND DISCOVER HARDIN C	90111665	844.00	C
52	STRATEGIC PLANNING SPECIALISTS	11/20/15	CO-OP CARTOON AD	15000194	40.00	X
53	WAKY 103.5	11/29/15	UK SPORTS SPONSORSHIP	15000221	2,020.00	X
54	TIME WARNER CABLE MEDIA SALES	11/29/15	Simple Saver	15000528	442.18	C
55	COMMONWEALTH BROADCASTING CO	11/30/15	ENERGY STAR REBATE	15000233	700.00	C
56	WQXE 98.3	11/30/15	ENERGY STAR REBATE	15000204	1,054.00	C

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 909- Advertising Expenses

	<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
57	KY CONSERVATION OFFICE ASSOCIATION	12/2/15	SPONSORSHIP	15000104	125.00	X
58	BRANDENBURG TELEPHONE COMPAN	12/2/15	Simple Saver	15000499	150.00	C
59	LANDMARK NEWSPAPER	12/16/15	REIMBURSEMENTS	Cash Receipts	(288.06)	
60	WAKY 103.5	12/27/15	UK SPORTS SPONSORSHIP	15000679	1,716.00	X
61	TIME WARNER CABLE MEDIA SALES	12/27/15	SimpleSaver	15000867	265.76	C
62	BRANDENBURG TELEPHONE COMPAN	12/28/15	Simple Saver	15000635	120.00	C
63	EAST KENTUCKY POWER	12/29/15	REIMBURSEMENTS DSM PROGRAM	Cash Receipts	(4,476.00)	
64	COMMONWEALTH BROADCASTING CO	12/31/15	ENERGY STAR REBATE AND HEAT PUMP	15000684	560.00	C
65	WQXE 98.3	12/31/15	ENERGY STAR REBATE AND HEAT PUMP	15000796	1,116.00	C
66	BRANDENBURG TELEPHONE COMPAN	1/11/16	Simple Saver	15000940	120.00	C
67	EAST KENTUCKY POWER	1/12/16	BILL INSERTS	15000860	1,161.28	X
68	STRATEGIC PLANNING SPECIALISTS	1/20/16	CO-OP CARTOON AD	15000958	40.00	X
69	COMMONWEALTH BROADCASTING CO	1/31/16	BUTTON UP AND HEAT PUMP RETROFIT	15001157	1,120.00	C
70	WAKY 103.5	1/31/16	UK SPORTS SPONSORSHIP	15001151	2,020.00	X
71	WQXE 98.3	1/31/16	BUTTON UP AND HEAT PUMP RETROFIT	15001141	1,086.00	C
72	TIME WARNER CABLE MEDIA SALES	1/31/16	Simple Saver	15001299	165.12	C
73	WAVE TV	1/31/16	TOUCHSTONE ENERGY ADVERTISING	15001241	10,000.00	X
74	BRANDENBURG TELEPHONE COMPAN	2/1/16	SIMPLE SAVER	15001219	30.00	C
75	STRATEGIC PLANNING SPECIALISTS	2/17/16	CO-OP CARTOON AD	15001229	40.00	X
76	TIME WARNER CABLE MEDIA SALES	2/28/16	Simple Saver	15001582	0.44	C
77	COMMUNITY PARTNERS GROUP	2/29/16	LARUE COUNTY SHERIFF	15001320	399.00	X
78	PATSY WHITEHEAD	2/29/16	MILEAGE	15001387	49.14	X
79	PATSY WHITEHEAD	2/29/16	MILEAGE	15001387	38.51	X
80	WAKY 103.5	2/29/16	UK SPORTS SPONSORSHIP	15001394	1,716.00	X
81	WQXE 98.3	2/29/16	BUTTON UP	15001385	1,093.00	C
82	COMMONWEALTH BROADCASTING CO	2/29/16	BUTTON UP	15001591	1,120.00	C
83	STRATEGIC PLANNING SPECIALISTS	3/14/16	CO-OP CARTOON AD	15001581	40.00	X
84	WAKY 103.5	3/27/16	UK SPORTS SPONSORSHIP	15001840	1,716.00	X
85	WQXE 98.3	3/31/16	HEAT PUMP RETROFIT	15001829	2,450.00	C
86	WULF 94.3 FM	3/31/16	SIMPLE SAVER	15001836	1,240.00	C
87	COMMONWEALTH BROADCASTING CO	4/1/16	HEAT PUMP RETROFIT	15001740	1,120.00	C
88	EAST KENTUCKY POWER	4/8/16	REIMBURSEMENT ADVERTISING	Cash Receipts	(13,936.25)	
89	PERFECT DIGITAL MARKETING	4/15/16	6 MOS FEES	15001888	1,425.00	X
90	STRATEGIC PLANNING SPECIALISTS	4/20/16	CO-OP CARTOON AD	15002038	40.00	X
91	COMMONWEALTH BROADCASTING CO	4/24/16	HEAT PUMP RETROFIT	15002273	1,120.00	C
92	WAKY 103.5	4/24/16	UK SPORTS SPONSORSHIP	15002269	1,716.00	X
93	WQXE 98.3	4/30/16	HEAT PUMP RETROFIT/SIMPLE SAVER/R	15002260	3,247.00	C
94	NEWS ENTERPRISE	4/30/16	DISCOVER LARUE COUNTY SPONSORSHI	15002357	140.00	X
95						
96					<u>29,407.66</u>	
97						
98			REMOVE FROM RATE MAKING		41,206.06	X
99			SAFETY AND CONSERVATION ADVERTISING		38,306.28	S,C
100			REIMBURSED EXPENSES		(50,104.68)	
101					<u>29,407.66</u>	
102						
103	Legend:	C	Conservation			
104		S	Safety			
105		I	Information			

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016
Account 909- Advertising Expenses

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<u>Vendor</u>	<u>Date</u>	<u>Description</u>	<u>Check Number</u>	<u>Amount</u>	<u>Legend</u>
	X	Institutional			
	X	Sponsorship			

Advertising with the "x" has been removed for rate-making purposes since they are either institutional or sponsorship in nature.

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Nolin Rural Electric
Rate Case Expenses
April 30, 2016

Estimated rate case costs:

Legal	\$5,000
Consulting	63,000
Advertising	5,000
Supplies and miscellaneous	<u>2,000</u>
Total	75,000
Number of years	<u>3</u>
Adjustment	<u><u>\$25,000</u></u>

In-house labor was not included in the above adjustment as the labor would be incurred in other accounts.

This amount is approximately the same as other rate requests filed before this Commission.

The monthly amounts filed for rate case expenses will include the labor, however, this amount is not included in the above adjustment.

Nolin Rural Electric Cooperative

Case No. 2016-00367

Test Year April 30, 2016

Refer to Exhibit Y, pages 5-7 of the Application.

Nolin is proposing to remove the Ft. Knox operations from the test year to normalize the Nolin only operations. Nolin recognizes it records positive net margins from Ft. Knox, and thus will reduce the amount of the Nolin only increase requested in this Application by that amount.

Nolin Rural Electric
Case No. 2016-00367
April 30, 2016

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This adjustment is to remove G&T capital credits allocated during the test year.

East Kentucky Power Cooperative

\$ 3,474,463

Nolin Rural Electric Cooperative
 Case No. 2016-00367
 Purchase Power
 Test Year Billing Determinants
 April 30, 2016

Exhibit 15
 page 1 of 3
 Witness: Jim Adkins

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	Billing Demand Schedule C Interruptible			Schedule B all Kwh		Schedule C all Kwh		Total kwh billing Schedule E		Green Power	Total kwh	Metering Point	Substation Charge		
	Schedule B	Firm	Discount	Sch E2			On-Peak	Off-Peak					2,737	3,292	5,310
May	6,550	10,000	6,995	86,332	3,779,298	11,269,867	24,723,299	17,512,855	19,900	57,305,219	18	2	11	5	
June	6,550	10,000	7,286	116,359	3,061,695	11,351,276	30,495,538	19,619,859	19,900	64,548,268	18	2	11	5	
July	6,550	10,000	7,951	127,893	3,702,497	11,081,801	34,177,610	22,004,901	19,700	70,986,509	18	2	11	5	
August	6,550	10,000	7,951	119,068	3,835,531	12,041,126	31,481,680	19,860,741	19,700	67,238,778	18	2	11	5	
September	6,550	10,000	7,951	115,420	3,676,835	11,779,387	27,328,927	17,745,884	19,500	60,550,533	18	2	11	5	
October	6,550	10,000	7,951	80,575	3,690,696	12,131,830	18,044,694	20,804,858	19,600	54,691,678	18	2	11	5	
November	6,550	10,000	7,951	115,302	3,843,596	11,203,567	20,203,756	23,756,546	19,600	59,027,065	18	2	11	5	
December	6,550	10,000	7,951	117,917	3,715,317	10,828,204	23,181,559	27,499,484	19,600	65,244,164	18	2	11	5	
January	6,550	10,000	7,951	166,387	3,655,228	11,151,396	32,463,716	40,663,629	19,600	87,953,569	18	2	11	5	
February	6,550	10,000	7,951	148,253	3,362,947	11,037,907	26,427,757	32,586,072	19,600	73,434,283	18	2	11	5	
March	6,550	10,000	7,951	113,077	3,591,772	11,695,070	20,587,884	24,641,007	19,600	60,535,333	18	2	11	5	
April	<u>6,550</u>	<u>10,000</u>	<u>7,951</u>	<u>92,138</u>	<u>3,538,684</u>	<u>11,473,346</u>	<u>18,275,170</u>	<u>21,659,380</u>	<u>19,500</u>	<u>54,966,080</u>	<u>18</u>	<u>2</u>	<u>11</u>	<u>5</u>	
Total	<u>78,600</u>	<u>120,000</u>	<u>93,791</u>	<u>1,398,721</u>	<u>43,454,096</u>	<u>137,044,777</u>	<u>307,391,590</u>	<u>288,355,216</u>	<u>235,800</u>	<u>776,481,479</u>	<u>216</u>	<u>24</u>	<u>132</u>	<u>60</u>	

Nolin Rural Electric Cooperative
 Case No. 2016-00367
 Purchase Power
 April 30, 2016

Exhibit 15
 page 2 of 3
 Witness: Jim Adkins

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Sept - May

Billing Rates:	
KW-Sch B/C	7.17
Excess Contract	9.98
Contract Interruptible:	
Firm	6.98
Discount	3.48
Discount	2.78
KW-Sch E2	6.02
KWH-Sch B	0.042882
KWH-Sch C	0.040847
KWH-Sch E2 On-Peak	0.053279
KWH-Sch E2 Off-Peak	0.044554
Green power	0.02375
KVA 3000 - 7499	2,737.00
KVA 7500 - 14999	3,292.00
KVA 15000 - 89999	5,310.00
Meting Point	144.00

Changed in April 2016

	← Billing Demand →			← Total kwh billing →						Substation Charge			Buy Through/ Power Fact		Total from			
	Sch C - Interruptible			Demand	Schedule B	Schedule C	← Schedule E2 →		Green	Energy	Metering	3,000	7,500	15,000	Total	Penalty	Base Rates	
	Schedule B	Firm	Discount	Sch E2	Change	all Kwh	all Kwh	On-Peak	Off-Peak	Power	Charge	Point						
May	46,964	69,800	24,343	519,719	660,825	162,064	460,340	1,317,233	780,268	473	2,720,377	2,592	5,474	36,212	26,550	68,236	516	3,452,546
June	46,964	69,800	25,355	700,481	842,600	131,292	463,866	1,624,772	874,143	473	3,094,345	2,592	5,474	36,212	26,550	68,236	1,303	4,009,076
July	46,964	69,800	27,669	769,916	914,349	158,770	452,658	1,820,949	880,406	468	3,413,252	2,592	5,474	36,212	26,550	68,236	6,445	4,404,874
August	46,964	69,800	27,669	716,789	881,222	164,475	491,844	1,677,312	884,875	468	3,218,975	2,592	5,474	36,212	26,550	68,236		4,151,025
September	46,964	69,800	27,669	694,828	839,261	157,670	481,153	1,456,058	790,650	463	2,885,994	2,592	5,474	36,212	26,550	68,236	2,698	3,788,761
October	46,964	69,800	27,669	485,062	629,494	158,264	495,549	961,403	926,940	466	2,542,622	2,592	5,474	36,212	26,550	68,236		3,242,944
November	46,964	69,800	27,669	694,118	838,551	164,821	457,632	1,076,436	1,058,449	466	2,757,804	2,592	5,474	36,212	26,550	68,236		3,667,183
December	46,964	69,800	27,669	709,860	854,293	159,320	442,300	1,235,090	1,225,212	466	3,062,388	2,592	5,474	36,212	26,550	68,236		3,987,509
January	46,964	69,800	27,669	1,001,650	1,146,083	156,743	455,501	1,729,634	1,811,727	466	4,154,072	2,592	5,474	36,212	26,550	68,236		5,370,962
February	46,964	69,800	27,669	892,483	1,036,916	144,210	450,865	1,408,044	1,451,840	466	3,455,425	2,592	5,474	36,212	26,550	68,236		4,563,169
March	46,964	69,800	27,669	680,724	825,157	154,022	477,709	1,096,902	1,097,855	466	2,826,954	2,592	5,474	36,212	26,550	68,236		3,722,938
April	<u>46,964</u>	<u>69,800</u>	<u>22,104</u>	<u>554,671</u>	<u>693,538</u>	<u>151,746</u>	<u>468,652</u>	<u>973,683</u>	<u>965,012</u>	<u>463</u>	<u>2,559,556</u>	<u>2,592</u>	<u>5,474</u>	<u>36,212</u>	<u>26,550</u>	<u>68,236</u>	<u>6</u>	<u>3,323,926</u>
Total	<u>563,562</u>	<u>837,600</u>	<u>320,827</u>	<u>8,420,300</u>	<u>10,142,289</u>	<u>1,863,399</u>	<u>5,597,868</u>	<u>16,377,517</u>	<u>12,847,378</u>	<u>5,600</u>	<u>36,691,762</u>	<u>31,104</u>	<u>65,688</u>	<u>434,544</u>	<u>318,600</u>	<u>818,832</u>	<u>10,968</u>	<u>47,694,955</u>

Normalized using rates effective

	<u>563,562</u>	<u>837,600</u>	<u>260,739</u>	<u>8,420,300</u>	<u>10,082,201</u>	<u>1,863,399</u>	<u>5,597,868</u>	<u>16,377,517</u>	<u>12,847,378</u>	<u>5,600</u>	<u>36,691,762</u>	<u>31,104</u>	<u>65,688</u>	<u>434,544</u>	<u>318,600</u>	<u>818,832</u>	<u>10,968</u>	<u>47,634,867</u>
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Normalized adjustment (60,088)

Nolin Rural Electric Cooperative
Case No. 2016-00367
April 30, 2016

Exhibit 15
page 3 of 3
Witness: Jim Adkins

	Consumer Billing		Purchase Power	
	Fuel Adjustment	Environmental Surcharge	Fuel Adjustment	Environmental Surcharge
May	(417,843)	469,379	(419,327)	437,929
June	(491,859)	660,504	(153,576)	697,374
July	(121,085)	778,972	(194,449)	776,316
August	(129,846)	650,099	(241,318)	621,958
September	(197,561)	480,564	(217,912)	581,817
October	(210,910)	473,305	(243,838)	511,865
November	(294,663)	578,105	(211,835)	639,500
December	(262,776)	660,044	(195,674)	713,154
January	(224,090)	833,169	(400,980)	914,394
February	(275,787)	575,236	(226,852)	693,736
March	(172,746)	374,139	(331,022)	370,347
April	(375,412)	412,262	(379,129)	421,040
	<u>(3,174,578)</u>	<u>6,945,778</u>	<u>(3,215,912)</u>	<u>7,379,430</u>

The fuel adjustment clause (FAC) and environmental surcharge are passed on to consumers using the methodology prescribed by the Kentucky Public Service Commission.

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Nolin Rural Electric Cooperative
Case No. 2016-00367
Normalized Revenue Adjustments
April 30, 2016

Base rates for the test year	\$62,899,572
Normalized revenues using rates effective in Case No. 2010-00506	<u>62,842,390</u>
Normalized revenue adjustment	<u><u>(\$57,182)</u></u>

Nolin Rural Electric Cooperative
Case No. 2016-00367
End of Test Year Customer Adjustment
April 30, 2016

Exhibit 17
page 1 of 1
Witness: Jim Adkins

	1 <u>Farm & Home</u>	1 - P <u>Prepay</u>	2 <u>Small Commercial</u>	3 <u>Large Power</u>	4 <u>Large Industrial</u>	<u>Lights</u>
April	31,327	1,144	1,709	151	103	9,331
May	31,293	1,149	1,707	150	103	9,333
June	31,332	1,190	1,713	151	102	9,329
July	31,342	1,230	1,697	153	104	9,347
August	31,342	1,235	1,680	152	106	9,371
September	31,314	1,236	1,687	152	105	9,384
October	31,340	1,319	1,693	154	104	9,384
November	31,274	1,329	1,687	153	104	9,380
December	31,235	1,321	1,689	153	104	9,392
January	31,324	1,300	1,685	153	104	9,395
February	31,286	1,394	1,694	153	103	9,401
March	31,280	1,360	1,681	155	104	9,402
April	30,912	1,376	1,668	155	103	9,398
13 Month Average	<u>31,277</u>	<u>1,276</u>	<u>1,692</u>	<u>153</u>	<u>104</u>	<u>9,373</u>
Increase	<u>(365)</u>	<u>100</u>	<u>(24)</u>	<u>2</u>	<u>(1)</u>	<u>25</u>
Total base revenues	39,745,982	1,683,504	2,754,318	1,945,405	5,698,294	1,260,031
kwh useage	<u>423,005,481</u>	<u>17,160,104</u>	<u>26,021,043</u>	<u>21,124,491</u>	<u>70,647,798</u>	<u>8,388,513</u>
Average per kwh	<u>0.09396</u>	<u>0.09811</u>	<u>0.10585</u>	<u>0.09209</u>	<u>0.08066</u>	<u>0.15021</u>
Total billings, test year	375,274	15,439	20,281	1,834	1,246	112,516
Average monthly kwh use	1,127	1,111	1,283	11,518	56,700	75
Increase in consumers, times average use, times average rate, times 12 months, equals additional revenues	(463,894)	130,851	(39,113)	25,458	(54,879)	3,360
Increase in consumers, times average use, times average cost per kwh purchased, times 12 months, equals additional power cost	<u>(302,876)</u>	81,823	(22,668)	16,959	(41,740)	1,372
Net increase	<u>(161,018)</u>	49,028	(16,444)	8,499	(13,139)	1,988
Total cost of power, base rates			47,634,867			<u>(131,086)</u>
Kwh purchased			776,481,479			
Cost per kwh purchased			<u>\$0.06135</u>			

Nolin Rural Electric Cooperative Corporative
Case No. 2016-00367
Adjustment for Proposed Increase in Revenue
April 30, 2016

Proposed Revenues	\$68,185,279
Normalized revenues using rates effective in case No. 2010-00506	<u>\$62,842,390</u>
Amount of proposed increase	<u><u>\$5,342,889</u></u>

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$376	\$371	\$363	\$335	\$328	14.6 %
BLUE GRASS ENERGY	311	313	307	307	319	-2.5
CLARK ENERGY COOP	366	332	334	315	303	20.8
CUMBERLAND VALLEY	337	327	315	314	301	12.0
FARMERS	324	322	336	291	300	8.0
FLEMING-MASON	332	341	351	357	329	0.9
GRAYSON	503	559	481	492	476	5.7
INTER-COUNTY	350	358	343	347	349	0.3
JACKSON ENERGY	381	374	372	377	371	2.7
LICKING VALLEY	401	397	354	331	317	26.5
NOLIN	456	479	409	402	411	10.9
OWEN	302	297	295	291	289	4.5
SALT RIVER ELECTRIC	222	220	229	216	231	-3.9
SHELBY ENERGY	379	363	356	349	348	8.9
SOUTH KENTUCKY	307	291	284	264	280	9.6
TAYLOR COUNTY	<u>255</u>	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>4.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	329	359	340	\$334	\$353	-6.8 %
KENERGY	386	377	379	352	362	6.6
MEADE COUNTY	<u>333</u>	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>10.3</u>
AVERAGE BIG RIVERS	\$349	\$345	\$333	\$340	\$329	6.1 %
HICKMAN-FULTON	844	798	731	\$648	\$759	11.2 %
PENNYRILE	351	342	333	319	325	8.0
TRI-COUNTY	320	312	302	297	290	10.3
WARREN	330	330	341	347	345	-4.3
WEST KENTUCKY	<u>419</u>	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>13.2</u>
AVERAGE TVA	\$453	\$419	\$390	\$419	\$357	26.9 %
OVERALL AVERAGE	\$370	\$355	\$341	\$346	\$329	12.5 %

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$4,732	\$4,702	\$4,621	\$4,280	\$4,207	12.5 %
BLUE GRASS ENERGY	3,719	3,725	3,646	3,627	3,779	-1.6
CLARK ENERGY COOP	3,096	2,814	2,840	2,682	2,595	19.3
CUMBERLAND VALLEY	3,008	2,927	2,830	2,824	2,727	10.3
FARMERS	2,230	2,211	2,307	1,996	2,061	8.2
FLEMING-MASON	2,217	2,273	2,341	2,382	2,209	0.4
GRAYSON	3,131	3,472	2,988	3,047	2,963	5.7
INTER-COUNTY	2,320	2,387	2,285	2,326	2,341	-0.9
JACKSON ENERGY	3,433	3,383	3,368	3,410	3,348	2.5
LICKING VALLEY	3,368	3,359	3,001	2,818	2,710	24.3
NOLIN	5,228	5,448	4,613	4,484	4,527	15.5
OWEN	3,969	3,857	3,790	3,728	3,693	7.5
SALT RIVER ELECTRIC	2,642	2,606	2,702	2,539	2,711	-2.5
SHELBY ENERGY	2,825	2,676	2,608	2,548	2,542	11.1
SOUTH KENTUCKY	3,008	2,852	2,780	2,590	2,751	9.3
TAYLOR COUNTY	<u>2,050</u>	<u>2,006</u>	<u>1,972</u>	<u>1,960</u>	<u>1,948</u>	<u>5.2</u>
AVERAGE EKPC	\$3,187	\$3,044	\$2,953	\$2,946	\$2,919	9.2 %
JACKSON PURCHASE	\$3,281	\$3,577	\$3,400	\$3,340	\$3,532	-7.1 %
KENERGY	3,055	2,964	2,977	2,759	2,837	7.7
MEADE COUNTY	<u>3,019</u>	<u>3,029</u>	<u>3,015</u>	<u>3,032</u>	<u>2,892</u>	<u>4.4</u>
AVERAGE BIG RIVERS	\$3,119	\$3,130	\$3,044	\$3,087	\$2,970	5.0 %
HICKMAN-FULTON	\$4,313	\$4,069	\$3,708	\$3,395	\$4,037	6.8 %
PENNYRILE	3,248	3,165	3,080	2,945	3,000	8.3
TRI-COUNTY	2,995	2,897	2,800	2,761	2,674	12.0
WARREN	3,654	3,623	3,712	3,742	3,695	-1.1
WEST KENTUCKY	<u>3,916</u>	<u>4,000</u>	<u>3,661</u>	<u>3,128</u>	<u>3,462</u>	<u>13.1</u>
AVERAGE TVA	\$3,626	\$3,391	\$3,195	\$3,374	\$3,000	20.9 %
OVERALL AVERAGE	\$3,269	\$3,127	\$3,014	\$3,052	\$2,944	11.0 %

**KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2015 - 2014 ANNUAL COMPARISON**

**AVERAGE EXPENSE PER CONSUMER
EKPC**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 81.00	\$ 78.00	\$ 3.00
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 120.00	\$ -
ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)
CONSUMER INFORMATION	\$ 10.00	\$ 13.00	\$ (3.00)
ADMINISTRATION	<u>\$ 81.00</u>	<u>\$ 80.00</u>	<u>\$ 1.00</u>
TOTAL PER CONSUMER	\$ 350.00	\$ 350.00	\$ -

**AVERAGE EXPENSE PER CONSUMER
TVA**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 111.00	\$ 106.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 169.00	\$ 176.00	\$ (7.00)
ACCOUNTING	\$ 58.00	\$ 56.00	\$ 2.00
CONSUMER INFORMATION	\$ 10.00	\$ 11.00	\$ (1.00)
ADMINISTRATION	<u>\$ 105.00</u>	<u>\$ 93.00</u>	<u>\$ 12.00</u>
TOTAL PER CONSUMER	\$ 453.00	\$ 442.00	\$ 11.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1,173	1,172	1
MILES OF LINE	56,709	56,515	194
CONSUMERS BILLED	530,206	527,436	2,770
MILES OF LINE PER EMPLOYEE	48.5	48.4	0.1
CONSUMER PER EMPLOYEE	454	452	2
DENSITY CONSUMERS PER MILE	9.4	9.3	0.1

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	510	512	(2)
MILES OF LINE	21,118	21,048	70
CONSUMERS BILLED	203,654	202,017	1,637
MILES OF LINE PER EMPLOYEE	41.4	41.3	0.1
CONSUMER PER EMPLOYEE	399	396	3
DENSITY CONSUMERS PER MILE	9.6	9.6	0.0

**AVERAGE EXPENSE PER CONSUMER
BIG RIVERS**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 89.00	\$ 95.00	\$ (6.00)
DISTRIBUTION MAINTENANCE	\$ 123.00	\$ 125.00	\$ (2.00)
ACCOUNTING	\$ 59.00	\$ 59.00	\$ -
CONSUMER INFORMATION	\$ 4.00	\$ 7.00	\$ (3.00)
ADMINISTRATION	<u>\$ 74.00</u>	<u>\$ 72.00</u>	<u>\$ 2.00</u>
TOTAL PER CONSUMER	\$ 349.00	\$ 358.00	\$ (9.00)

**AVERAGE EXPENSE PER CONSUMER
OVERALL AVERAGE**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 88.00	\$ 86.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 130.00	\$ 132.00	\$ (2.00)
ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)
CONSUMER INFORMATION	\$ 9.00	\$ 12.00	\$ (3.00)
ADMINISTRATION	<u>\$ 85.00</u>	<u>\$ 82.00</u>	<u>\$ 3.00</u>
TOTAL PER CONSUMER	\$ 370.00	\$ 371.00	(\$1.00)

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	279	284	(5)
MILES OF LINE	13,291	13,276	15
CONSUMERS BILLED	114,936	114,210	726
MILES OF LINE PER EMPLOYEE	47.6	46.6	1.0
CONSUMER PER EMPLOYEE	412	401	11
DENSITY CONSUMERS PER MILE	8.6	8.6	0.0

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1962	1968	(6)
MILES OF LINE	91,118	90,839	279
CONSUMERS BILLED	848,796	843,663	5,133
MILES OF LINE PER EMPLOYEE	46.3	46.2	0.1
CONSUMER PER EMPLOYEE	431	429	2
DENSITY CONSUMERS PER MILE	9.3	9.3	0.0

2015
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	1,037	1,034	1,035	1,033	1,030	0.7 %
BLUE GRASS ENERGY	4,731	4,710	4,693	4,682	4,650	1.7
CLARK ENERGY COOP	3,085	3,066	3,056	3,052	3,042	1.4
CUMBERLAND VALLEY	2,643	2,639	2,633	2,626	2,614	1.1
FARMERS	3,632	3,624	3,615	3,602	3,591	1.1
FLEMING-MASON	3,595	3,582	3,575	3,560	3,550	1.3
GRAYSON	2,465	2,470	2,478	2,485	2,485	-0.8
INTER-COUNTY	3,875	3,834	3,803	3,779	3,765	2.9
JACKSON ENERGY	5,701	5,685	5,673	5,668	5,676	0.4
LICKING VALLEY	2,062	2,057	2,053	2,047	2,039	1.1
NOLIN	3,023	3,017	3,011	3,011	2,991	1.1
OWEN	4,522	4,530	4,522	4,514	4,509	0.3
SALT RIVER ELECTRIC	4,151	4,123	4,095	4,068	4,040	2.7
SHELBY ENERGY	2,126	2,121	2,109	2,104	2,097	1.4
SOUTH KENTUCKY	6,813	6,787	6,771	6,759	6,755	0.9
TAYLOR COUNTY	<u>3,248</u>	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>1.2</u>
TOTAL EKPC	56,709	56,352	56,208	56,044	55,869	1.5 %
JACKSON PURCHASE	2,945	2,939	2,932	2,923	2,918	0.9 %
KENERGY	7,130	7,113	7,084	7,068	7,047	1.2
MEADE COUNTY	<u>3,216</u>	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>8.1</u>
TOTAL BIG RIVERS	13,291	12,998	12,961	12,939	12,893	3.1 %
HICKMAN-FULTON	729	726	727	704	691	5.5 %
PENNYRILE	5,124	5,095	5,079	5,092	5,089	0.7
TRI-COUNTY	5,483	5,464	5,458	5,451	5,449	0.6
WARREN	5,658	5,645	5,632	5,623	5,626	0.6
WEST KENTUCKY	<u>4,124</u>	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>1.1</u>
TOTAL TVA	21,118	21,007	20,961	20,934	20,926	0.9 %
OVERALL TOTAL	91,118	90,357	90,130	89,917	89,688	1.6 %

**2015
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS**

COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	83	120	203	67	4	102	376	42	1,037	13,053	25.0	311	13.0
BLUE GRASS ENERGY COOP	51	118	169	47	14	81	311	100	4,731	56,584	47.3	566	12.0
CLARK ENERGY COOP	93	153	246	56	10	54	366	52	3,085	26,085	59.3	502	8.5
CUMBERLAND VALLEY ELECTRIC	60	124	184	84	4	65	337	49	2,643	23,566	53.9	481	8.8
FARMERS RECC	70	119	189	44	5	86	324	62	3,632	24,987	59.0	403	6.9
FLEMING-MASON ENERGY	75	120	195	68	8	63	332	49	3,595	24,010	73.4	490	6.7
GRAYSON RECC	72	208	280	73	16	134	503	47	2,465	15,344	52.5	326	6.2
INTER-COUNTY ENERGY	108	74	182	68	16	86	350	69	3,875	25,888	56.2	372	6.6
JACKSON ENERGY COOP	90	118	208	61	17	95	381	121	5,701	51,359	47.1	424	9.0
LICKING VALLEY RECC	105	158	263	52	1	65	401	44	2,062	17,323	46.9	394	8.4
NOLIN RECC	126	112	238	72	21	125	456	98	3,023	34,658	30.8	354	11.5
OWEN EC	79	69	148	65	11	78	302	128	4,522	59,409	35.1	461	13.1
SALT RIVER ELECTRIC	53	62	115	38	6	65	222	72	4,151	49,401	57.7	686	11.9
SHELBY ENERGY COOP	95	165	260	27	24	68	378	41	2,126	15,854	51.9	387	7.5
SOUTH KENTUCKY RECC	63	123	186	56	6	59	307	144	6,813	66,763	47.3	464	9.8
TAYLOR COUNTY RECC	72	74	146	52	1	56	255	54	3,248	26,104	60.0	483	8.0
EKPC GROUP AVERAGE	81	120	201	58	10	81	360	73	3,544	33,138	48.5	454	9.4
JACKSON PURCHASE ENERGY	93	111	204	44	2	78	329	71	2,945	29,364	41.5	414	10.0
KENERGY CORP	71	151	222	79	5	80	386	146	7,130	56,406	48.8	386	7.9
MEADE COUNTY RECC	103	107	210	55	5	63	333	62	3,216	29,166	52.0	470	9.1
BIG RIVERS GROUP AVERAGE	89	123	212	59	4	74	349	93	4,430	38,312	47.6	412	8.6
HICKMAN-FULTON COUNTIES RECC	166	382	548	61	6	228	844	15	728	3,726	48.6	248	6.1
PENNYRILE RECC	106	94	200	52	12	87	351	119	5,124	47,426	43.1	399	9.3
TRI-COUNTY EMC	95	117	212	50	13	45	320	126	5,483	51,303	43.5	407	9.4
WARREN RECC	86	90	176	57	13	84	330	157	5,658	62,658	36.0	399	11.1
WEST KENTUCKY RECC	101	161	262	72	4	81	419	93	4,124	38,541	44.3	414	9.4
TVA GROUP AVERAGE	111	169	280	58	10	105	463	102	4,224	40,731	41.4	399	9.6
OVERALL AVERAGE	88	130	218	58	9	85	370	82	3,797	35,367	46.3	431	9.3

**2015
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS**

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	1045	1,510	2,555	843	50	1,284	4,732	42	1,037	11,960	18,679,347	130.2
BLUE GRASS ENERGY COOP	610	1,411	2,021	562	167	969	3,718	100	4,731	53,808	83,902,592	129.9
CLARK ENERGY COOP	786	1,294	2,080	474	85	457	3,086	52	3,085	24,317	36,458,088	124.9
CUMBERLAND VALLEY ELECTRIC	535	1,107	1,642	750	36	560	3,008	49	2,643	21,882	31,119,699	118.0
FARMERS RECC	482	819	1,301	303	34	582	2,230	62	3,632	23,087	31,985,735	115.5
FLEMING-MASON ENERGY	501	801	1,302	454	40	421	2,217	49	3,585	22,308	30,262,759	113.1
GRAYSON RECC	448	1,295	1,743	454	100	834	3,131	47	2,465	14,117	23,009,195	135.8
INTER-COUNTY ENERGY	716	491	1,207	437	106	570	2,320	69	3,875	24,170	37,622,733	128.7
JACKSON ENERGY COOP	811	1,063	1,874	550	153	856	3,433	121	5,701	47,664	75,406,746	131.8
LICKING VALLEY RECC	882	1,327	2,209	437	8	714	3,368	44	2,062	16,212	20,838,229	107.1
NOLIN RECC	1445	1,284	2,729	825	241	1,433	5,228	98	3,023	32,678	48,140,251	122.8
OWEN EC	1038	907	1,945	854	145	1,025	3,969	129	4,522	56,754	83,000,218	121.9
SALT RIVER ELECTRIC	631	738	1,369	428	71	774	2,642	72	4,151	46,280	66,444,049	119.6
SHELBY ENERGY COOP	708	1,230	1,938	201	179	507	2,825	41	2,126	15,214	24,385,887	133.6
SOUTH KENTUCKY RECC	617	1,205	1,822	549	59	578	3,008	144	6,813	60,801	82,959,317	113.7
TAYLOR COUNTY RECC	579	595	1,174	418	8	450	2,050	54	3,248	22,935	29,711,247	108.0
EKPC GROUP AVERAGE	740	1,067	1,807	534	93	753	3,187	73	3,544	30,894	45,245,381	122.0
JACKSON PURCHASE ENERGY	927	1,107	2,034	439	20	788	3,281	71	2,945	25,347	37,547,205	123.4
KENERGY CORP	562	1,195	1,757	625	40	633	3,055	146	7,130	45,587	72,523,048	132.6
MEADE COUNTY RECC	934	970	1,904	499	45	571	3,018	62	3,216	27,038	35,511,355	109.5
BIG RIVERS GROUP AVERAGE	808	1,091	1,899	521	35	664	3,119	93	4,430	32,657	48,527,203	123.8
HICKMAN-FULTON COUNTIES RECC	848	1,952	2,800	312	31	1,170	4,313	16	728	2,860	5,391,652	156.0
PENNYRILE RECC	881	870	1,851	481	111	805	3,248	119	5,124	42,345	87,028,690	131.9
TRI-COUNTY EMC	889	1,095	1,984	468	122	421	2,985	126	5,483	41,625	65,431,598	131.0
WARREN RECC	952	997	1,949	831	144	930	3,654	157	5,658	52,123	92,518,423	147.9
WEST KENTUCKY RECC	844	1,505	2,449	673	37	757	3,916	93	4,124	30,319	54,763,894	150.6
TVA GROUP AVERAGE	923	1,284	2,207	513	69	817	3,626	102	4,224	33,858	57,030,851	140.4
OVERALL AVERAGE	786	1,115	1,901	528	85	755	3,269	82	3,797	31,732	48,110,815	126.4

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	13,053	13,102	13,177	13,199	13,213	-1.2 %
BLUE GRASS ENERGY	56,584	56,075	55,725	55,297	55,087	2.7
CLARK ENERGY COOP	26,085	25,989	25,985	25,980	26,041	0.2
CUMBERLAND VALLEY	23,586	23,619	23,659	23,613	23,684	-0.4
FARMERS	24,987	24,894	24,816	24,710	24,683	1.2
FLEMING-MASON	24,010	23,885	23,833	23,758	23,827	0.8
GRAYSON	15,344	15,338	15,391	15,389	15,470	-0.8
INTER-COUNTY	25,686	25,568	25,328	25,338	25,250	1.7
JACKSON ENERGY	51,359	51,435	51,360	51,250	51,224	0.3
LICKING VALLEY	17,323	17,400	17,408	17,426	17,428	-0.6
NOLIN	34,658	34,314	33,957	33,580	32,948	5.2
OWEN	59,409	58,840	58,095	57,809	57,596	3.1
SALT RIVER ELECTRIC	49,401	48,851	48,320	47,805	47,411	4.2
SHELBY ENERGY	15,854	15,638	15,457	15,360	15,315	3.5
SOUTH KENTUCKY	66,763	66,530	66,272	66,327	66,361	0.6
TAYLOR COUNTY	<u>26,104</u>	<u>25,958</u>	<u>25,888</u>	<u>25,728</u>	<u>25,613</u>	<u>1.9</u>
TOTAL EKPC	530,206	524,671	522,569	521,151	520,484	1.9 %
JACKSON PURCHASE	29,364	29,293	29,313	29,241	29,199	0.6 %
KENERGY	56,406	55,932	55,677	55,419	55,210	2.2
MEADE COUNTY	<u>29,166</u>	<u>28,985</u>	<u>28,730</u>	<u>28,592</u>	<u>28,478</u>	<u>2.4</u>
TOTAL BIG RIVERS	114,936	113,720	113,252	112,887	112,410	2.2 %
HICKMAN-FULTON	3,726	3,702	3,687	3,689	3,675	1.4 %
PENNYRILE	47,426	47,154	46,976	47,013	46,965	1.0
TRI-COUNTY	51,303	50,720	50,612	50,679	50,240	2.1
WARREN	62,658	61,958	61,316	60,641	60,265	4.0
WEST KENTUCKY	<u>38,541</u>	<u>38,483</u>	<u>38,398</u>	<u>38,310</u>	<u>38,154</u>	<u>1.0</u>
TOTAL TVA	203,654	200,989	200,332	199,299	199,224	2.2 %
OVERALL TOTAL	848,796	839,380	836,153	833,337	832,118	2.0 %

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL RESIDENTIAL REVENUES
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$18,679,347	\$20,352,830	\$20,214,344	\$18,915,867	\$19,254,338	-3.0 %
BLUE GRASS ENERGY	83,902,592	90,335,203	86,731,904	82,219,020	85,884,006	-2.3
CLARK ENERGY COOP	36,458,088	39,274,668	37,408,399	35,261,019	36,708,481	-0.7
CUMBERLAND VALLEY	31,119,699	32,804,899	31,849,912	30,386,944	31,460,869	-1.1
FARMERS	31,985,735	35,189,349	34,021,119	31,180,284	32,782,120	-2.4
FLEMING-MASON	30,262,759	32,135,777	31,290,157	29,690,084	28,199,358	7.3
GRAYSON	23,009,195	24,408,364	23,854,195	21,816,428	21,978,172	4.7
INTER-COUNTY	37,622,733	42,209,063	39,836,984	36,934,661	38,974,091	-3.5
JACKSON ENERGY	75,406,746	84,922,276	81,972,647	77,832,875	81,135,113	-7.1
LICKING VALLEY	20,838,229	22,943,939	22,724,114	21,314,628	21,839,711	-4.6
NOLIN	48,140,251	53,001,534	51,335,752	47,495,013	48,149,006	0.0
OWEN	83,000,218	87,221,855	79,439,125	79,578,364	79,163,922	4.8
SALT RIVER ELECTRIC	66,444,049	71,348,351	69,064,012	65,507,556	66,517,122	-0.1
HELBY ENERGY	24,385,887	26,276,277	25,519,497	23,937,841	25,853,776	-5.7
SOUTH KENTUCKY	82,959,317	90,207,014	86,420,326	80,375,682	84,493,130	-1.8
TAYLOR COUNTY	<u>29,711,247</u>	<u>32,121,022</u>	<u>30,403,252</u>	<u>28,434,719</u>	<u>29,703,937</u>	<u>0.0</u>
TOTAL EKPC	\$723,926,092	\$752,085,739	\$710,880,985	\$732,097,152	\$725,664,973	-0.2 %
JACKSON PURCHASE	\$37,547,205	\$39,086,440	\$34,338,887	\$31,043,685	\$29,070,144	29.2 %
KENERGY	72,523,048	74,095,848	65,362,048	58,093,381	56,283,522	28.9
MEADE COUNTY	<u>35,511,355</u>	<u>36,725,209</u>	<u>31,876,222</u>	<u>27,769,525</u>	<u>27,479,674</u>	<u>29.2</u>
TOTAL BIG RIVERS	\$145,581,608	\$131,577,157	\$116,906,591	\$112,833,340	\$114,563,582	27.1 %
HICKMAN-FULTON	\$5,391,652	\$5,688,518	\$5,499,579	\$5,599,551	\$5,999,873	-10.1 %
PENNYRILE	67,028,690	71,535,238	66,136,309	62,724,839	65,110,934	2.9
TRI-COUNTY	65,431,598	69,404,761	64,475,661	62,236,827	65,426,019	0.0
WARREN	92,518,423	96,944,907	87,750,045	86,515,348	89,954,828	2.8
WEST KENTUCKY	<u>54,783,894</u>	<u>57,249,601</u>	<u>53,582,845</u>	<u>54,479,631</u>	<u>57,812,187</u>	<u>-5.2</u>
TOTAL TVA	\$285,154,257	\$277,444,439	\$271,556,196	\$284,303,841	\$284,036,188	0.4 %
OVERALL TOTAL	\$1,154,661,957	\$1,161,107,335	\$1,099,343,772	\$1,129,234,333	\$1,124,264,743	2.7 %

2014
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	1,034	1,035	1,033	1,030	1,027	0.7 %
BLUE GRASS ENERGY	4,710	4,693	4,682	4,650	4,632	1.7
CLARK ENERGY COOP	3,066	3,056	3,052	3,042	3,036	1.0
CUMBERLAND VALLEY	2,639	2,633	2,626	2,614	2,616	0.9
FARMERS	3,624	3,615	3,602	3,591	3,577	1.3
FLEMING-MASON	3,582	3,575	3,560	3,550	3,537	1.3
GRAYSON	2,470	2,478	2,485	2,485	2,483	-0.5
INTER-COUNTY	3,834	3,803	3,779	3,765	3,748	2.3
JACKSON ENERGY	5,685	5,673	5,668	5,676	5,664	0.4
LICKING VALLEY	2,057	2,053	2,047	2,039	2,031	1.3
NOLIN	3,017	3,011	3,011	2,991	2,980	1.2
OWEN	4,530	4,522	4,514	4,509	4,493	0.8
SALT RIVER ELECTRIC	4,123	4,095	4,068	4,040	4,016	2.7
SHELBY ENERGY	2,121	2,109	2,104	2,097	2,096	1.2
SOUTH KENTUCKY	6,787	6,771	6,759	6,755	6,735	0.8
TAYLOR COUNTY	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>3,198</u>	<u>1.2</u>
TOTAL EKPC	56,515	56,352	56,208	56,044	55,869	1.2 %
JACKSON PURCHASE	2,939	2,932	2,923	2,918	2,909	1.0 %
KENERGY	7,113	7,084	7,068	7,047	7,010	1.5
MEADE COUNTY	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>2,974</u>	<u>8.4</u>
TOTAL BIG RIVERS	13,276	12,998	12,961	12,939	12,893	3.0 %
HICKMAN-FULTON	726	727	704	691	684	6.1 %
PENNYRILE	5,095	5,079	5,092	5,089	5,100	-0.1
TRI-COUNTY	5,464	5,458	5,451	5,449	5,451	0.2
WARREN	5,645	5,632	5,623	5,626	5,622	0.4
WEST KENTUCKY	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>4,069</u>	<u>1.2</u>
TOTAL TVA	21,048	21,007	20,961	20,934	20,926	0.6 %
OVERALL TOTAL	90,839	90,357	90,130	89,917	89,688	1.3 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$4,702	\$4,621	\$4,280	\$4,207	\$4,611	2.0 %
BLUE GRASS ENERGY	3,725	3,646	3,627	3,779	3,798	-1.9
CLARK ENERGY COOP	2,814	2,840	2,682	2,595	2,542	10.7
CUMBERLAND VALLEY	2,927	2,830	2,824	2,727	2,805	4.3
FARMERS	2,211	2,307	1,996	2,061	1,985	11.4
FLEMING-MASON	2,273	2,341	2,382	2,209	2,135	6.5
GRAYSON	3,472	2,988	3,047	2,963	2,645	31.3
INTER-COUNTY	2,387	2,285	2,326	2,341	2,211	8.0
JACKSON ENERGY	3,383	3,368	3,410	3,348	3,118	8.5
LICKING VALLEY	3,359	3,001	2,818	2,710	2,721	23.4
NOLIN	5,448	4,613	4,484	4,527	4,469	21.9
OWEN	3,857	3,790	3,728	3,693	3,735	3.3
SALT RIVER ELECTRIC	2,606	2,702	2,539	2,711	2,612	-0.2
SHELBY ENERGY	2,676	2,608	2,548	2,542	2,572	4.0
SOUTH KENTUCKY	2,852	2,780	2,590	2,751	2,870	-0.6
TAYLOR COUNTY	<u>2,006</u>	<u>1,972</u>	<u>1,960</u>	<u>1,948</u>	<u>1,886</u>	<u>6.4</u>
AVERAGE EKPC	\$3,169	\$3,044	\$2,953	\$2,946	\$2,919	8.6 %
JACKSON PURCHASE	\$3,577	\$3,400	\$3,340	\$3,532	\$3,197	11.9 %
KENERGY	2,964	2,977	2,759	2,837	2,919	1.5
MEADE COUNTY	<u>3,029</u>	<u>3,015</u>	<u>3,032</u>	<u>2,892</u>	<u>2,794</u>	<u>8.4</u>
AVERAGE BIG RIVERS	\$3,190	\$3,130	\$3,044	\$3,087	\$2,970	7.4 %
HICKMAN-FULTON	\$4,069	\$3,708	\$3,395	\$4,037	\$2,835	43.5 %
PENNYRILE	3,165	3,080	2,945	3,000	2,644	19.7
TRI-COUNTY	2,897	2,800	2,761	2,674	2,623	10.4
WARREN	3,623	3,712	3,742	3,695	3,586	1.0
WEST KENTUCKY	<u>4,000</u>	<u>3,661</u>	<u>3,128</u>	<u>3,462</u>	<u>3,313</u>	<u>20.7</u>
AVERAGE TVA	\$3,551	\$3,391	\$3,195	\$3,374	\$3,000	18.4 %
OVERALL AVERAGE	\$3,251	\$3,127	\$3,014	\$3,052	\$2,944	10.4 %

2014
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	13,102	13,177	13,199	13,213	13,226	-0.9 %
BLUE GRASS ENERGY	56,075	55,725	55,297	55,087	54,980	2.0
CLARK ENERGY COOP	25,989	25,985	25,980	26,041	26,154	-0.6
CUMBERLAND VALLEY	23,619	23,659	23,613	23,684	23,749	-0.5
FARMERS	24,894	24,816	24,710	24,683	24,574	1.3
FLEMING-MASON	23,885	23,833	23,758	23,827	23,822	0.3
GRAYSON	15,338	15,391	15,389	15,470	15,533	-1.3
INTER-COUNTY	25,568	25,328	25,338	25,250	25,256	1.2
JACKSON ENERGY	51,435	51,360	51,250	51,224	51,338	0.2
LICKING VALLEY	17,400	17,408	17,426	17,428	17,493	-0.5
NOLIN	34,314	33,957	33,580	32,948	32,638	5.1
OWEN	58,840	58,095	57,809	57,596	57,478	2.4
SALT RIVER ELECTRIC	48,851	48,320	47,805	47,411	47,046	3.8
SHELBY ENERGY	15,638	15,457	15,360	15,315	15,311	2.1
SOUTH KENTUCKY	66,530	66,272	66,327	66,361	66,430	0.2
TAYLOR COUNTY	<u>25,958</u>	<u>25,888</u>	<u>25,728</u>	<u>25,613</u>	<u>25,456</u>	<u>2.0</u>
TOTAL EKPC	527,436	524,671	522,569	521,151	520,484	1.3 %
JACKSON PURCHASE	29,293	29,313	29,241	29,199	29,152	0.5 %
KENERGY	55,932	55,677	55,419	55,210	54,991	1.7
MEADE COUNTY	<u>28,985</u>	<u>28,730</u>	<u>28,592</u>	<u>28,478</u>	<u>28,267</u>	<u>2.5</u>
TOTAL BIG RIVERS	114,210	113,720	113,252	112,887	112,410	1.6 %
HICKMAN-FULTON	3,702	3,687	3,689	3,675	3,716	-0.4 %
PENNYRILE	47,154	46,976	47,013	46,965	46,984	0.4
TRI-COUNTY	50,720	50,612	50,679	50,240	50,340	0.8
WARREN	61,958	61,316	60,641	60,265	59,995	3.3
WEST KENTUCKY	<u>38,483</u>	<u>38,398</u>	<u>38,310</u>	<u>38,154</u>	<u>38,189</u>	<u>0.8</u>
TOTAL TVA	202,017	200,989	200,332	199,299	199,224	1.4 %
OVERALL TOTAL	843,663	839,380	836,153	833,337	832,118	1.4 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$371	\$363	\$335	\$328	\$358	3.6 %
BLUE GRASS ENERGY	313	307	307	319	320	-2.2
CLARK ENERGY COOP	332	334	315	303	295	12.5
CUMBERLAND VALLEY	327	315	314	301	309	5.8
FARMERS	322	336	291	300	289	11.4
FLEMING-MASON	341	351	357	329	317	7.6
GRAYSON	559	481	492	476	423	32.2
INTER-COUNTY	358	343	347	349	328	9.1
JACKSON ENERGY	374	372	377	371	344	8.7
LICKING VALLEY	397	354	331	317	316	25.6
NOLIN	479	409	402	411	408	17.4
OWEN	297	295	291	289	292	1.7
SALT RIVER ELECTRIC	220	229	216	231	223	-1.3
SHELBY ENERGY	363	356	349	348	352	3.1
SOUTH KENTUCKY	291	284	264	280	291	0.0
TAYLOR COUNTY	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>237</u>	<u>5.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	359	340	\$334	\$353	\$319	12.5 %
KENERGY	377	379	352	362	372	1.3
MEADE COUNTY	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>294</u>	<u>14.6</u>
AVERAGE BIG RIVERS	\$358	\$345	\$333	\$340	\$329	8.8 %
HICKMAN-FULTON	798	731	\$648	\$759	\$522	52.9 %
PENNYRILE	342	333	319	325	287	19.2
TRI-COUNTY	312	302	297	290	284	9.9
WARREN	330	341	347	345	336	-1.8
WEST KENTUCKY	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>353</u>	<u>21.2</u>
AVERAGE TVA	\$442	\$419	\$390	\$419	\$357	23.8 %
OVERALL AVERAGE	\$371	\$355	\$341	\$346	\$329	12.8 %

2014
KENTUCKY ELECTRIC COOPERATIVES
TOTAL RESIDENTIAL REVENUES
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$20,352,830	\$20,214,344	\$18,915,867	\$19,254,338	\$19,504,677	4.3 %
BLUE GRASS ENERGY	90,335,203	86,731,904	82,219,020	85,884,006	84,916,241	6.4
CLARK ENERGY COOP	39,274,668	37,408,399	35,261,019	36,708,481	35,307,191	11.2
CUMBERLAND VALLEY	32,804,899	31,849,912	30,386,944	31,460,869	32,537,708	0.8
FARMERS	35,189,349	34,021,119	31,180,284	32,782,120	33,283,884	5.7
FLEMING-MASON	32,135,777	31,290,157	29,690,084	28,199,358	28,565,335	12.5
GRAYSON	24,408,364	23,854,195	21,816,428	21,978,172	22,417,367	8.9
INTER-COUNTY	42,209,063	39,836,984	36,934,661	38,974,091	38,111,051	10.8
JACKSON ENERGY	84,922,276	81,972,647	77,832,875	81,135,113	81,946,986	3.6
LICKING VALLEY	22,943,939	22,724,114	21,314,628	21,839,711	22,255,988	3.1
NOLIN	53,001,534	51,335,752	47,495,013	48,149,006	48,360,150	9.6
OWEN	87,221,855	79,439,125	79,578,364	79,163,922	77,481,108	12.6
SALT RIVER ELECTRIC	71,348,351	69,064,012	65,507,556	66,517,122	65,700,823	8.6
SHELBY ENERGY	26,276,277	25,519,497	23,937,841	25,853,776	23,574,557	11.5
SOUTH KENTUCKY	90,207,014	86,420,326	80,375,682	84,493,130	82,781,238	9.0
TAYLOR COUNTY	<u>32,121,022</u>	<u>30,403,252</u>	<u>28,434,719</u>	<u>29,703,937</u>	<u>28,920,669</u>	<u>11.1</u>
TOTAL EKPC	\$784,752,421	\$752,085,739	\$710,880,985	\$732,097,152	\$725,664,973	8.1 %
JACKSON PURCHASE	\$39,086,440	\$34,338,887	\$31,043,685	\$29,070,144	\$31,240,203	25.1 %
KENERGY	74,095,848	65,362,048	58,093,381	56,283,522	57,146,551	29.7
MEADE COUNTY	<u>36,725,209</u>	<u>31,876,222</u>	<u>27,769,525</u>	<u>27,479,674</u>	<u>26,176,828</u>	<u>40.3</u>
TOTAL BIG RIVERS	\$149,907,497	\$131,577,157	\$116,906,591	\$112,833,340	\$114,563,582	30.9 %
HICKMAN-FULTON	\$5,688,518	\$5,499,579	\$5,599,551	\$5,999,873	\$5,138,805	10.7 %
PENNYRILE	71,535,238	66,136,309	62,724,839	65,110,934	64,755,328	10.5
TRI-COUNTY	69,404,761	64,475,661	62,236,827	65,426,019	70,308,752	-1.3
WARREN	96,944,907	87,750,045	86,515,348	89,954,828	85,524,135	13.4
WEST KENTUCKY	<u>57,249,601</u>	<u>53,582,845</u>	<u>54,479,631</u>	<u>57,812,187</u>	<u>58,309,168</u>	<u>-1.8</u>
TOTAL TVA	\$300,823,025	\$277,444,439	\$271,556,196	\$284,303,841	\$284,036,188	5.9 %
OVERALL TOTAL	\$1,235,482,943	\$1,161,107,335	\$1,099,343,772	\$1,129,234,333	\$1,124,264,743	9.9 %

**KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2014 - 2013 ANNUAL COMPARISON**

**AVERAGE EXPENSE PER CONSUMER
EKPC**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 78.00	\$ 78.00	\$ -
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 109.00	\$ 11.00
ACCOUNTING	\$ 59.00	\$ 58.00	\$ 1.00
CONSUMER INFORMATION	\$ 13.00	\$ 13.00	\$ -
ADMINISTRATION	\$ 80.00	\$ 78.00	\$ 2.00
TOTAL PER CONSUMER	\$ 350.00	\$ 336.00	\$ 14.00

**AVERAGE EXPENSE PER CONSUMER
TVA**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 106.00	\$ 101.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 176.00	\$ 162.00	\$ 14.00
ACCOUNTING	\$ 56.00	\$ 56.00	\$ -
CONSUMER INFORMATION	\$ 11.00	\$ 11.00	\$ -
ADMINISTRATION	\$ 93.00	\$ 89.00	\$ 4.00
TOTAL PER CONSUMER	\$ 442.00	\$ 419.00	\$ 23.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1,172	1,188	(16)
MILES OF LINE	56,515	56,352	163
CONSUMERS BILLED	527,436	524,671	2,765
MILES OF LINE PER EMPLOYEE	48.4	47.6	0.8
CONSUMER PER EMPLOYEE	452	443	9
DENSITY CONSUMERS PER MILE	9.3	9.3	0

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	512	505	\$ 7.00
MILES OF LINE	21,048	21,007	\$ 41.00
CONSUMERS BILLED	202,017	200,989	\$ 1,028.00
MILES OF LINE PER EMPLOYEE	41.3	41.6	\$ (0.30)
CONSUMER PER EMPLOYEE	396	398	\$ (2.00)
DENSITY CONSUMERS PER MILE	9.6	9.6	\$ -

**AVERAGE EXPENSE PER CONSUMER
BIG RIVERS**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 95.00	\$ 86.00	\$ 9.00
DISTRIBUTION MAINTENANCE	\$ 125.00	\$ 125.00	\$ -
ACCOUNTING	\$ 59.00	\$ 52.00	\$ 7.00
CONSUMER INFORMATION	\$ 7.00	\$ 7.00	\$ -
ADMINISTRATION	\$ 72.00	\$ 75.00	\$ (3.00)
TOTAL PER CONSUMER	\$ 358.00	\$ 345.00	\$ 13.00

**AVERAGE EXPENSE PER CONSUMER
OVERALL AVERAGE**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 86.00	\$ 84.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 132.00	\$ 122.00	\$ 10.00
ACCOUNTING	\$ 59.00	\$ 57.00	\$ 2.00
CONSUMER INFORMATION	\$ 12.00	\$ 12.00	\$ -
ADMINISTRATION	\$ 82.00	\$ 80.00	\$ 2.00
TOTAL PER CONSUMER	\$ 371.00	\$ 355.00	\$ 16.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	284	278	6
MILES OF LINE	13,276	12,958	278
CONSUMERS BILLED	114,210	113,720	490
MILES OF LINE PER EMPLOYEE	46.8	46.6	0.0
CONSUMER PER EMPLOYEE	401	408	(7)
DENSITY CONSUMERS PER MILE	8.6	8.7	(0)

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1968	1971	(3)
MILES OF LINE	90,839	90,357	482
CONSUMERS BILLED	843,663	839,380	4,283
MILES OF LINE PER EMPLOYEE	46.2	45.9	0
CONSUMER PER EMPLOYEE	429	427	2
DENSITY CONSUMERS PER MILE	9.3	9.3	0

2014
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	74	125	189	67	7	88	371	42	1,034	13,102	25.0	312	13.0
BLUE GRASS ENERGY COOP	48	113	161	49	18	65	313	104	4,710	58,075	45.3	539	11.9
CLARK ENERGY COOP	68	137	205	57	12	58	332	53	3,066	25,989	57.8	490	8.5
CUMBERLAND VALLEY ELECTRIC	61	115	176	80	7	64	327	51	2,639	23,819	51.8	463	9.0
FARMERS RECC	67	119	186	44	7	85	322	52	3,624	24,894	58.5	402	6.9
FLEMING-MASON ENERGY	83	118	201	74	7	59	341	51	3,582	23,885	70.2	458	6.7
GRAYSON RECC	76	263	339	74	19	127	559	46	2,470	15,338	53.7	333	6.2
INTER-COUNTY ENERGY	103	80	183	65	20	90	358	63	3,834	25,568	61.0	406	6.7
JACKSON ENERGY COOP	91	114	205	81	16	92	374	121	5,685	51,435	47.0	425	9.1
LICKING VALLEY RECC	107	143	250	57	6	84	397	44	2,057	17,400	46.7	395	8.5
NOLIN RECC	107	141	248	78	25	130	478	86	3,017	34,314	31.4	357	11.4
OWEN EC	86	63	149	68	13	69	297	130	4,530	58,840	34.9	453	13.0
SALT RIVER ELECTRIC	57	57	114	37	8	61	220	72	4,123	48,851	57.3	678	11.9
SHELBY ENERGY COOP	90	135	225	42	25	71	363	39	2,121	15,638	54.4	401	7.4
SOUTH KENTUCKY RECC	59	116	175	58	10	50	291	145	6,787	66,530	46.8	459	9.8
TAYLOR COUNTY RECC	74	74	148	42	3	57	250	53	3,238	25,958	61.0	490	8.0
EKPC GROUP AVERAGE	78	120	198	59	13	80	350	73	3,532	32,965	48.4	452	9.3
JACKSON PURCHASE ENERGY	108	112	220	50	3	86	359	74	2,939	29,293	39.7	396	10.0
KENERGY CORP	74	156	230	70	5	72	377	150	7,113	55,932	47.4	373	7.9
MEADE COUNTY RECC	104	106	210	57	13	57	337	60	3,224	28,985	54.0	483	9.0
BIG RIVERS GROUP AVERAGE	95	125	220	59	7	72	358	95	4,425	38,070	46.8	401	8.6
HICKMAN-FULTON COUNTIES RECC	151	391	542	51	13	192	798	16	728	3,702	48.4	247	5.1
PENNYRILE RECC	99	109	208	52	11	71	342	115	5,095	47,154	44.3	410	9.3
TRI-COUNTY EMC	96	105	201	50	13	48	312	131	5,464	50,720	41.7	387	9.3
WARREN RECC	88	87	176	59	13	82	330	157	5,945	61,858	36.0	395	11.0
WEST KENTUCKY RECC	97	187	284	69	4	71	428	93	4,118	38,483	44.3	414	9.4
TVA GROUP AVERAGE	106	176	282	56	11	93	442	102	4,210	40,403	41.3	396	9.6
OVERALL AVERAGE	86	132	218	59	12	82	371	82	3,785	35,183	46.2	429	9.3

2014
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	938	1,584	2,522	849	89	1,242	4,702	42	1,034	12,015	20,352,830	141.2
BLUE GRASS ENERGY COOP	571	1,345	1,916	583	214	1,012	3,725	104	4,710	53,336	90,335,203	141.1
CLARK ENERGY COOP	576	1,161	1,737	483	102	492	2,814	53	3,068	24,233	39,274,668	135.1
CUMBERLAND VALLEY ELECTRIC	546	1,029	1,575	716	83	573	2,927	51	2,639	22,024	32,604,899	124.1
FARMERS RECC	460	817	1,277	302	48	584	2,211	62	3,624	23,009	35,189,349	127.5
FLEMING-MASON ENERGY	553	787	1,340	493	47	393	2,273	51	3,582	22,196	32,135,777	120.7
GRAYSON RECC	472	1,633	2,105	460	118	789	3,472	45	2,470	14,113	24,408,364	144.1
INTER-COUNTY ENERGY	687	534	1,221	433	133	600	2,387	63	3,834	24,094	42,209,083	145.0
JACKSON ENERGY COOP	823	1,031	1,854	552	145	832	3,383	121	5,685	47,723	84,922,276	148.3
LICKING VALLEY RECC	905	1,210	2,115	482	51	711	3,359	44	2,057	18,235	22,943,939	117.8
NOLIN RECC	1217	1,604	2,821	864	284	1,479	5,448	96	3,017	32,333	53,001,534	138.6
OWEN EC	1117	818	1,935	857	169	896	3,857	130	4,530	58,186	87,221,855	129.4
SALT RIVER ELECTRIC	675	675	1,350	438	95	723	2,608	72	4,123	45,780	71,348,351	129.9
SHELBY ENERGY COOP	664	895	1,559	310	184	523	2,676	38	2,121	15,189	28,276,277	144.2
SOUTH KENTUCKY RECC	578	1,137	1,715	549	98	490	2,852	145	6,787	60,800	90,207,014	123.6
TAYLOR COUNTY RECC	594	594	1,188	337	24	457	2,006	53	3,236	22,766	32,121,022	117.4
EKPC GROUP AVERAGE	711	1,080	1,771	544	117	737	3,169	73	3,532	30,755	49,047,026	132.9
JACKSON PURCHASE ENERGY	1076	1,116	2,192	498	30	857	3,577	74	2,939	25,694	39,086,440	128.8
KENERGY CORP	582	1,227	1,809	550	39	566	2,964	150	7,113	45,311	74,095,848	136.3
MEADE COUNTY RECC	935	853	1,888	512	117	512	3,029	60	3,224	28,847	38,725,209	114.0
BIG RIVERS GROUP AVERAGE	864	1,099	1,963	520	62	645	3,190	95	4,425	32,617	49,969,166	127.7
HICKMAN-FULTON COUNTIES RECC	770	1,994	2,764	260	66	978	4,069	18	726	2,819	5,688,518	168.2
PENNYRILE RECC	916	1,009	1,925	481	102	857	3,165	115	5,095	42,085	71,535,238	141.7
TRI-COUNTY EMC	891	975	1,866	464	121	446	2,897	131	5,464	41,117	69,404,781	140.7
WARREN RECC	977	955	1,932	648	143	900	3,623	157	5,645	51,647	96,944,907	156.4
WEST KENTUCKY RECC	906	1,748	2,654	645	37	664	4,000	93	4,118	30,251	57,249,601	157.7
TVA GROUP AVERAGE	892	1,336	2,228	500	94	729	3,551	102	4,210	33,584	60,164,605	149.3
OVERALL AVERAGE	768	1,122	1,890	532	105	724	3,251	82	3,785	31,577	51,478,456	135.9

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Witness: Michael Miller

Nolin Rural Electric
Case No. 2016-00367
April 30, 2016

Nolin's equity management plan is attached. Capital credits refunded for the past five (5) years are as follows:

	<u>General</u>	<u>Estates</u>	<u>Total</u>
2015	\$ -	\$ 208,911	\$ 208,911
2014	\$ -	\$ 302,669	\$ 302,669
2013	\$ 5,498,188	\$ 179,657	\$ 5,677,845
2012	\$ -	\$ 184,660	\$ 184,660
2011	\$ -	\$ 233,478	\$ 233,478
2010	\$ -	\$ -	\$ -
Prior years	\$ -	\$ -	\$ -
Total	\$ 5,498,188	\$ 1,109,375	\$ 6,607,564

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

BOARD POLICY NO. 305.0

SUBJECT: ALLOCATION AND RETIREMENT OF PATRONAGE CAPITAL

I. PURPOSE:

Section 2 of Article VII of the Bylaws of Nolin Rural Electric Cooperative Corporation establishes the basis by which patrons of the Cooperative, members and non-members alike, provide capital investment in the future of the Cooperative. Such capital investment is necessary to ensure the continued financial stability of the Cooperative.

The purpose of this policy is to detail the process by which patron furnished capital shall be allocated to individual capital accounts and to specify the manner in which the capital credits will be repaid to the patrons.

II. POLICY:

In conformity with the Bylaws of the Cooperative, it shall be the policy of Nolin Rural Electric Cooperative Corporation to retain all capital received from the sale of electrical energy in excess of the operating costs and other expenses properly charged against the furnishing of electrical energy as a Capital Credit in the name of the consumer responsible for the purchase of the electrical energy. In addition, all other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law and Cooperative operations, be allocated to the patrons on the same basis as the excess electrical capital for the year that this other revenue was received.

The return of these Capital Credits to the patron shall be in accordance with the Bylaws of the Cooperative and the provisions of this policy.

III. PROVISIONS:

The following provisions shall apply to this policy:

A. Accumulation of Patronage Capital

1. The retail rates of the Cooperative shall be established and maintained to provide for sufficient patron-furnished capital to ensure the financial stability of the Cooperative as determined from time to time by the Board of Directors.

Board Policy No. 305, page 2

2. The Capital Credits for any one year shall be the accumulated patron-furnished capital for that year.

B. Allocation of Capital Credits

The operating and non-operating margins for a calendar year shall be combined and allocated to each patron's capital account as follows:

1. The basis for allocation shall be the proportionate share of each consumer's patronage to the total patronage of all consumers as shown by the total billing records of the Cooperative.
2. The total billing figure as stated in paragraph 1 shall be divided into the total operating and non-operating margins to produce a patronage capital allocation factor.
3. The allocation factor shall be used as a multiplier against the total billing, as established in paragraph 1, for each consumer account. The resulting product shall be assigned for the Capital Credit Account for that consumer as his/her patronage-furnished capital for that calendar year.
4. Patronage Capital Credits that the Cooperative receives upon the books of account of other cooperative organizations of which the Cooperative is a member will be allocated to each Cooperative patron on the basis of that member's patronage as a proportionate share of the total patronage of all members for that time period. The Cooperative will refund to its members such Capital Credits only when the Cooperative has received payment from the other cooperative organization and when the Cooperative pays its members patronage refunds for that same time period.

Board Policy No. 305, page 3

C. Retirement of Capital Credits

The Board of Directors shall annually review the financial position of the Cooperative to determine whether the financial condition of the Cooperative is such that some portions of the accumulated Capital Credits can be returned to the patrons who furnished the capital. If the financial stability of the Cooperative will not be impaired, and if the regulations of financing organizations permit, the Board may authorize the retirement of Capital Credits to patrons in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired. However, the Board of Directors may determine, from time to time, that the patronage capital of later years should be retired before earlier years as a benefit for the patrons of those more recent years.

Also, in accordance with the Bylaws, the Board of Directors may authorize earlier return of Capital Credits upon the death of a patron or past patron.

IV. RESPONSIBILITY:

The President/CEO, the Board of Directors, and the Vice President-Administration and Finance.

This policy supersedes any existing policy which may be in conflict with the provisions of this policy.

Adopted: 06/08/00

Amended: 03/13/14

Nolin Rural Electric Cooperative
Case No. 2016-00367
Capitalization Policies

		<u>Benefits Distribution</u>
9	107.20 Construction work in progress	463,460
10	108.80 Retirement work in progress	56,579
11	163.00 Stores	73,399
12	184.00 Transportation	13,597
13	186.10 Employee sick leave	0
14	416.00 Non operating accounts	8,254
15	580.00 Operations	42,278
16	583.00 Overhead line	152,587
17	584.00 Underground	26,477
18	586.00 Meter	154,415
19	587.00 Consumer installation	4,834
20	588.00 Miscellaneous distribution	280,411
21	590.00 Maintenance	51,083
22	592.00 Station	8,204
23	593.00 Overhead line	271,409
24	594.00 Underground	12,202
25	596.00 Street lights	34,097
26	597.00 Meters	27,292
27	598.00 Miscellaneous maintenance	19,261
28	901.00 Supervision, customer accounts	40,841
29	902.00 Meter reading	39,108
30	903.00 Consumer records	372,914
31	907.00 Customer service & information	12,618
32	908.00 Consumer assistance	78,045
33	910.00 Consumer information	55,408
34	920.00 Administrative	482,047
35	930.00 Miscellaneous	4,707
36	935.00 Maintenance general plant	<u>20,980</u>
37		
38	Total	<u>2,806,507</u>
39		
40	Benefits include the following:	
41	Medical insurance	1,310,903
42	Life insurance	74,921
43	Retirement	1,291,009
44	Savings plan 401(k)	<u>129,674</u>
45		
46		<u>2,806,507</u>
47		

48 Nolin Rural Electric accumulates all benefits, then allocates these to accounts based
49 on the labor distribution for the month. The above is the actual allocation for
50 the test year for the above benefits. There are 98 full-time employees with an
51 average benefit of \$28,638 per employee.
52