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Secretary  
Energy and Environment Cabinet



Commonwealth of Kentucky  
**Public Service Commission**  
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Chairman

Robert Cicero  
Vice Chairman

Talina R. Mathews  
Commissioner

October 05, 2018

## PARTIES OF RECORD

RE: Case No. **2018-00272**

Grayson R.E.C.C.  
(General Rates)

The Commission Staff has reviewed the filing submitted October 03, 2018 and has determined that the application in the above case now meets the minimum filing requirements. Attached please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

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

Sincerely,

A handwritten signature in cursive script that reads "Gwen R. Pinson".

Gwen R. Pinson  
Executive Director

GP/BB

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

SEP 20 2018

PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL ELECTRIC )  
COOPERATIVE CORPORATION FOR AN )  
ADJUSTMENT OF RATES )

CASE NO.  
2018-00272

FILED

OCT 03 2018

PUBLIC SERVICE  
COMMISSION

APPLICATION

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

1. Grayson is a non-profit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Carter, Elliott, Greenup, Lawrence, Lewis, and Rowan.
2. The street address for Grayson is 109 Bagby Park, Grayson, Kentucky, 41143. Grayson's email address is [bradley.cherry@graysonrecc.com](mailto:bradley.cherry@graysonrecc.com).
3. The current Articles of Incorporation for Grayson were previously filed in Case No. 2010-00489. Grayson is incorporated in the Commonwealth of Kentucky and states that it is in good standing. [807 KAR 5:001, Section 14(2)]. Grayson requests an adjustment of its existing rates that will result in additional annual revenues in the amount of \$1,424,078, pursuant to KRS 278.280 and 807 KAR 5:001, Section 16. This will be a 5.7% increase in total annual revenues and will result in a times interest earned ratio ("TIER") of approximately 2.0x. Grayson requires this adjustment of its rates to offset the increased costs in the cost of power, materials, equipment, labor and other fixed and variable costs. Grayson last received a rate adjustment in Case No. 2012-00426 and the aforementioned costs have increased since that time.

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

4. This application is supported by a twelve-month historical test period ending December 31, 2017 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 16(1)(a)1].

\*Carol Hall Fraley  
President & CEO  
Grayson R.E.C.C.  
109 Bagby Park  
Grayson, KY 41143

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\*Honorable W. Jeffrey Scott  
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