

1306 W 5th St. Ste 100
PO Box 3440
London, KY 40743-3440
Phone: 606-878-8844
Facsimile: 606-878-8850



Hamburg Place Office Park
1795 Alysheba Way, Ste 2201
Lexington, KY 40509
Phone: 859-543-1613

TAYLOR, KELLER & OSWALD PLLC
ATTORNEYS AT LAW

Boyd. F Taylor
(1924-2012)

J. Warren Keller
Clayton O. Oswald

Jacob M. Mills
Ashley P. Hoover

RECEIVED

MAR 08 2019

PUBLIC SERVICE
COMMISSION

March 7, 2019

Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Re: In the Matter of Adjustment of Rates
of Grayson Rural Electric Cooperative Corporation
Case No. 2018-00272

Dear Ms. Pinson:

Please find enclosed an original and ten (10) copies of Grayson's responses to the "Commission Staff's Post-Hearing for Information to Grayson Rural Electric Cooperative Corporation" dated February 21, 2019. Please note that an updated and revised Exhibit S is provided in this filing. This revised and updated Exhibit S includes the exclusion of certain expenses as requested by Commission Staff in their data requests plus an update on interest expenses. Grayson RECC wants this Exhibit S, originally filed in a response to the Commission Staff's fourth data request, to be considered as the basis for the amount increase to be granted to Grayson RECC.

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

Respectfully submitted,

A handwritten signature in blue ink that reads 'Clayton Oswald'.

Clayton Oswald
Counsel for Grayson Rural Electric Cooperative Corporation

Enclosure

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MAR 08 2019

PUBLIC SERVICE
COMMISSION

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

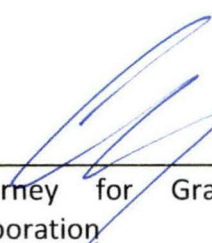
**In the Matter of Adjustment of Rates
Of Grayson Rural Electric Cooperative
Corporation**

Case No. 2018-00272

**APPLICANT'S RESPONSES TO
COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION**

The applicant, Grayson Rural Electric Cooperative Corporation, makes the following responses to the "Commission Staff's Post-Hearing Request for Information", as follows:

1. The witnesses who are prepared to answer questions concerning each request are Carol Fraley, Bradley Cherry, and James R. Adkins.
2. Carol Fraley, President & CEO of Grayson Rural Electric Cooperative Corporation is the person supervising the preparation of the responses on behalf of the applicant.
3. The responses and Exhibits are attached hereto and incorporated by reference herein.



Attorney for Grayson Rural Electric Cooperative
Corporation

The undersigned, Carol Fraley as President & CEO of Grayson Rural Electric Cooperative Corporation, being duly sworn, states that she has supervised the preparation of the responses and that the matters and things set forth herein are true and accurate to the best of my knowledge, information and belief, formed after reasonable inquiry.

Dated: March 7, 2019

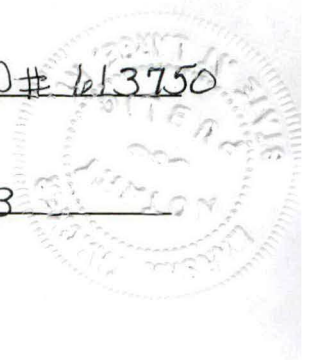
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

Carol Fraley
CAROL FRALEY, PRESIDENT & CEO

Subscribed, sworn to, and acknowledged before me by Carol Fraley, as President & CEO for Grayson Rural Electric Cooperative Corporation on behalf of said Corporation this 7th day of March, 2019.

Marsha A. Thacker ID# 1613750
Notary Public, Kentucky State At Large

My Commission Expires: 1-9-2023



The undersigned, Bradley Cherry, as Manager of Finance & Accounting of Grayson Rural Electric Cooperative Corporation, being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: March 7, 2019

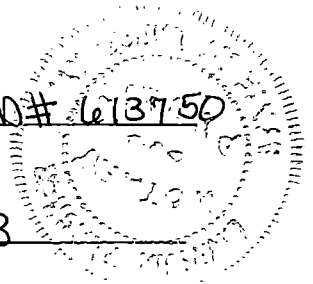
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

Bradley Cherry
BRADLEY CHERRY, MANAGER OF FINANCE & ACCOUNTING

Subscribed, sworn to, and acknowledged before me by Bradley Cherry, as Manager of Finance & Accounting for Grayson Rural Electric Cooperative Corporation on behalf of said Corporation this 7th day of March, 2019.

Marsha A. Shaker ID# 613750
Notary Public, Kentucky State At Large

My Commission Expires: 1-9-2023



The undersigned, James R. Adkins, as Consultant of Grayson Rural Electric Cooperative Corporation, being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: March 7, 2019

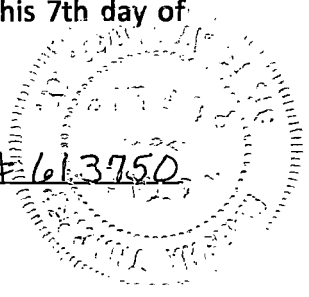
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

James R. Adkins
JAMES R. ADKINS, CONSULTANT

Subscribed, sworn to, and acknowledged before me by James R. Adkins, as Consultant for Grayson Rural Electric Cooperative Corporation on behalf of said Corporation this 7th day of March, 2019.

Marsha A. Shaker ID# 613750
Notary Public, Kentucky State At Large

My Commission Expires: 1-9-2023



Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

1. Provide Grayson RECC's OTIER for the calendar years 2012-2017.

Response 1:

2012	-.01
2013	2.16
2014	1.37
2015	2.07
2016	1.22
2017	-1.27
2018	.92

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

2. Provide a comparison of Grayson RECC's December 2017 and December 2018 income statements by account and show the percentage change in each account. Provide a copy of these income statements in an Excel spreadsheet format with all formulas intact and unlocked.

Response 2:

Please see attached.

ACCT NO	ITEM DESCRIPTION	2018	2017	PERCENT CHANGE
403.60	DEPRECIATION-DISTRIBUTION PLANT	3,333,144	3,224,205	3%
403.70	DEPRECIATION-GENERAL PLANT	256,642	252,887	1%
408.20	TAXES - FEDERAL UNEMPLOYMENT	-	-	0%
408.30	TAXES - FICA	(139)	-	0%
408.40	TAXES - STATE UNEMPLOYMENT	-	-	0%
408.60	REGULATORY COMMISSION ASSESSMENT	35,025	41,074	-15%
415.00	REVENUE-MERCHANDISE, JOB, CONTRAC	(681)	(526)	29%
415.40	RENTAL PROPERTY - REVENUE	(4,800)	(4,800)	0%
415.50	MACED REVENUE	28	(200)	-114%
416.00	INCENTIVES/GEOTHERMAL, ETS, MISC	(34,069)	(57,860)	-41%
416.40	RENTAL PROPERTY - EXPENSE	-	401	-100%
416.50	MACED EXPENSE	235	(23,866)	-101%
419.00	INTEREST INCOME NON-OPERATING	(28,991)	(31,672)	-8%
419.20	NOW ACCOUNT INTEREST	(868)	(493)	76%
419.30	COMMERCIAL PAPER INTEREST	(730)	(1,779)	-59%
421.00	MISC NON-OPERATING INCOME	-	-	0%
421.20	LOSS/GAIN DISPOSITION PROPERTY	(3,549)	(8,340)	-57%
423.00	G & T CAPITAL CREDITS	(927,350)	(504,926)	84%
424.00	OTHER CAP CR & PATRONAGE ALLOC	(219,099)	(87,795)	150%
426.10	MISCELLANEOUS DEDUCTION-DONATION	13,634	14,805	-8%
427.20	INTEREST - COBANK	352,303	378,089	-7%
427.30	INTEREST-CFC	331,464	363,564	-9%
427.60	INTEREST - FFB	477,061	238,514	100%
430.00	INTEREST ASSOCIATED ORGANIZATION	78,823	20,343	287%
431.30	INTEREST-REFUND CUSTOMER DEPOSIT	16,773	7,941	111%
440.10	RESIDENTIAL SALES	(21,824,199)	(18,600,850)	17%
440.40	CAMP & BARN SALES	(1,485,270)	(1,331,734)	12%
442.10	SMALL COMMERCIAL SALES	(2,311,308)	(2,030,769)	14%
442.20	LARGE POWER SALES	(2,964,039)	(2,604,840)	14%
442.30	LARGE INDUSTRIAL(OVER 1,000 kvA	(1,910,207)	(1,896,223)	1%
444.00	STREET LIGHT SALES	(7,611)	(7,006)	9%
450.00	FORFEITED DISCOUNTS	(508,450)	(426,628)	19%
454.00	RENT FROM ELECTRIC PROPERTY	(525,185)	(507,748)	3%
456.00	OTHER ELECTRIC SERVICE	(57,017)	(55,343)	3%
555.00	PURCHASED POWER	18,299,724	17,151,603	7%
583.00	OVERHEAD LINE EXPENSE	565,576	538,051	5%
586.00	METER EXPENSE	497,195	432,008	15%
586.10	METER OPERATION SURVEY	35,862	63,359	-43%
586.20	AUTOMATED METER EQUIP EXPENSE	27,802	39,473	-30%
588.00	MAPPING EXPENSE	248,030	223,230	11%
588.10	MAPPING OPERATIONS	7,208	3,844	88%
588.30	EASEMENT RECORDING	16,116	-	0%

590.00	MAINTENANCE SUPERVISION	309,046	289,988	7%
593.00	MAINTENANCE OF OVERHEAD LINES	1,586,999	1,342,584	18%
593.10	MAINTENANCE OF LINE RIGHT-OF WAY	1,639,764	1,653,689	-1%
593.20	MAINTENANCE STORM EXPENSES	347	86,073	-100%
594.00	MAINTENANCE OF UNDERGROUND LINE	770	1,000	-23%
595.00	MAINTENANCE OF TRANSFORMERS	66,826	17,149	290%
596.00	MAINTENANCE OF STREET LIGHTS	555	36	1442%
598.00	MAINTENANCE-MISC DISTRIBUTION	31,438	34,286	-8%
901.00	SUPERVISION - BILLING	137,927	138,233	0%
903.00	CUSTOMERS RECORDS & COLLECTIONS	1,000,943	914,705	9%
903.10	CASH DRAWER-OVERAGES & SHORTAGE	145	(92)	-258%
904.00	UNCOLLECTIBLE ACCOUNTS	53,881	18,131	197%
909.00	INFORMATIONAL ADVERTISING	197,463	260,150	-24%
912.00	DEMONSTRATION & SELLING EXPENSE	15,617	20,264	-23%
913.00	ADVERTISING	893	1,839	-51%
920.00	ADMINISTRATIVE-GENERAL SALERIES	1,087,158	1,093,003	-1%
921.00	OFFICE SUPPLIES & EXPENSES	149,956	156,182	-4%
923.00	OUTSIDE SERIVCES	110,235	70,864	56%
926.00	EMPLOYEE BENEFITS	-	-	0%
926.10	EMPLOYEE PENSION & BENEFITS	-	-	0%
928.00	REGULATORY COMMISSION EXPENSES	70,251	49	143269%
930.20	ANNUAL MEETING EXPENSES	79,562	69,925	14%
930.30	MISCELLANEOUS GENERAL EXPENSES	31,525	34,063	-7%
930.40	MISC FIELD TRAINING	46,249	35,280	31%
930.60	BOARD OF DIRECTOR'S EXPENSES	146,875	158,827	-8%
930.70	DUES - NRECA & KAEC	51,932	48,727	7%
932.00	MAINTENANCE OF GENERAL PLANT	363,378	288,211	26%
		-	-	
		(1,041,183)	1,543,160	-167%

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

3. Refer to Grayson's response to Commission Staff's First Request for Information, Item 53, page 11 of 11, the schedule labeled as "Grayson Rural Electric Proposed Safety Plan." Provide a copy of this schedule in an Excel spreadsheet format with all formulas intact and unlocked.

Response 3:

Please see attached document on included flash drive.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

4. Provide all documentation, including but not limited to Grayson RECC's Board meeting minutes, related to or referencing Grayson RECC's consideration, evaluation, and conclusions of a possible merger or consolidation with another electric cooperative or another energy provider.

Response 4:

Please see board minutes in AG1-16 and AG Post-Hearing1. Grayson has not considered or evaluated the possibility of a merger or consolidation with another utility.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

5. Refer to the hearing testimony of Carol Hall Fraley (Fraley Hearing Testimony) regarding the cost savings measures implemented by Grayson RECC since its last rate case in 2012.

a. Provide in detail the specific cost-saving measures by project and the associated annualized dollar value of each of those measures.

b. Provide the analytical calculations used to develop the cost-saving estimates relied upon to implement each of the projects.

c. Provide all documentation and the data collected that was used to quantify the impact of these cost-saving measures, including but not limited to, the dates the projects were considered and implemented, the costs associated with each measure, any changes in operating costs or other operating expenses, and any changes to revenue since the effective date of each identified cost-saving measure.

Response 5a:

Please see attached.

Response 5b:

Please see attached.

Response 5c:

Please see attached.

Cost savings are either direct costs saved for Grayson, or efficiencies from the activities implemented since Grayson's last rate application.

iPads in Trucks	Year Implemented 2016	
	Number of trips for service orders	3,960
	Estimated trips saved, 1 in 4	25%
	Estimate one-way savings	50%
	Trips saved	495
	Hourly wage rate of Service Technician	37
	Direct labor saving	18,300
	Benefit Percentage	48.20%
	Benefit saving	8,821
	Transportation cost:	
	Miles saved per one-half trip	5
	Cost per mile	\$0.54
	Trips saved	495
	Transportation cost saved	1,337
	Total Annual Saving	28,457
	(Labor, benefits, and Transportation)	

Pole Top Covers	Year Implemented 2018	
	Account 364.0	26,372,044
	Depreciation rate	4.99%
	Annual depreciation	1,315,965
	Estimate 5 additional years	4.74%
	Estimated depreciation	1,250,167
	Estimated annual savings	65,798

Blanket Purchase Orders	Year Implemented 2013	
	Material purchases for 2018	637,971
	Estimated savings	3.0%
	Annual Savings	19,139

Total annual cost-saving measures	113,395
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Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

6. Refer to the Fraley Hearing Testimony regarding the health insurance provider's requirement that Grayson RECC offers a Preferred Provider Organization (PPO) health insurance plan if an employee has a dependent on Medicaid.

a. Explain in detail if this is Grayson RECC's policy or if it is a directive from the insurance provider based on government regulation.

b. If this is an insurance provider requirement that is based on government regulation, provide their documentation substantiating the requirement for this type of PPO policy and the government regulations or statutes relied upon in determining this requirement.

c. Provide the date of Grayson RECC's change in its health care plan and the cost savings resulting from the change in plans.

Response 6a:

It is a combination of Grayson RECC's policy and federal tax law. Grayson provides a High Deductible PPO insurance plan for all employees and their families who qualify for an HSA account. Federal Tax Law prohibits an individual who is covered by another non-qualified health care plan, such as an employee's spouse or Medicare, from contributing to an HSA account. Because Grayson contributes to the employee's HSA account as a mitigation tool from the high deductible, an employee who is not eligible to contribute to an HSA is placed on a PPO health insurance plan.

Grayson Rural Electric Cooperative
Case No. 2018-00272
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Response 6b:

A section of Publication 969 from the IRS has been attached, which lists the qualifications for contributing to an HSA.

Response 6c:

Grayson switched from a total PPO offering to its current policy of a High Deductible PPO plan when HSA contributions are allowed (PPO plan for those that do not qualify) beginning January 2013.

The total savings estimated when switching from the PPO to HDPPO coverage was \$280,420. Please see the attached schedule for the analysis performed when the switch was made.



- Publication 969 - Introductory Material

Publication 969 (2017), Health Savings Accounts and Other Tax-Favored Health Plans

- Reminders
- Introduction
 - Comments and suggestions
 - Ordering forms and publications.
 - Tax questions.

For use in preparing 2017 Returns

Publication 969 - Introductory Material

- Publication 969 - Main Content

- Health Savings Accounts (HSAs)
 - What are the benefits of an HSA?
 - Qualifying for an HSA
 - High deductible health plans that dont

Reminders

Future developments. For the latest information about developments related to Pub. 969, such as legislation enacted after it was published, go to IRS.gov/Pub969.

Photographs of missing children. The Internal Revenue Service is a proud partner with the National Center for Missing & Exploited Children® (NCMEC). Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Federal tax benefits for same-sex married couples. For federal tax purposes, marriages of couples of the same sex are treated the same as marriages of couples of the opposite sex. The term "spouse" includes an individual married to a person of the same sex. However, individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that (HDHP) isn't considered a marriage under state law aren't considered married for federal tax purposes.

Flexible Spending Arrangements (FSAs) and Health Reimbursement Arrangements (HRAs). Notice 2013-54, 2013-40 I.R.B. 287, available at IRS.gov/irb/2013-40_IRB/ar11.html provides

meet guidance for employers on the application of the Affordable Care Act (ACA) to Flexible Spending Arrangements (FSAs) and Health Reimbursement Arrangements (HRAs). For more information on the Affordable Care Act, go to IRS.gov/Affordable-Care-Act.

- Other health coverage rules. **Health Flexible Spending Arrangements (FSAs).** The following rules apply to health FSAs.
 - Salary reduction contributions to your health FSA can't be more than \$2,600 a year (indexed for inflation). This inflation adjusted amount is listed in Rev. Proc. 2016-55, sec. 3.16 available at IRS.gov/irb/2016-45_IRB/ar12.html.
 - Your employer may choose to change your cafeteria plan to allow you to carry over up to \$500 of unused amounts remaining at the end of the plan year in a health FSA to be paid or reimbursed for qualified medical expenses incurred during the following plan year. For more information, see *Balance in an FSA* under *Flexible Spending Arrangements (FSAs)*, later.
- Contributions to an HSA
 - Limit on Contributions

Introduction

Contributions programs are designed to give individuals tax advantages to offset health care costs. This publication explains the following programs.

- Health Savings Accounts (HSAs).
- Medical Savings Accounts (Archer MSAs and Medicare Advantage MSAs).
- Health Flexible Spending Arrangements (FSAs).
- Health Reimbursement Arrangements (HRAs).
- Rules for married people.

An HSA may receive contributions from an eligible individual or any other person, including an employer or a family member, on behalf of an eligible individual. Contributions, other than employer contributions, are deductible on the eligible individual's return whether or not the individual itemizes deductions. Employer contributions aren't included in income. Distributions from an HSA that are used to pay qualified medical expenses aren't taxed.

- Qualified Archer MSA may receive contributions from an eligible individual and his or her employer, but not both in the same year. Contributions by the individual are deductible whether or not the individual itemizes deductions. Employer contributions aren't included in income. Distributions from an Archer MSA that are used to pay qualified medical expenses aren't taxed.
- A Medicare Advantage MSA is an Archer MSA designated by Medicare to be used solely to pay the qualified medical expenses of the account holder who is enrolled in Medicare. Contributions can be made only by Medicare. The contributions aren't included in your income. Distributions from a Medicare Advantage MSA that are used to pay qualified medical expenses aren't taxed.
- HSA health FSA may receive contributions from an eligible individual. Employers also may contribute. Contributions aren't includible in income. Reimbursements from an FSA that are used to pay qualified medical expenses aren't taxed.
- Reporting Contributions on Your Return
An HRA must receive contributions from the employer only. Employees may not contribute. Contributions aren't includible in income. Reimbursements from an HRA that are used to pay qualified medical expenses aren't taxed.
- **Comments and suggestions.** We welcome your comments about this publication and your suggestions for future editions.
 - Excess contributions. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to:
 - Deducting an Internal Revenue Service
excess Tax Forms and Publications
contribution
1111 Constitution Ave. NW, IR-6526
in Washington, DC 20224
a
later
year.
- Distributions. Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax forms, instructions, and publications.
- HSA
Ordering forms and publications. Visit [IRS.gov/FormsPubs](https://www.irs.gov/FormsPubs) to download forms and publications. Otherwise, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to order current and prior-year forms and instructions. Your order should arrive within 10 business days.
- Insurance premiums.
Tax questions. If you have a tax question not answered by this publication, check [IRS.gov](https://www.irs.gov) and *How To Get Tax Help* at the end of this publication.
- Health coverage

tax credit. **Publication 969 - Main Content**

Question 6b

Page 6 of 8

Witness: Carol Fraley

- Deemed

distributions

from

Health Savings Accounts (HSAs)

HSAs.

- Reporting Distributions on Your Return. A Health Savings Account (HSA) is a tax-exempt trust or custodial account you set up with a qualified HSA trustee to pay or reimburse certain medical expenses you incur. You must be an eligible individual to qualify for an HSA.

No permission or authorization from the IRS is necessary to

- Establish an HSA. You set up an HSA with a trustee. A qualified HSA trustee can be a bank, an insurance company, or anyone already approved by the IRS to be a trustee of individual retirement

- Balance in an HSA. arrangements (IRAs) or Archer MSAs. The HSA can be established through a trustee that is different from your health plan provider.

- Death of HSA Holder. Your employer may already have some information on HSA trustees in your area.

- Spouse is the designated beneficiary. If you have an Archer MSA, you generally can roll it over into an HSA tax free. See Rollovers, later.

What are the benefits of an HSA? You may enjoy several benefits from having an HSA.

- Spouse isn't the designated beneficiary.
 - You can claim a tax deduction for contributions you, or someone other than your employer, make to your HSA even if you don't itemize your deductions on Schedule A (Form 1040).
 - Contributions to your HSA made by your employer (including contributions made through a cafeteria plan) may be excluded from your gross income.

- Filing Form 8889. The contributions remain in your account until you use them.

- Employer Participation.
 - Health plan. The interest or other earnings on the assets in the account are tax free.
 - Contributions.
 - Comparable Distributions may be tax free if you pay qualified medical expenses. See *Qualified medical expenses*, later.

- Comparable participating employees. An HSA is "portable." It stays with you if you change employers or leave the work force.

- Excise tax.

Witness: Carol Fraley

- Employment taxes.
 - **Qualifying for an HSA**
 - Medical Savings Accounts (MSAs)
 - Archer MSAs
 - What are the benefits of an Archer MSA?
 - Qualifying for an Archer MSA
 - You are covered under a high deductible health plan (HDHP), described later, on the first day of the month.
 - You have no other health coverage except what is permitted under *Other health coverage*, later.
 - You aren't enrolled in Medicare.
 - You can't be claimed as a dependent on someone else's 2017 tax return.
- Under the last-month rule, you are considered to be an eligible individual for the entire year if you are an eligible individual on the first day of the last month of your tax year (December 1 for most employees).
- Growing employer.
 - Changing spouse's coverage doesn't cover you.
 - High deductible medical services under any law administered by the Secretary of Veterans Affairs for a service-connected disability.
 - High deductible health plan (HDHP).
 - Limits.
 - Family plan.
- If another taxpayer is entitled to claim an exemption for you, you can't claim a deduction for an HSA contribution. This is true even if the other person doesn't actually claim your exemption.
- Each spouse who is an eligible individual who wants an HSA must open a separate HSA. You can't have a joint HSA.
- High deductible health plan (HDHP).**
- An HDHP has:
- Other health coverage.
 - A higher annual deductible than typical health plans, and

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Q: on 6c
Page 8 of 8
Witness: Carol Fraley

	Single	Family	Single	Family
# Plans	8	42	8	42
Plan Cost/Month	\$874.00	\$2,043.00	\$623.00	\$1,212.00
Cost Per Month	\$6,992.00	\$85,806.00	\$4,984.00	\$50,904.00
Cost Per Year	\$83,904.00	\$1,029,672.00	\$59,808.00	\$610,848.00
TOTAL COST	\$1,113,576.00		\$670,656.00	
SAVINGS			\$442,920.00	
HSAContribution			\$162,500.00	
Total Savings			\$280,420.00	

Grayson Rural Electric Cooperative
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Commission Staff's Post-Hearing Request for Information

7. Provide all documentation, specifically Grayson RECC's Board minutes that address the excessive Directors' Fees and actions taken by Grayson RECC's Board to reduce those expenses.

Response 7:

Please see attached response.

Grayson Rural Electric Cooperative
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Commission Staff's Post-Hearing Request for Information

Question 7
Page 2 of 2
Witness: Carol Fraley

Cooperative Name	Case Number	Monthly Per Diem	Health Insurance	Monthly Stipend
Big Sandy RECC	2017-00374	\$400.00	No	
Blue Grass Energy	2014-00339	\$1,250.00	No	
Clark Energy	2009-00314	\$700.00	No	
Cumberland Valley RECC	2016-00169	\$500.00	Yes	
Cumberland Valley RECC	2016-00169	\$1,000.00	No	
Farmers RECC	2016-00365	\$300.00	No	\$800.00
Fleming-Mason Energy	n/a			
Grayson RECC	2018-00272	\$300.00	No	\$637.63
Inter-County Energy	2017-00129	\$325.00	Yes	
Jackson Energy Cooperative	n/a			
Licking Valley RECC	2016-00174	\$300.00	No	
Nolin RECC	2016-00367	\$350.00	no	\$1,000.00
Owen Electric	2012-00448	\$375.00	Yes	
Owen Electric	2012-00448	\$1,000.00	No	
Salt River Electric	n/a			
Shelby Energy Cooperative	2016-00434	\$300.00	No	\$1,000.00
South Kentucky RECC	2011-00096	\$1,100.00	Yes	
Taylor County RECC	2012-00023	\$300.00	Yes	

The above is a list of the monthly per diems, health insurance, and stipends that are offered to directors in the East Kentucky Cooperative group. These are obtained from the Case filings and Case Numbers. There may have been some changes since these filings by individual cooperatives. This list was obtained from those filings. Grayson Rural Electric is reviewing its fees, insurance, and stipend based on the above.

As evidenced by the above, Grayson is not excessive in relation to any of the above Director fees, and in fact, is below many of those listed above.

Grayson was not able to obtain information for those listed with "n/a".

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

8. Provide the document or contract, including referenced documents in the Fraley Hearing Testimony that provides for Grayson RECC's previous attorney, W. Jeffrey Scott, and his spouse to have lifetime health insurance benefits.

Response 8:

Please see attached contracts.

TELEPHONE (606) 329-8300

GORDON J. DILL, JR.

W. JEFFREY SCOTT

WILLIAM C. O. REAVES

DILL & SCOTT

ATTORNEYS AT LAW

1527 CENTRAL AVENUE

P.O. BOX 711

ASHLAND, KENTUCKY 41105-0711

Question 8

Page 2 of 18

Witness: Carol Fraley

July 29, 1985

Mr. Harold Haight
Manager
Grayson RECC
109 Bagby Park
Grayson, KY 41143

Reply to Grayson

Dear Harold:

The following will, I believe, set forth accurately the terms of our agreement which we discussed last Thursday in your office. If this meets with your approval then I would appreciate you signing the original and returning to me, keeping the copy for your records.

1. Grayson RECC will employ, effective July 24, 1985, W. Jeffrey Scott and the law firm of Dill & Scott as legal counsel for Grayson Rural Electric Cooperative Corporation.

2. Grayson Rural Electric Cooperative Corporation will pay for said legal services the sum of \$400.00 per month, which shall cover up to ten hours of legal work per month to be performed by W. Jeffrey Scott.

3. Grayson Rural Electric Cooperative Corporation shall also provide health care insurance, including medical hospitalization and prescription insurance for W. Jeffrey Scott and his two children, William Taylor Scott, age 5, and Lauren Nicole Scott, age 3.

4. For each hour of legal work performed each month in excess of ten hours per month, Grayson RECC shall pay Dill & Scott's hourly rate which currently is \$65.00 per hour.

5. Grayson RECC will pay expenses for W. Jeffrey Scott's attendance at Electrical Co-op related legal seminars as well as meetings of state and national Electrical Co-op.

If there are any forms which I need to execute in order to bring the health insurance into effect then please forward those to me and I will take care of that matter.

Mr. Harold Haight
July 29, 1985
Page 2

Question 6
Page 3 of 18
Witness: Carol Fraley

Trusting this will be of benefit to you, I remain


Yours truly,

DILL & SCOTT

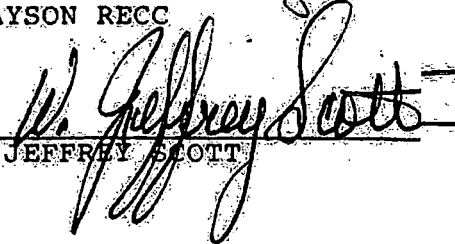

W. Jeffrey Scott

WJS/jlt

HAVE SEEN AND APPROVED:


HAROLD HAIGHT, MANAGER
GRAYSON RECC


W. G. WOMACK, CHAIRMAN OF BOARD
GRAYSON RECC


W. JEFFREY SCOTT

W. JEFFREY SCOTT, PSC

Attorney at Law
311 W. Main Street
P.O. Box 608
Grayson, Kentucky 41143

Question 8
Page 4 of 18
Phone - (606) 474-5194
Witness: Carol Fraley
FAX - (606) 474-5196

January 2, 1991

Mr. Mike Kays
Grayson Rural Electric
109 Bagby Park
Grayson, KY 41143

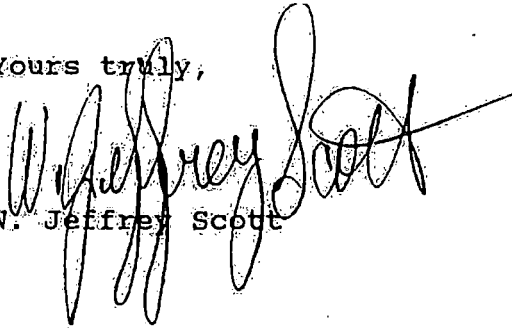
Dear Mike:

This will confirm our agreement that the monthly retainer that I will receive, effective with the December 19, 1990 retainer, is set at \$500.00, in accordance with the resolution of the Board, adopted at the November 1990 board meeting. This \$500.00 fee will cover 10 hours work per month. After 10 hours of work, the Coop will be billed by me at the rate of \$85.00 per hour.

In addition to this, the Coop will pay \$150.00 per diem for attendance at the KAEC annual meeting.

I trust that this will take care of memorializing our agreement. However, if you need anything in addition, then do not hesitate to contact me.

Yours truly,


W. Jeffrey Scott

WJS/jlt

AGREEMENT

THIS AGREEMENT made and entered into this 20th day of December, 2001 by and between W. JEFFREY SCOTT of 311 West Main Street, Grayson, Kentucky, 41143, hereinafter referred to as ATTORNEY; and GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION, INC., a Kentucky Corporation, authorized and existing under the laws of the Commonwealth of Kentucky, with its principal place of business located at 109 Bagby Park, Grayson, Kentucky, 41143, hereinafter referred to as CLIENT;

WHEREAS, an existing attorney-client relationship has existed between Attorney and Client since 1985; and

WHEREAS, the parties are desirous of continuing said relationship for a period of years on the terms and conditions hereinafter set forth;

NOW, THEREFORE, WITNESSETH: For and in consideration of all of the foregoing and other mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. Client agrees to employ Attorney as general legal counsel for Client to act as Attorney and represent Client in all matters which may arise in connection with the business of Client for a period beginning January 1, 2002 through December 31, 2004.
2. At the expiration of the initial term on December 31, 2004, this agreement will renew for a subsequent three year term unless terminated by December 31, 2004. Unless terminated by December 31, 2007, then this agreement will continue for a third three year term. Termination may be accomplished by giving written notice by December 31 of the year in which a term expires. Should this agreement continue for the

renewal periods as provided for herein, then the hourly rate, as well as other monetary terms of compensation, is subject to modification.

3. Attorney agrees to prosecute and defend all causes of action accrued or to accrue during the period referred to hereinabove, for or against Client, so far as they are triable in all courts of the Commonwealth of Kentucky; to render all legal advice which Client shall ask for in relation to its business or acts; to prepare all legal instruments, contracts, papers, or the like, of whatsoever nature, as Client may require; to make all collections of monies due or to become due Client, as may be turned over to Attorney for collection, to the best of his ability, and to render any other legal services which Client may require in connection with its business.
4. Client agrees to pay Attorney for the above services the sum of \$600.00 per month and maintain Attorney and family on its health insurance plan and insure Attorney and family for the accident insurance available to other employees. As a result of years of service, and as part of the consideration for this agreement, Client agrees to pay health insurance for Attorney and his family upon retirement by Attorney.
5. Should this relationship continue beyond the initial three year period, then the monthly retainer fee will be renegotiated for all subsequent years.
6. The services hereinabove set forth to be provided by Attorney for the monthly compensation hereinabove mentioned shall be for up to ten hours work per month. Any work performed by Attorney in excess of ten hours per month will result in Client paying Attorney the hourly rate then utilized by Attorney for all of his clients which currently is at the rate of \$150.00 per hour or a portion thereof.

Witness: Carol Fraley

- 7. Client further agrees to reimburse Attorney for all reasonable and necessary expenses paid out or incurred by Attorney on behalf of Client in connection with the above services, as well as a \$150.00 per diem for attendance at the Kentucky Association of Electric Cooperatives Annual Meeting in Louisville each year and reimbursement of expenses incurred for travel done for the benefit of Client when said travel for business purposes, including conferences and seminars, is previously approved by the Board of Directors of Client in accordance with applicable Board policies.
- 8. Attorney accepts this employment and agrees to give services as set forth above on terms and conditions specified herein.

WITNESS OUR HANDS this 20th day of December, 2001.

ATTORNEY:

W. Jeffrey Scott
W. JEFFREY SCOTT

CLIENT:

Roger Trent
BY: ROGER TRENT, CHAIRMAN
BOARD OF DIRECTORS
GRAYSON R.E.C.C.

ATTEST: *Carol Hall Fraley*
CAROL HALL FRALEY, PRESIDENT
AND CHIEF EXECUTIVE OFFICER

AGREEMENT

THIS AGREEMENT made and entered into this 25th day of Sept, 2009,
by and between W. JEFFREY SCOTT of 311 West Main Street, Grayson, Kentucky, 41143,
hereinafter referred to as *ATTORNEY*; and GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION, INC., a Kentucky Corporation, authorized and existing
under the laws of the Commonwealth of Kentucky, with its principal place of business located at
109 Bagby Park, Grayson, Kentucky, 41143, hereinafter referred to as *CLIENT*;

WHEREAS, an existing attorney-client relationship has existed between Attorney and
Client since 1985; and

WHEREAS, the parties have entered into a written arrangement setting forth the terms
and conditions of the attorney-client relationship having been done in the year 2001, which
provides for certain renewal periods and modification of the compensation to be paid during any
renewal period; and

WHEREAS, ~~in accordance with the terms of said prior written arrangement it is~~
necessary to reduce to writing the complete agreement concerning the renewal periods and
compensation to be paid attorney by client; and

WHEREAS, the parties are desirous of continuing said relationship for a period of years
on the terms and conditions hereinafter set forth;

NOW, THEREFORE, WITNESSETH: For and in consideration of all of the
foregoing and other mutual promises and covenants hereinafter contained, the parties do hereby
agree as follows:

1. The current period of the attorney-client relationship will expire December 31, 2010. The
client agrees to compensate the attorney for work performed during the current period in the

same manner as currently compensated with the exception that the hourly rate utilized by

attorney for which payment will be made is the rate of \$175.00 per hour or a portion thereof.

2. The per diem to be paid attorney by client for attendance at the Kentucky Association of Electric Cooperatives Annual Meeting in Louisville each year as provided for in numerical paragraph 7 of the existing contract will be the sum of \$200.00.
3. Beginning January 1, 2010, the per month retainer to be paid attorney by client will be the sum of \$1,000.00 per month, and will continue throughout the remainder of the current term scheduled to expire December 31, 2010. The \$1,000.00 per month retainer shall continue for a three year period beginning January 1, 2011, and is automatically renewable for a subsequent three year period beginning January 1, 2014, unless earlier terminated by either party in accordance with the provisions of the current agreement. Upon inception of the term beginning January 1, 2014, the hourly rate, monthly retainer and per diem will be recalculated.
4. All other terms and conditions of the written agreement between the parties shall remain in full force and effect except as modified herein.

WITNESS OUR HANDS this 25th day of September 2009.

ATTORNEY:



W. JEFFREY SCOTT

CLIENT:



BY: ROGER TRENT, CHAIRMAN
BOARD OF DIRECTORS
GRAYSON R.E.C.C.

ATTEST: *Eddie Martin*
EDDIE MARTIN, SECRETARY/
TREASURER

STATE OF KENTUCKY
COUNTY OF CARTER

Subscribed, sworn to and acknowledged before me by W. JEFFREY SCOTT, to be his
free act and deed.

This the 31st day of August, 2009.

My commission expires: 6/10/10
Jenni S. Kerton
NOTARY PUBLIC, KY STATE AT LARGE

STATE OF KENTUCKY
COUNTY OF CARTER

Subscribed, sworn to and acknowledged before me by ROGER TRENT, as Chairman of
the Board of Directors of GRECC, to be his free act and deed.

This the 25 day of September, 2009.

My commission expires: 10-7-2012
Bonita Beacham
NOTARY PUBLIC, KY STATE AT LARGE

STATE OF KENTUCKY

COUNTY OF CARTER

Subscribed, sworn to and acknowledged before me by EDDIE MARTIN, as
Secretary/Treasurer of GRECC, to be his free act and deed.

This the 25 day of September, 2009.

My commission expires: 10-7-2012

Bonita Beahat
NOTARY PUBLIC, KY STATE AT LARGE

AGREEMENT

THIS AGREEMENT, made and entered into this the 29th day of April, 2014, by and between **W. JEFFREY SCOTT** and **W. JEFFREY SCOTT, PSC**, of 311 W. Main Street, Grayson, Kentucky 41143, herein referred to as **ATTORNEY**, and **GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION, INC.**, a Kentucky corporation authorized and existing under the laws of the Commonwealth of Kentucky, with its principal place of business located at 109 Bagby Park, Grayson, Kentucky 41143, hereinafter referred to as **CLIENT**;

WHEREAS, Attorney and Client have entered into a contract for legal services dated September 25, 2009; and

WHEREAS, said contract provided for the recalculation of the hourly rate, monthly retainer, and per diem applicable thereto beginning January 1, 2014; and

WHEREAS, the agreement provided for the establishment of an existence of an attorney/client relationship between the parties continuing through December 31, 2016;

NOW, THEREFORE, in consideration of all of the foregoing and pursuant to the provisions of Paragraph 3 of the September 25, 2009 Agreement, reference to which is hereby made, the parties do hereby agree as follows:

1. The attorney/client relationship established by the Agreement of September 25, 2009, shall remain in accordance with the terms thereof through December 31, 2016.
2. Effective January 1, 2014, retroactive thereto, client shall pay to attorney for work performed as follows:
 - a. The insurance heretofore paid in accordance with the contract and Board policies and Board resolutions previously adopted.

Witness: Carol Fraley

- b. A monthly retainer payment of \$1,250.00;
- c. Payment of \$200.00 per hour for all work performed or portion of an hour above ten hours per month.
- d. All other terms and conditions of the agreement of 2001, and the above-referenced 2009 agreement shall remain in full force and effect except as modified herein;
- e. The per diem payment for attendance at the Kentucky Association of Electrical Cooperative meeting shall be \$200.00.
- f. All other compensation shall, as previously set forth, be in accordance with the prior arrangements between the parties except as modified herein and shall also be paid in accordance with the prior Board policies applicable to the attorney and other resolutions previously adopted by the Board from time to time.

WITNESS OUR HANDS, this the 24th day of April, 2014:

ATTORNEY:



W. JEFFREY SCOTT

CLIENT:



BY: ROGER TRENT, CHAIRMAN
BOARD OF DIRECTORS
GRAYSON, RECC

ATTEST:



EDDIE MARTIN, SECRETARY/
TREASURER

STATE OF KENTUCKY
COUNTY OF CARTER

Subscribed and sworn to before me by W. JEFFREY SCOTT, to be his free act and

Deed. This the 1st day of April, 2014.

My commission expires: 6/6/14

Jeri S. Keeton # 420474
NOTARY PUBLIC, KY STATE AT KENTUCKY

STATE OF KENTUCKY
COUNTY OF CARTER

Subscribed and sworn to before me by ROGER TRENT, as Chairman of the Board of
Directors of GRECC, to be his free act and Deed.

This the 29th day of April, 2014.

My commission expires: March 22, 2017

Christine Sparks # 485234
NOTARY PUBLIC, KY STATE AT KENTUCKY

STATE OF KENTUCKY
COUNTY OF CARTER

Subscribed and sworn to before me by EDDIE MARTIN, as Secretary/Treasurer of
GRECC, to be his free act and Deed.

This the 29th day of April, 2014.

My commission expires: March 22, 2017

Christine Sparks # 485234
NOTARY PUBLIC, KY STATE AT KENTUCKY

AGREEMENT

This agreement made and entered into this 27th day of April, 2018, by and between W. Jeffrey Scott and W. Jeffrey Scott, P.S.C., of 311 West Main Street, Grayson, Kentucky, 41143, hereinafter referred to as Attorney, and Grayson Rural Electric Cooperative Corporation, Inc., a Kentucky corporation authorized and existing under the laws of the Commonwealth of Kentucky with its principal place of business located at 109 Bagby Park, Grayson, Kentucky, 41143, hereinafter referred to as Client;

WHEREAS, Attorney and Client have entered into a contract for legal services heretofore with various dates of effectiveness and amendments to said contracts from time to time over a period of years; and

WHEREAS, the last Agreement between the parties provided for the establishment of, and existence of, a further attorney/client relationship continuing through December 31, 2016; and

WHEREAS, the parties have been operating under the terms of said Agreement last executed on April 29, 2014, expiring by its terms on December 31, 2016; and

WHEREAS, the parties are desirous of reducing to writing their agreement concerning continuation of the services to be provided to Client by Attorney and the compensation to be paid Attorney by Client for same, *NOW, THEREFORE*, in consideration of all of the foregoing and other good and valuable consideration the parties do hereby agree as follows:

1. The attorney/client relationship established by the Agreement of September 25, 2009, shall remain in effect in accordance with the terms thereof through January 31, 2019.
2. The terms of compensation and the work to be provided through the terms of this contract, i.e. January 31, 2019, shall be the same as that set forth in the Agreement executed between the parties on April 29, 2014.

Witness: Carol Fraley

3. The Client shall pay to Attorney for work in accordance with the previous Contract as follows:
- a. The insurance heretofore paid in accordance with the Contract and Board Policies and Board Resolutions previously adopted;
 - b. A monthly retainer payment of \$1,250.00;
 - c. Payment of \$200 per hour for all work performed or portion of an hour above ten (10) hours per month;
 - d. All other terms and conditions of the previous Contract shall remain in full force and effect except as modified herein;
 - e. The *per diem* payment for attendance at the Kentucky Association of Electric Cooperative meeting shall be \$200.00;
 - f. All compensation as previously set forth shall be in accordance with the prior arrangements between the parties except as modified herein and shall also be paid in accordance with the prior Board Policies applicable to the Attorney and other resolutions previously adopted by the Board from time to time.
 - g. The parties will review this Contract in January of 2019 for purposes of determining any successive contract to commence February 1, 2019.
4. Although this Agreement is dated April 27, 2018, the parties agree that the effective date is February 1, 2018.

WITNESS OUR HANDS this the 27th day of April, 2018.

Witness: Carol Fraley

ATTORNEY:

W. JEFFREY SCOTT, P.S.C.

BY:


W. JEFFREY SCOTT

CLIENT:

GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION, INC.

BY:


HAROLD DUPUY, CHAIRMAN
BOARD OF DIRECTORS

ATTEST:


EDDIE MARTIN, SECRETARY/TREASURER

STATE OF KENTUCKY

COUNTY OF CARTER

The foregoing Agreement was acknowledged, subscribed and sworn to before me by *W.*

JEFFREY SCOTT, W. Jeffrey Scott, P.S.C., this the 27th day of April, 2018.

My commission expires: March 22, 2021
Priscilla Sparks
NOTARY PUBLIC, KENTUCKY STATE AT LARGE # 575772

STATE OF KENTUCKY

COUNTY OF CARTER

The foregoing Agreement was acknowledged, subscribed and sworn to before me by

HAROLD DUPUY, Chairman of the Board of Grayson Rural Electric Cooperative Corporation,

this the 27th day of April, 2018.

My commission expires: March 22, 2021
Priscilla Sparks
NOTARY PUBLIC, KENTUCKY STATE AT LARGE # 575772

STATE OF KENTUCKY

COUNTY OF CARTER

The foregoing Agreement was acknowledged, subscribed and sworn to before me by

EDDIE MARTIN, Secretary/Treasurer of the Board of Grayson Rural Electric Cooperative

Corporation, this the 27th day of April, 2018.

My commission expires: March 22, 2021
Priscilla Sparks
NOTARY PUBLIC, KENTUCKY STATE AT LARGE # 575772

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

9. Provide a listing of any variable rate loans that Grayson RECC refinanced to a fixed rate within the last five years and the valuation of each of those refinanced loans.

Response 9:

In Case No. 2010-00489 Grayson refinanced \$11,904,064.62 of higher rate Rural Utilities Service ("RUS") loans with proceeds from CoBank, ACB ("CoBank"). The filing indicated Grayson could save \$1,573,087 over the life of the loan. The notes with CoBank are all fixed rate loans.

In Case No. 2016-00327 Grayson refinanced the remaining approximately \$9,800,000 of higher rate RUS loans with proceeds from National Rural Utilities, Cooperative Finance Corporation ("CFC"). This refinancing was estimated to save \$1,555,856 over the life of the loan. These, and all other notes with CFC are at a fixed rate.

The only current loans that are variable are the Federal Financing Bank ("FFB") loans. The variable rate at December 31, 2017 was 1.863%, which was substantially less than the fixed rates with either CoBank or CFC.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

10. Regarding Grayson RECC's decision at the hearing to withdraw its proposal to eliminate Schedule 16 - Small Commercial Demand and Energy Rate.

a. Provide the amount of the corresponding change to the revenue requirement for other rate classes.

b. Provide an updated Exhibit J to the application, reflecting the revised revenue requirement and revised rate schedules as well as the inclusion of Schedule 16. Also, separately provide a companion Exhibit J, which reflects the elimination of Schedule 16, the revised revenue requirement, and revised rate schedules.

Response 10:

An updated Exhibit S, which provides the updated and revised expenses, revenue requirements, and increase amount, is provided as an attachment to this response and serves as the basis for the changes to Exhibit R – COSS and revised Exhibit Js – Billing Analyses.

Response 10a:

Provided in an attachment to this response identified as 2nd Revised Exhibit R which reflects the changes in revenue requirements for all rate classes. This revised Cost of Service Study includes all updates developed after the filing of the initial application.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

Response 10b:

Two new billing analyses are attached to response. Exhibit J – Revised PH1 is the revised Exhibit J which provides the billing analysis for the continuation of Schedule 16 -Small Commercial Demand and Energy Rate and based on the Revised Exhibit R identified in the response to Item a. above. This billing analysis provides the revenue increase and proposed rates for all rate schedules. Also attached is Exhibit J – Revised PH 2 which has the combined Schedule 16 – Small Commercial Demand and Energy Rate with Schedule 2 – Small Commercial Rate. The total revenue requirements are the same as those in the Exhibit J – Revised PH1. This billing analysis provides the revenue increase and proposed rates for all rate schedules.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Statement of Operations, Adjusted

Exhibit S
page 1 of 4
Witness: James Adkins

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	<u>Actual Test Year</u>	<u>Normalized Adjustments</u>	<u>Normalized Test Year</u>	<u>Proposed Increase</u>	<u>Proposed Test Year</u>
Operating Revenues:					
Base rates	\$ 25,564,196	\$ 1,255,498	\$ 26,819,694	\$ 1,579,291	\$ 28,398,985
Fuel and surcharge	907,226	(907,226)	-		-
Other electric revenue	989,720	(20,308)	969,412		969,412
	<u>27,461,142</u>	<u>327,964</u>	<u>27,789,106</u>	<u>1,579,291</u>	<u>29,368,397</u>
Operating Expenses:					
Cost of power:					
Base rates	15,900,076	(393,645)	15,506,431		15,506,431
Fuel and surcharge	1,251,527	(1,251,527)	-		-
Distribution - operations	1,299,965	2,479	1,302,444		1,302,444
Distribution - maintenance	3,424,805	(21,784)	3,403,021		3,403,021
Consumer accounts	1,070,977	(11,815)	1,059,162		1,059,162
Customer service	260,150	(2,189)	257,961		257,961
Sales	22,103	(1,094)	21,009		21,009
Administrative and general	1,955,130	(140,174)	1,814,956		1,814,956
Total operating expenses	<u>25,184,733</u>	<u>(1,819,749)</u>	<u>23,364,984</u>	<u>-</u>	<u>23,364,984</u>
Depreciation	3,477,092	82,832	3,559,924		3,559,924
Taxes - other	41,074	-	41,074		41,074
Interest on long-term debt	980,167	325,334	1,305,501		1,305,501
Interest expense - other	7,941	-	7,941		7,941
Other deductions	35,148	(35,148)	-		-
Total cost of electric service	<u>29,726,155</u>	<u>(1,446,731)</u>	<u>28,279,424</u>	<u>-</u>	<u>28,279,424</u>
Utility operating margins	<u>(2,265,013)</u>	<u>1,774,695</u>	<u>(490,318)</u>	<u>1,579,291</u>	<u>1,088,973</u>
Nonoperating margins, interest	33,944	-	33,944		33,944
Nonoperating margins, other	94,790	-	94,790		94,790
G&T capital credits	504,926	(504,926)	-		-
Other capital credits	87,794	-	87,794		87,794
Net Margins	<u>\$ (1,543,559)</u>	<u>\$ 1,269,769</u>	<u>\$ (273,790)</u>	<u>\$ 1,579,291</u>	<u>\$ 1,305,501</u>
TIER	(0.57)		0.79		2.00
excluding G&T	(1.09)				
OTIER	(1.23)		0.68		1.89
(+Operating margins + Cash receipts from lenders + Interest on long-term debt) / Interest on long-term debt					

Grayson Rural Electric Cooperative
Case No. 2018-00272
Balance Sheet, Adjusted
December 31, 2017

Exhibit S
page 2 of 4
Witness: James Adkins

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	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
<u>Assets</u>			
Electric Plant:			
In service	\$ 76,908,490		\$ 76,908,490
Under construction	1,002,088		1,002,088
	<u>77,910,578</u>		<u>77,910,578</u>
Less accumulated depreciation	23,474,155	85,257	23,559,412
	<u>54,436,423</u>	<u>(85,257)</u>	<u>54,351,166</u>
Investments	<u>16,341,967</u>		<u>16,341,967</u>
Current Assets:			
Cash and temporary investments	213,727		213,727
Accounts receivable, net	4,497,022		4,497,022
Material and supplies	283,605		283,605
Prepayments and current assets	58,987		58,987
	<u>5,053,341</u>		<u>5,053,341</u>
Deferred debits	1,467,380		1,467,380
Net change in assets		2,934,317	2,934,317
Total	<u>\$ 77,299,111</u>	<u>\$ 2,849,060</u>	<u>\$ 80,148,171</u>
<u>Liabilities and Other Credits</u>			
Margins:			
Memberships	\$ 154,655		\$ 154,655
Patronage capital	25,454,529	2,849,060	28,303,589
	<u>25,609,184</u>	<u>2,849,060</u>	<u>28,458,244</u>
Long Term Debt	<u>41,787,107</u>		<u>41,787,107</u>
Accumulated postretirement benefit	<u>3,085,624</u>		<u>3,085,624</u>
Current Liabilities:			
Notes payable	2,185,000		2,185,000
Accounts payable	2,496,842		2,496,842
Consumer deposits	1,197,900		1,197,900
Accrued expenses	570,319		570,319
	<u>6,450,061</u>		<u>6,450,061</u>
Consumer advances for construction	<u>367,135</u>		<u>367,135</u>
Total	<u>\$ 77,299,111</u>	<u>\$ 2,849,060</u>	<u>\$ 80,148,171</u>

Grayson Rural Electric Cooperative
Case No. 2018-00272
Summary of Adjustments to Test Year

Exhibit S
page 3 of 4
Witness: James Adkins

	Exhibit 1	New	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	
		Medical	Payroll		Property				Professional		Annual &				Cycle	Normalize		Additional	
	Salaries	Insurance	Taxes	Depreciation	Tax	Interest	R&S	Donations	Fees	Directors	Misc	Rate	Ads	EKPC	Billing	Purchase	Revenue	Revenue	Total
Operating Revenues:																			
Base rates															1,687,063		(431,565)		1,255,498
Fuel and surcharge																	(907,226)		(907,226)
Other electric revenue																		(20,308)	(20,308)
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,687,063	0	(1,338,791)	(20,308)	327,964
Operating Expenses:																			
Cost of power:																			
Base rates																	(393,645)		(393,645)
Fuel and surcharge																(1,251,527)			(1,251,527)
Distribution - operations	5,001	(24,371)	1,153	589	13,562		6,545												2,479
Distribution - maintenance	9,966	(48,561)	2,297	1,473			13,041												(21,784)
Consumer accounts	5,112	(24,910)	1,178	115			6,690												(11,815)
Customer service	989	(4,819)	228	119			1,294												(2,189)
Sales	134	(651)	31	0			175						(783)						(1,094)
Administrative and general	9,485	(46,217)	2,186	129	603		12,412		(34,778)	(82,126)	(31,868)	30,000							(140,174)
Total operating expenses	30,687	(149,529)	7,073	2,425	14,165	0	40,157	0	(34,778)	(82,126)	(31,868)	30,000	(783)	0	0	(1,645,172)	0	0	(1,819,749)
Depreciation				82,832															82,832
Taxes - other																			0
Interest on long-term debt						325,334													325,334
Interest expense - other																			0
Other deductions						(20,343)		(14,805)											(35,148)
Total cost of electric service	30,687	(149,529)	7,073	85,257	14,165	304,991	40,157	(14,805)	(34,778)	(82,126)	(31,868)	30,000	(783)	0	0	(1,645,172)	0	0	(1,446,731)
Utility operating margins	(30,687)	149,529	(7,073)	(85,257)	(14,165)	(304,991)	(40,157)	14,805	34,778	82,126	31,868	(30,000)	783	0	1,687,063	1,645,172	(1,338,791)	(20,308)	1,774,695
Nonoperating margins, interest																			0
Nonoperating margins, other																			0
G&T capital credits														(504,926)					(504,926)
Other capital credits																			0
	0	0	0	0	0	0	0	0	0	0	0	0	0	(504,926)	0	0	0	0	(504,926)
Net Margins	(30,687)	149,529	(7,073)	(85,257)	(14,165)	(304,991)	(40,157)	14,805	34,778	82,126	31,868	(30,000)	783	(504,926)	1,687,063	1,645,172	(1,338,791)	(20,308)	1,269,769

Witness: James Adkins

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Grayson Rural Electric Cooperative
Case No. 2018-00272
Proposed Revenues
December 31, 2017

Interest on long term debt	<u>1,305,501</u>
Proposed increase in revenues over normalized revenues to generate a TIER of 2.00x	<u><u>\$1,579,291</u></u>

GRAYSON RECC

Case No. 2018-00272

Cost of Service Study

Acct No.	Description	Actual \$\$\$\$	Test Year Adjustments				Adjusted \$\$\$\$
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7,8,9,10,&11	Adjustment 12 & 13	
555	Demand Charges	3,498,227					3,498,227
	Energy Charges	11,905,793				(393,645)	11,512,148
	Metering Point	22,464					22,464
	Load Center Charges	473,592					473,592
	DLC	(28,472)				28,472	-
	FAC & ESC	1,279,999				(1,279,999)	-
	Total Purchased Power	17,151,603	-	-	-	(1,645,172)	15,506,431
580	Operations Supv & Eng						-
583	Overhead Line Exp.	538,051	(693)				537,358
586	Meter Expense	432,008	(8,527)				423,481
586.1	Meter Operation Survey	63,359	(2,448)				60,912
586.2	Automated Meter Equip Exp	39,473					39,473
588	Misc. Distribution Exp	227,073		14,151			241,224
	Total Operations	1,299,965	(11,668)	14,151	-	-	1,302,448
590	Maint Supv & Eng	289,988	(4,610)				285,378
592	Maint of Station Equip	-					-
593	Maint. Overhead Lines	3,082,346	(18,451)				3,063,895
594	Maint of Underground Lines	1,000					1,000
595	Maint Line Transformers	17,149					17,149
596	Maint of St Lg & Signal Sys	36					36
597	Maintenance of Meters	-					-
598	Maint Misc Distrib Plant	34,286	(188)	1,473			35,570
	Total Distribut Maintenance	3,424,805	(23,249)	1,473	-	-	3,403,029

Acct	Description	Actual \$\$\$\$	Test Year Adjustments				Adjusted \$\$\$\$
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7,8,9,10,&11	Adjustment 12 & 13	
901	Supervision	138,233	(2,182)				136,051
902	Meter Reading Expense	-					-
903	Cons Recds & Collections	914,613	(9,744)	115			904,983
904	Uncollectible Accounts	18,130	-				18,130
Total Consumer Accounts		1,070,976	(11,926)	115			1,059,165
907	Supervision						-
909	Customer Information Exp	260,150	(2,307)				257,843
910	Misc Customer Service Exp			119			119
912	Demonstration & Selling Exp	20,264	(312)		(783)		19,169
913	Advertising	1,839					1,839
Total Customer Service		282,253	(2,619)	119	-	(783)	278,970
Total of Distrib. Expenses		6,078,000	(49,463)	15,858	-	(783)	6,043,612
920	Administrative Salaries	1,093,003	(19,843)				1,073,160
921	Office Supplies	155,682	(1)				155,681
923	Outside Services	70,864			(34,778)		36,086
928	Regulatory Commission Exp	49					49
930.2	Annual Meeting Expenses	69,925			(31,868)		38,057
930.3	Miscellaneous General Exp	34,063	(1,162)	732	30,000		63,633
930.4	Misc Field Training	35,280					35,280
930.6	Directors Fees	158,827			(82,125)		76,702
930.7	Dues - NRECA & KAEC	48,727					48,727
932	Maint of General Plant	288,711	(1,142)				287,569
Total Admin & General		1,955,130	(22,149)	732	(118,771)	-	1,814,942

Acct	Description	Actual \$\$\$\$	Test Year Adjustments						Adjusted \$\$\$\$
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7,8,9,10,&11	Adjustment 12 & 13	Adjustment 15	Adjustment 17	
403.6	Deprec. Distribution Plant	3,224,205		82,832					3,307,037
403.7	Deprec. General Plant	252,887							252,887
	Total Depreciation	3,477,092	-	82,832	-	-	-	-	3,559,924
408.6	Reg. Commission Assess.	41,074							41,074
426.1	Donations	35,148		(20,343)	(14,805)				0
	Total Miscellaneous	76,222	-	(20,343)	(14,805)	-	-	-	41,074
427	Total Interest on LTD	980,167	-	325,334	-	-			1,305,501
431	Total Short Term Interest	7,941							7,941
	TOTAL COSTS TO SERVE	29,726,156	(71,612)	404,413	(133,576)	(783)	(1,645,172)	-	28,279,426
	Margin Requirements	980,167	-	325,334	-	-	-	-	1,305,501
	TOTA REVENUE REQUIRED	30,706,323	(71,612)	729,747	(133,576)	(783)	(1,645,172)	-	29,584,927
	Less: Misc Income								
	CATV & Non-Recurring Chrgs								
450	Forfeited Discounts	426,628							426,628
454	Rent from Electric Prop.	507,748							507,748
456	Other Electric Property	55,343					(20,308)		35,035
	Total Misc Income	989,720	-	-	-	-	(20,308)		969,412

Acct	Description	Actual \$\$\$\$	Test Year Adjustments				Adjusted \$\$\$\$			
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7,8,9,10,&11	Adjustment 12 & 13		Adjustment 15	Adjustment 17	
	Less: Other Income									
417	Other non-operating margins	94,790						94,790		
419	Interest Income	33,946						33,946		
423	G&T Capital Credits	504,926				(504,926)		-		
424	Other Capital Credits	87,795						87,795		
	Total Other Income	721,457				(504,926)		216,531		
	REVENUE REQUIREMENTS FROM BASE RATES	28,995,147				(133,576)	504,143	(1,645,172)	20,308	28,398,984

FOOTNOTES

	Wages & Salaries	Payroll Taxes	Retirement	Medical Insurance	Total	(a) See Exhibit S, Page 3 of 5, Adjustments 1, 2, & 7.
	<u>1</u>	<u>2</u>	<u>7</u>	New		
Adjustments 1, 2 and 7 (a)						
Distribution - operations	5,001	1,153	6,545	(24,371)	(11,672)	
Distribution - maintenance	9,966	2,297	13,041	(48,561)	(23,257)	
Consumer accounts	5,112	1,178	6,690	(24,910)	(11,930)	
Customer service	989	228	1,294	(4,819)	(2,308)	
Sales	134	31	175	(651)	(311)	
Administrative and general	9,485	2,186	12,412	(46,217)	(22,134)	
Total operating expenses	30,687	7,073	40,157	(149,529)	(71,612)	

Acct	Description	Actual \$\$\$\$	Test Year Adjustments					Adjusted \$\$\$\$
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7,8,9,10,&11	Adjustment 12 & 13	Adjustment 15	
Allocation of Adjustments to Accounts			Actual	Wage & Sal.	Percent of	Allocation		
			Expenses	Total	Total	Adjustments		
583.00	Overhead line		20,240	0.97%		(693)		
586.00	Meter		248,905	11.91%		(8,527)		
588.00	Miscellaneous distribution		71,443	3.42%		(2,448)		
590.00	Maintenance		134,567	6.44%		(4,610)		
593.00	Overhead line		538,571	25.77%		(18,451)		
598.00	Miscellaneous maintenance		5,498	0.26%		(188)		
901.00	Supervision		63,691	3.05%		(2,182)		
903.00	Consumer records		284,433	13.61%		(9,744)		
909.00	Information expense		67,342	3.22%		(2,307)		
912.0	Demonstration & selling		9,103	0.44%		(312)		
920.0	Administrative & general		547,378	26.19%		(18,753)		
921.0	Office supplies expense		34	0.00%		(1)		
926.0	Employee benefits		31,826	1.52%		(1,090)		
930.0	Miscellaneous General exp		33,926	1.62%		(1,162)		
932.0	Maintenance of general plant		33,346	1.60%		(1,142)		
			<u>2,090,303</u>	<u>100.00%</u>		<u>(71,612)</u>		
			Depreciation	Property	Interest	Total		
			<u>3 (b)</u>	Taxes	Expense			
				<u>4 (c)</u>	<u>5 (d)</u>			
Operating Expenses:								(b) See Exhibit S, Page 3 of 5, Adjustment 3
Cost of power:								(c) See Exhibit S, Page 3 of 5, Adjustment 4
Base rates								(d) See Exhibit S, Page 3 of 5, Adjustment 5
Fuel and surcharge								
Distribution - operations			589	13,562		14,151		
Distribution - maintenance			1,473			1,473		
Consumer accounts			115			115		
Customer service			119			119		
Sales			-			-		
Administrative and general			129	603		732		
Depreciation			82,832			82,832		
Taxes - other						-		
Interest on long-term debt					325,334	325,334		
Interest expense - other						-		
Other deductions					(20,343)	(20,343)		
Total			<u>85,257</u>	<u>14,165</u>	<u>304,991</u>	<u>404,413</u>		

Acct No.	Description		Adjusted \$\$\$\$	Power Supply	Lines	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
555	Demand Charges		3,498,227	3,498,227						
0	Energy Charges		11,512,148	11,512,148						
0	Metering Point		22,464	22,464						
0	Load Center Charges		473,592	473,592						
0	DLC		-	-						
0	FAC & ESC		-	-						
0										
0	Total Purchased Power		15,506,431	15,506,431						
0										
580	Operations Supv & Eng		-	-						-
583	Overhead Line Exp.	a	537,358	-	464,466		72,891			
586	Meter Expense	b	423,481	-				423,481		
586.1	Meter Operation Survey	b	60,912	-				60,912		
586.2	Automated Meter Equip Exp	b	39,473	-				39,473		
588	Misc. Distribution Exp	c	241,224	-	103,396	-	16,226	121,602	-	-
0										
0	Total Operations		1,302,448	-	567,862	-	89,118	645,468		
0										
590	Maint Supv & Eng	d	285,378	-	245,310	1,567	38,498			3
592	Maint of Station Equip		-	-						
593	Maint. Overhead Lines	a	3,063,895	-	2,648,285		415,610			
594	Maint of Underground Lines	a	1,000	-	864		136			
595	Maint Line Transformers	b	17,149	-		17,149				
596	Maint of St Lg & Signal Sys	b	36	-						36
597	Maintenance of Meters		-	-						
598	Maint Misc Distrib Plant	d	35,570	-	30,576	195	4,798			0.41
	Total Distribut Maintenance		3,403,029	-	2,925,035	18,912	459,042	-	-	40

Acct	Description		Adjusted \$\$\$\$	Power Supply	Lines	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
0			-						-	
901	Supervision	b	136,051						136,051	
902	Meter Reading Expense	b	-	-	-	-	-	-	-	
903	Cons Recds & Collections	b	904,983						904,983	
904	Uncollectible Accounts	b	18,130						18,130	
0			-						-	
0	Total Consumer Accounts		1,059,165						1,059,165	
0			-						-	
907	Supervision	b	-						-	
909	Customer Information Exp	b	257,843						257,843	-
910	Misc Customer Service Exp	b	119						119	
912	Demonstration & Selling Exp	b	19,169	-		-			19,169	
913	Advertising		1,839						1,839	
0			-						-	
0	Total Customer Service		278,970	-	-	-	-	-	278,970	-
0			-						-	
0	Total of Distrib. Expenses		6,043,612	-	3,492,897	18,912	548,160	645,468	1,338,135	40
0			-						-	
920	Administrative Salaries		1,073,160		620,231	3,358	97,336	114,615	237,612	7
921	Office Supplies		155,681		89,976	487	14,120	16,627	34,470	1
923	Outside Services		36,086		20,856	113	3,273	3,854	7,990	0
928	Regulatory Commission Exp		49		28	0	4	5	11	0
930.2	Annual Meeting Expenses		38,057		21,995	119	3,452	4,065	8,426	0
930.3	Miscellaneous General Exp		63,633		36,776	199	5,772	6,796	14,089	0
930.4	Misc Field Training		35,280	-	20,390	110	3,200	3,768	7,811	0
930.6	Directors Fees		76,702		44,330	240	6,957	8,192	16,983	1
930.7	Dues - NRECA & KAEC		48,727		28,162	152	4,420	5,204	10,789	0
932	Maint of General Plant		287,569		166,200	900	26,083	30,713	63,672	2
0			-						-	
0	Total Admin & General		1,814,942	-	1,048,943	5,679	164,617	193,839	401,852	12

Acct	Description	Adjusted \$\$\$\$	Power Supply	Lines	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
0		-	-	-	-	-	-	-	-
403.6	Deprec. Distribution Plant	3,307,037		2,258,873	363,583	354,286	187,011	55,130	88,154
403.7	Deprec. General Plant	252,887	-	172,735	27,803	27,092	14,301	4,216	6,741
0		-							
0	Total Depreciation	3,559,924	-	2,431,607	391,386	381,377	201,311	59,346	94,895
0		-							
408.6	Reg. Commission Assess.	41,074		28,062	4,522	4,401	2,320	672	1,097
426.1	Donations	0							
0		-							
0	Total Miscellaneous	41,074	-	28,062	4,522	4,401	2,320	672	1,097
0		-							
427	Total Interest on LTD	1,305,501		891,928	143,738	139,891	73,727	21,365	34,852
0		-							
431	Total Short Term Interest	7,941		5,425	874	851	448	130	212
0		-							
0	TOTAL COSTS TO SERVE	28,279,426	15,506,431	7,898,863	565,112	1,239,298	1,117,114	1,821,500	131,107
0									

FOOTNOTES

a Allocation on Plant Balance

	Amount	Percent	Alloc Line Oper Exp	Alloc Line Maint Exp	Alloc Line UDG Line Exp
Poles, Towers & Fixtures	26,372,044				
Overhead Conductor	21,682,973				
Underground Conductor	460,150				
Subtotal	48,515,167	86.4%	464,466	2,648,285	864
Services	7,613,763	13.6%	72,891	415,610	136
Total	56,128,930	100.0%	537,358	3,063,895	1,000

Acct Description	Adjusted \$\$\$\$	Power Supply	Lines	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
b Direct Assignment								
c Proportional on all Other Operation Expenses								
	<u>Amount</u>	<u>Percent</u>	<u>Allocated</u>					
			<u>Misc Oper Exp</u>					
Lines	465,773	42.9%	103,396					
Services	73,096	6.7%	16,226					
Meters	547,789	50.4%	121,602					
Total	<u>1,086,658</u>	<u>100%</u>	<u>241,224</u>					
d Proportional on all Other Maintenance Expenses								
	<u>Amount</u>	<u>Percent</u>	<u>Allocated</u>		<u>Allocated</u>			
			<u>Sup Main Exp</u>		<u>Mis Main Exp</u>			
Lines	2,683,913	85.96%	245,310		30,576			
Transformers	17,149	0.55%	1,567		195			
Services	421,202	13.49%	38,498		4,798			
Meters	36	0.001%	3		0.41			
Total	<u>3,122,300</u>	<u>100%</u>	<u>285,378</u>		<u>35,570</u>			
e Allocation of Administrative & General Expense								
	Adjusted \$\$\$\$	Power Supply	Lines	Trans former	- Services	- Meters	Cons. & Acct Services	Outdoor Lighting
Total of All Other Distrib Exp	6,043,612	-	3,492,897	18,912	548,160	645,468	1,338,135	40
Allocation Percent	100.000%	0.00%	57.79%	0.31%	9.07%	10.68%	22.14%	0.001%
Allocated Amount	<u>1,814,942</u>	-	<u>1,048,943</u>	<u>5,679</u>	<u>164,617</u>	<u>193,839</u>	<u>401,852</u>	<u>12</u>

Net Investment Rate Base by Function

Description	\$\$\$\$	<u>Lines</u>	<u>Transformers</u>	<u>Services</u>	<u>Meters Consumer</u>	<u>Consumer & Accounting Services</u>	<u>Outdoor Lighting</u>
362 Substation Equipment	31,054	31,054					
364 Poles, Towers and Fixtures	26,372,044	26,372,044					-
365 Overhead Conductor	21,682,973	21,682,973					
367 UG Conductor	460,150	460,150					
368 Line Transformers	8,327,678		8,327,678				
369 Services	7,613,763			7,613,763			-
370 Meters	3,682,175				3,682,175		
371 Install. On Consumer Prem.	2,023,425						2,023,425
373 Street Ltg & Signal Systems	-						-
Total Distribution Plant	70,193,262	48,546,221	8,327,678	7,613,763	3,682,175	-	2,023,425
		69.16%	11.86%	10.85%	5.25%	0.00%	2.88%
Total General Plant	5,715,308	3,303,154	17,885	518,383	610,405	1,265,444	37
		57.8%	0.3%	9.1%	10.7%	22.1%	0.0%
Total Utility Plant In Service	75,908,570	51,849,375	8,345,562	8,132,146	4,292,580	1,265,444	2,023,462
		68.3%	11.0%	10.7%	5.7%	1.7%	2.7%

Net Investment Rate Base by Function

Description	\$\$\$\$	<u>Lines</u>	<u>Transformers</u>	<u>Services</u>	<u>Meters Consumer</u>	<u>Consumer & Accounting Services</u>	<u>Outdoor Lighting</u>
Accum. Depreciation	23,474,155	16,034,030	2,580,802	2,514,805	1,327,448	391,329	625,740
Net Plant	52,434,415	35,815,345	5,764,760	5,617,341	2,965,132	874,115	1,397,722
		68.31%	10.99%	10.71%	5.65%	1.67%	2.67%
CWIP	1,002,008	692,997	118,878	108,686	52,563	-	28,884
Net Utility Plant	53,436,423	36,508,342	5,883,637	5,726,027	3,017,695	874,115	1,426,606
Plus							
Cash Working Capital	1,004,141	685,879	110,398	107,574	56,784	16,740	26,767
Materials & Supplies	267,646	182,816	29,426	28,673	15,135	4,462	7,135
Prepayments	328,343	224,275	36,099	35,176	18,568	5,474	8,752
Minus: Consumer Advances	367,135	250,772	40,364	39,331	20,761	6,120	9,787
Net Investment Rate Base	54,669,418	37,350,540	6,019,196	5,858,119	3,087,420	894,670	1,459,473
Percentage		68.32%	11.01%	10.72%	5.65%	1.64%	2.67%

Acct No.	Description	Pro Forma \$\$\$\$	Power Supply				Lines	
			Demand	Energy	Load Center	Demand	Consumer	
555	Demand Charges	3,498,227	3,498,227					
	Energy Charges	11,512,148	-	11,512,148				
	Metering Point	22,464			22,464			
	Load Center Charges	473,592			473,592			
	DLC	-						
	FAC & ESC	-						
580								
583	Total Purchased Power	15,506,431	3,498,227	11,512,148	496,056	-	-	
584								
585	Operations Supv & Eng	-						
586	Overhead Line Exp.	537,358				256,310	208,156	
587	Meter Expense	423,481						
588	Meter Operation Survey	60,912						
589	Automated Meter Equip Exp	39,473						
	Misc. Distribution Exp	241,224				57,058	46,338	
	Total Operations	1,302,448	-	-	-	313,368	254,494	
590								
	Maint Supv & Eng	285,378				135,371	109,938	
593	Maint of Station Equip	-						
594	Maint. Overhead Lines	3,063,895				1,461,426	1,186,859	
595	Maint of Underground Lines	1,000				477	387	
596	Maint Line Transformers	17,149						
597	Maint of St Lg & Signal Sys	36						
598	Maintenance of Meters	-						
599	Maint Misc Distrib Plant	35,570				16,873	13,703	
	Total Distribut Maintenance	3,403,029	-	-	-	1,614,147	1,310,888	

Acct	Description	Pro Forma \$\$\$\$	Demand	Power Supply Energy	Load Center	Demand	Lines Consumer
901	0	-					
	Supervision	136,051					
902	Meter Reading Expense	-					
903	Cons Recds & Collections	904,983					
904	Uncollectible Accounts	18,130					
	U	-					
	Total Consumer Accounts	1,059,165					
	0	-					
907	Supervision	-					
908	Customer Information Exp	257,843					
909	Misc Customer Service Exp	119					
910	Demonstration & Selling Exp	19,169					
912	Advertising	1,839					
		-					
	Total Customer Service	278,970					
		-					
	Total of Distrib. Expenses	6,043,612	-			1,927,515	1,565,382
920		-					
	Total Admin & General	1,814,942				578,847	470,096
		-					
	Total Depreciation	3,559,924				1,341,855	1,089,753
		-					
	Total Miscellaneous	41,074	-			15,486	12,576
		-					
	Total Interest on LTD	1,305,501				492,200	399,728
		-					
	Total Short Term Interest	7,941				2,994	2,431
		-					
	TOTAL COSTS TO SERVE	28,279,426	3,498,227	11,512,148	496,056	4,358,897	3,539,966

Description Acct	Pro Forma \$\$\$\$	Power Supply			Lines	
		<u>Demand</u>	<u>Energy</u>	<u>Load Center</u>	<u>Demand</u>	<u>Consumer</u>
Purchased Power Costs		3,498,227	11,512,148	496,056		
Distribution O&M Demand Related					1,927,515	
Distribution O&M Consumer Related						1,565,382
Admin & Gen Demand Related					578,847	
Admin & Gen Consumer Related						470,096
Deprec, Taxes & Misc Demand Related					1,360,334	
Deprec, Taxes & Misc Consumer Related						1,104,760
Interest Demand Related					492,200	
Interest Customer Related						399,728
Total Costs by Function		<u>3,498,227</u>	<u>11,512,148</u>	<u>496,056</u>	<u>4,358,897</u>	<u>3,539,966</u>
Margins Demand Related						
Margins Consumer Related						
Total Revenue Requirements						
Credits Demand Related						
Credits Consumer Related						

Revenue Requirements-Rates

Acct No.	Description	Transformers		Services	Meters	Cons & Acct	Outdoor
		<u>Demand</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Lighting</u>
555	Demand Charges						
	Energy Charges						
	Metering Point						
	Load Center Charges						
	DLC						
	FAC & ESC						
580		<hr/>					
583	Total Purchased Power	-	-	-	-	-	-
584							
585	Operations Supv & Eng						-
586	Overhead Line Exp.			72,891	-		
587	Meter Expense				423,481		
588	Meter Operation Survey				60,912		
589	Automated Meter Equip Exp				39,473		
	Misc. Distribution Exp			16,226	121,602		
		<hr/>					
	Total Operations	-	-	89,118	645,468		
590							
	Maint Supv & Eng	1,022	545	38,498			3
593	Maint of Station Equip						
594	Maint. Overhead Lines			415,610			
595	Maint of Underground Lines			136			
596	Maint Line Transformers	11,184	5,965				
597	Maint of St Lg & Signal Sys						36
598	Maintenance of Meters					-	-
599	Maint Misc Distrib Plant	127	68	4798.48017			
		<hr/>					
	Total Distribut Maintenance	12,334	6,578	459,042	-	-	39

Acct	Description	Transformers		Services	Meters	Cons & Acct	Outdoor
		<u>Demand</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Lighting</u>
901	0					-	
	Supervision					136,051	
902	Meter Reading Expense					-	
903	Cons Recds & Collections					904,983	
904	Uncollectible Accounts					18,130	
	U						
	Total Consumer Accounts	-		-	-	1,059,165	-
	0						
907	Supervision					-	
908	Customer Information Exp					257,843	
909	Misc Customer Service Exp					119	
910	Demonstration & Selling Exp					19,169	
912	Advertising					1,839	
	Total Customer Service					278,970	
	Total of Distrib. Expenses	12,334	6,578	548,160	645,468	1,338,135	39
920	Total Admin & General	3,704	1,976	164,617	193,839	401,852	12
	Total Depreciation	255,247	136,139	381,377	201,311	59,346	94,895
	Total Miscellaneous	2,949	1,573	4,401	2,320	672	1,097
	Total Interest on LTD	93,740	49,997	139,891	73,727	21,365	34,852
	Total Short Term Interest	570	304	851	448	130	212
	TOTAL COSTS TO SERVE	368,545	196,567	1,239,298	1,117,114	1,821,500	131,107

Description Acct	Transformers		Services	Meters	Cons & Acct	Outdoor
	<u>Demand</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Consumer</u>	<u>Lighting</u>
Purchased Power Costs						
Distribution O&M Demand Related	12,334					
Distribution O&M Consumer Related		6,578	548,160	645,468	-	39
Admin & Gen Demand Related	3,704					
Admin & Gen Consumer Related		1,976	164,617	193,839	1,739,987	12
Deprec, Taxes & Misc Demand Related	258,767					
Deprec, Taxes & Misc Consumer Related		138,016	386,630	204,079	60,148	96,204
Interest Demand Related	93,740					
Interest Customer Related		49,997	139,891	73,727	21,365	34,852
Total Costs by Function	368,545	196,567	1,239,298	1,117,114	1,821,500	131,107
Margins Demand Related						
Margins Consumer Related						
Total Revenue Requirements						
Credits Demand Related						
Credits Consumer Related						
Revenue Requirements-Rates						

Determination of Demand and Customer Related Expenses

Account 364 - Poles

Pole	Investment	Number of Units	Unit Cost	Size	Number of Units		
					(SQRT2*3)	(SQRT2)	(SQRT2*4)
25' & 30'	2,658,806	10,376	256.25	27.50	26,101.87	101.86265	2,801.22
35'	633,563	3,831	165.38	35.00	10,236.08	61.895073	2,166.33
40'	9,286,013	16,578	560.14	40.00	72,121.24	128.75558	5,150.22
45'	3,355,596	5,339	628.51	45.00	45,924.00	73.068461	3,288.08
50' & 55'	1,385,466	1,634	847.90	52.50	34,274.40	40.422766	2,122.20
60' thru 75'	151,069	161	938.32	65.00	11,905.89	12.688578	824.76
Total for Sample	17,470,513	37,919					
X Variable - (Size)	26.43						
Zero Intercept	(444.86)						
Use Minimum Size Pole			165.38				
Number of poles			37,919.00				
Consumer Related Investment			6,270,965.23				
Total Investment for sample			17,470,513				
Percent Customer Related			35.89%				
Percent Demand Related			64.11%				

Determination of Demand and Customer Related Expenses

Account 365 - Overhead Conductor

Conductor	Investment	Number of Units	Unit Cost	Amps	Number of Units		
					(SQRT2*3)	(SQRT2)	(SQRT2*4)
8ACWC	35,928	552,127	\$ 0.0651	100	48.35	743.05	74,305.25
1/0 ACSR	4,129,449	7,996,836	\$ 0.5164	230	1,460.27	2,827.87	650,409.58
2 ACSR	2,933,511	13,866,148	\$ 0.2116	180	787.79	3,723.73	670,270.99
336 ACSR	386,380	348,109	\$ 1.1099	519	654.87	590.01	306,213.96
1/0 Strand Copper	37,607	201,461	\$ 0.1867	310	83.79	448.84	139,141.66
#4 ACWC	4,506	23,697	\$ 0.1902	180	29.27	153.94	27,708.89
#2 HD Solid	12,469	131,839	0.09		34.34	363.10	#VALUE!
4/0 CU Stranded	658	340	\$ 1.9356	519	35.69	18.44	9,569.89
397 Hendrix	103,773	39,731	\$ 2.6119		520.62	199.33	#VALUE!
Total for Sample	7,644,281	23,160,288	\$ 0.3301				
X Variable - (Size)	0.00337						
Zero Intercept	-0.32108						
Total Amount of Conductor in Feet		23,160,288					
Use Minimum Size		0.21156					
Minimum Size Investment -Consumer Related		4,899,772	64.10%				
Demand Related		2,744,509	35.90%				
Investment in Conductor		\$ 7,644,281	100.00%				

Determination of Demand and Customer Related Expenses

Account 367 - Underground Conductor

Conductor	Investment	Number of Units	Unit Cost	Amps	Number of Units (SQRT2*3)	(SQRT2)	(SQRT2*4)
#2 Primary AL URD	182,903	37,140	4.92	180			
1/0 15KV URD	37,554	9,650	3.89	310	382.29	98.23	30,452.67
#4 CU Solid	77	590	0.13	179	3.16	24.29	4,347.89
1000 MCM PRIM UG	8,703	795	10.95	320	308.65	28.20	9,022.64
Total for Sample	229,236	48,175	4.76				
X Variable - (Size)	0.0866						
Zero Intercept	-25.44957						
Total Amount of Conductor in Feet		48,175					
Use Minimum Size		3.89165					
Minimum Size Investment -Consumer Related		187,480	81.78%				
Demand Related		41,756	18.22%				
Investment in Conductor		229,236.37	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	229,236	81.78%	187,480.28	18.22%	41,756	#####
Overhead Conductor	7,644,281	64.10%	4,899,771.94	35.90%	2,744,509	
Poles	17,470,513	35.89%	6,270,965.23	64.11%	11,199,547	
	25,344,030		11,358,217		13,985,812	
Percentage Allocations For Overhead Lines			44.82%		55.18%	
	25,344,030		11,358,217		13,985,812	
Percentage Allocation for All Lines			44.82%		55.18%	

Determination of Demand and Customer Related Expenses

Witness: James Adkins

Pole	Account 368-Transformers				Number of Units		
	Investment	Number of Units	Unit Cost	Size	(SQRT2*3)	(SQRT2)	(SQRT2*4)
25 KVA PDMT	22,235	18.00	1,235.28	25.00	5,240.84	4.24	106.07
50 KVA PDMT	32,470	20.00	1,623.50	50.00	7,260.51	4.47	223.61
10 KVA CONVENTIONAL	24,651	83.00	297.00	10.00	2,705.76	9.11	91.10
15 KVA CONVENTIONAL	111,792	204.00	548.00	15.00	7,827.03	14.28	214.24
25 KVA CONV	59,279	120.00	493.99	25.00	5,411.44	10.95	273.86
37.5 KVA CONV	20,292	33.00	614.91	37.50	3,532.37	5.74	215.42
50 KVA CONV	89,172	90.00	990.80	50.00	9,399.56	9.49	474.34
5 KA CSP	32,689	216.00	151.34	5.00	2,224.20	14.70	73.48
10 KVA CSP	1,462,040	3,955.00	369.67	10.00	23,248.02	62.89	628.89
15 KVA CSP	2,882,871	5,471.00	526.94	15.00	38,975.52	73.97	1,109.49
25 KVA CSP	2,493,024	3,612.00	690.21	25.00	41,481.32	60.10	1,502.50
37.5 KVA CSP	220,519	257.00	858.05	37.50	13,755.59	16.03	601.17
50 KVA CSP	35,029	34.00	1,030.27	50.00	6,007.48	5.83	291.55
45 KVA 3 PH PDMT	4,765	1.00	4,765.22	45.00	4,765.22	1.00	45.00
1, 3 & 5 CONV	19,513	243.00	80.30	3.00	1,251.73	15.59	46.77
75 KVA PDMT	20,672	10.00	2,067.16				
75 KVA 3PH PDMT	9,546	3.00	3,181.86				
100-1000 KVA PDMT	113,253	18.00	6,291.83				
2500 KVA PDMT	83,416	3.00	27,805.27				
500 KVA CONV	38,638	7.00	5,519.70				
75 KVA CONV	41,948	41.00	1,023.11				
100 KVA CONV	58,881	40.00	1,472.02				
167 KVA CONV	89,630	30.00	2,987.65				
250 KVA CONV	65,277	21.00	3,108.43				
1500 KVA PDMT	24,019	1.00	24,019.27				
Total Sample Investment	8,055,619	14,531	554.37				
X Variable - (Size)	20.40						
Zero Intercept	192.83						

Number of Transformers	14,531
Zero Intercept	\$ 192.83
Consumer Related Investment	\$ 2,802,048.88
Total Investment	\$ 8,055,619.07
Percentage of Investment Consumer Related	34.78%
Percentage of Investment Demand Related	65.22%

<u>Category</u>	<u>Total Amount</u>	<u>Sched 1 Domestic Farm & Home Service</u>	<u>Sched 2 Commercial & Small Power</u>	<u>Sched 3 Off-Peak Marketing Rate</u>	<u>Sched 4 Large Power Service 1 & 3 PH</u>	<u>Sched 5 Street Lighting Service</u>
<u>Purchased Power Costs</u>						
Demand - EKPC Sched E-2	3,095,195	2,313,528	140,187	-	291,844	-
Demand - EKPC Sched B	403,032					
Load Center Charges	\$496,056	324,552	19,666	-	40,941	-
Total Purchased Power Demand	3,994,283	2,638,081	159,853	-	332,785	-
<u>Energy - EKPC Sched E-2</u>	\$10,254,710	7,124,333	766,893	-	1,148,509	-
<u>Energy - EKPC Sched B</u>	\$1,257,438					
<u>Distribution Costs</u>						
<u>Demand Related</u>						
Lines	4,358,897	2,901,850	288,113	-	517,258	-
Transformers	368,545	290,669	18,547	-	16,738	-
Total Demand Related	4,727,442	3,192,520	306,660	-	533,996	-
<u>Consumer Related</u>						
Lines	3,539,966	2,546,521	253,479	-	15,411	-
Transformers	196,567	131,938	21,844	-	4,365	-
Services	1,239,298	893,892	88,977	-	2,254	-
Meters	1,117,114	775,095	77,152	-	10,651	-
Consumer Svc & Accounting	1,821,500	1,236,390	92,302	-	9,353	-
Total Consumer Related	7,914,446	5,583,836	533,755	-	42,034	-
Outdoor Lighting	131,107					
Total Costs	28,279,425	18,538,769	1,767,160	-	2,057,325	-

<u>Category</u>	<u>Sched 6 Outdoor Lighting Serv</u>	<u>Sched 7 All Electric Schools</u>	<u>Sched 10 Residential Time of Day</u>	<u>Sched 16 Sml Com kW & kWh</u>	<u>Sched 17 Water Pumping Service</u>	<u>Sched 18 General Service Rate</u>
Purchased Power Costs						
Demand - EKPC Sched E-2	20,034	76,704	783	686	135	107,342
Demand - EKPC Sched B						
Load Center Charges	2,810	10,760	110	96	19	15,058
Total Purchased Power Demand	22,844	87,464	892	783	154	122,400
Energy - EKPC Sched E-2	185,876	246,250	2,297	11,216	286	275,441
Energy - EKPC Sched B						
Distribution Costs						
Demand Related						
Lines	67,180	132,731	1,201	3,073	293	157,641
Transformers	2,167	4,903	75	264	20	14,343
Total Demand Related	69,348	137,634	1,276	3,337	313	171,984
Consumer Related						
Lines	25,532	2,070	460	1,150	230	495,687
Transformers	674	586	24	99	12	25,682
Services	8,962	727	161	404	81	173,998
Meters	-	1,431	247	795	70	150,874
Consumer Svc & Accounting	185,735	1,256	195	698	98	210,583
Total Consumer Related	220,903	6,070	1,088	3,146	490	1,056,825
Outdoor Lighting	131,107					
Total Costs	630,078	477,419	5,552	18,482	1,243	1,626,651

<u>Category</u>	<u>Sched 19 Temporary Service Rate</u>	<u>Sched 20 Inclining Block Rate</u>	<u>Sched 21 Prepay Residential</u>	<u>Sched 22 Prepay General Serv</u>	<u>Net Metering Residential</u>	<u>Net Metering General Service Rate</u>
Purchased Power Costs						
Demand - EKPC Sched E-2	8,455	8,442	119,685	5,626	1,700	45
Demand - EKPC Sched B						
Load Center Charges	1,186	1,184	16,790	789	238	6
Total Purchased Power Demand	9,641	9,626	136,474	6,415	1,938	51
Energy - EKPC Sched E-2	33,318	6,580	446,978	3,218	2,083	6
Energy - EKPC Sched B						
Distribution Costs						
Demand Related						
Lines	11,000	-	149,821	6,268	2,159	114
Transformers	1,225	-	15,273	209	226	8
Total Demand Related	12,225	-	165,094	6,478	2,384	122
Consumer Related						
Lines	15,411	9,661	169,983	2,760	920	230
Transformers	1,328	501	8,807	143	48	12
Services	5,410	3,391	59,668	969	323	81
Meters	4,691	2,940	91,073	1,479	493	123
Consumer Svc & Accounting	6,547	4,104	72,214	1,173	391	98
Total Consumer Related	33,387	20,597	401,745	6,524	2,175	544
Outdoor Lighting						
Total Costs	88,571	36,804	1,150,291	22,635	8,580	723

Category	Total for EKPC Schedule E=2	Envirowatts	Sched 14a Large Indust EKPC Sched B	Total for All Rate Classes
Purchased Power Costs				-
Demand - EKPC Sched E-2	3,095,195			3,095,195
Demand - EKPC Sched B	-		403,032	403,032
Load Center Charges	434,208		61,848	496,056
Total Purchased Power Demand	3,529,403		464,880	3,994,283
Energy - EKPC Sched E-2	10,253,285	\$1,425		10,254,710
Energy - EKPC Sched B	-		\$1,257,438	1,257,438
Distribution Costs				-
Demand Related				-
Lines	4,238,703		120,193	4,358,897
Transformers	364,667		3,878	368,545
Total Demand Related	4,603,370		124,071	4,727,442
Consumer Related				-
Lines	3,539,506		460	3,539,966
Transformers	196,062		505	196,567
Services	1,239,298		-	1,239,298
Meters	1,117,114			1,117,114
Consumer Svc & Accounting	1,821,137		363	1,821,500
Total Consumer Related	7,913,118		1,328	7,914,446
Outdoor Lighting	131,107		-	131,107
Total Costs	26,430,283	1,425	1,847,717	28,279,425

Allocation of Expenses to Rate Classes

Determination of Interest Expense by Rate Class

Category	Total Amount	Sched 1	Sched 2	Sched 3	Sched 4	Sched 5
		Domestic Farm & Home Service	Commercial & Small Power	Off-Peak Marketing Rate	Large Power Service 1 & 3 PH	Street Lighting Service
Lines - Demand Related	492,200	327,673	32,533	-	58,408	-
Lines - Consumer Related	399,728	287,549	28,622	-	1,740	-
	891,928	615,222	61,156	-	60,148	-
-						
Transmission - Demand Related	93,740	73,933	4,717	-	4,257	-
Transmission - Consumer Related	49,997	33,559	5,556	-	1,110	-
	143,738	107,492	10,273	-	5,368	-
Services	139,891	100,902	10,044	-	254	-
Meters	73,727	51,155	5,092	-	703	-
Consumer & Accounting Service	21,365	14,502	1,083	-	110	-
Outdoor Lighting	34,852					
	1,305,501	889,272	87,648	-	66,583	-
Consumer Related Interest	684,709	487,667	50,397	-	3,917	-

Determination of Interest Expense by Rate Class

Category	Sched 6 Outdoor Lighting Serv	Sched 7 All Electric Schools	Sched 10 Residential Time of Day	Sched 16 Sml Com kW & kWh	Sched 17 Water Pumping Service	Sched 18 General Service Rate
Lines - Demand Related	7,586	14,988	136	347	33	17,801
Lines - Consumer Related	2,883	234	52	130	26	55,972
	10,469	15,222	188	477	59	73,773
Transmission - Demand Related	551	1,247	19	67	5	3,648
Transmission - Consumer Related	171	149	6	25	3	6,532
	723	1,396	25	92	8	10,181
Services	1,012	82	18	46	9	19,641
Meters	-	94	16	52	5	9,957
Consumer & Accounting Service	2,179	15	2	8	1	2,470
Outdoor Lighting	34,852					
	49,234	16,809	249	675	82	116,022
Consumer Related Interest	6,245	574	95	261	44	94,573

Determination of Interest Expense by Rate Class

Category	Sched 19 Temporary Service Rate	Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate
Lines - Demand Related	1,242	-	16,918	708	244	13
Lines - Consumer Related	1,740	1,091	19,194	312	104	26
	2,982	1,091	36,112	1,020	348	39
Transmission - Demand Related	312	-	3,885	53	57	2
Transmission - Consumer Related	338	127	2,240	36	12	3
	649	127	6,125	90	69	5
Services	611	383	6,735	109	36	9
Meters	310	194	6,011	98	33	8
Consumer & Accounting Service	77	48	847	14	5	1
Outdoor Lighting						
	4,629	1,843	55,829	1,330	491	62
Consumer Related Interest	3,075	1,843	35,027	569	190	47

Determination of Interest Expense by Rate Class

<u>Category</u>	<u>Envirowatts</u>	<u>Sched 14a Large Indust EKPC Sched B</u>	<u>Total for All Rate Classes</u>
Lines - Demand Related		13,572	492,200
Lines - Consumer Related		52	399,728
		13,624	891,928
Transmission - Demand Related		986	93,740
Transmission - Consumer Related		128	49,997
		1,115	143,738
Services		-	139,891
Meters		-	73,727
Consumer & Accounting Service		4	21,365
Outdoor Lighting			34,852
		14,743	1,305,501
Consumer Related Interest	0	185	684,709

PEAK DEMANDS AND ENERGY DATA

	Sched 1 Domestic Farm & Home Service	Sched 2 Commercial & Small Power	Sched 3 Off-Peak Marketing Rate	Sched 4 Large Power Service 1 & 3 PH	Sched 5 Street Lighting Service	Sched 6 Outdoor Lighting Serv
Energy Sales by Rate Class	142,343,499	15,322,451	-	22,947,105	-	3,713,787
Percent of Total	69.48%	7.48%	0.00%	11.20%	0.00%	1.81%
Class Contributions to EKPC CP	360,644	21,853	-	45,494	-	3,123
Percent of Total	74.75%	4.53%	0.00%	9.43%	0.00%	0.65%
Class Peak Demands	405,989	40,309	-	72,368	-	9,399
Percent of Total	66.57%	6.61%	0.00%	11.87%	0.00%	1.54%
Sum of Class Individual Customers Peak Demands	1,260,541	80,432	-	72,589	-	9,399
Percent of Total	0.00%	78.87%	5.03%	0.00%	4.54%	0.00%
						0.59%

Demand and Energy Allocation Factors

	Sched 7 All Electric <u>Schools</u>	Sched 10 Residential <u>Time of Day</u>	Sched 16 Sml Com <u>kW & kWh</u>	Sched 17 Water Pumping <u>Service</u>	Sched 18 General <u>Service Rate</u>	Sched 19 Temporary <u>Service Rate</u>
Energy Sales by Rate Class	4,920,047	45,888	224,102	5,710	5,503,290	665,686
Percent of Total	2.40%	0.02%	0.11%	0.00%	2.69%	0.32%
Class Contributions to EKPC CP	11,957	122	107	21	16,733	1,318
Percent of Total	2.48%	0.03%	0.02%	0.00%	3.47%	0.27%
Class Peak Demands	18,570	168	430	41	22,055	1,539
Percent of Total	3.05%	0.03%	0.07%	0.01%	3.62%	0.25%
Sum of Class Individual Customers Peak Demands	21,263	324	1,143	86	62,203	5,313
Percent of Total	1.33%	0.02%	0.07%	0.01%	3.89%	0.33%

Demand and Energy Allocation Factors

	Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate	Total for EKPC Schedule E=2
Energy Sales by Rate Class	131,477	8,930,587	64,302	41,614	113	204,859,658
Percent of Total	0.06%	4.36%	0.03%	0.02%	0.00%	100.00%
Class Contributions to EKPC CP	1,316	18,657	877	265	7	482,494
Percent of Total	0.27%	3.87%	0.18%	0.05%	0.00%	1.000
Class Peak Demands	-	20,961	877	302	16	593,024
Percent of Total	0.00%	3.44%	0.14%	0.05%	0.00%	97%
Sum of Class Individual Customers Peak Demands	-	66,233	907	978	35	1,581,446
Percent of Total	0.00%	4.14%	0.06%	0.06%	0.00%	99%

	<u>Envirowatts</u>	Sched 14a Large Indust <u>EKPC Sched B</u>	Total for All Rate <u>Classes</u>
Energy Sales by Rate Class		31,050,000	235,909,658
Percent of Total			
Class Contributions to EKPC CP		-	482,494
Percent of Total		0.00%	100.00%
Class Peak Demands		16,816	609,840
Percent of Total	0%	2.76%	100%
Sum of Class Individual Customers		16,816	1,598,262
Peak Demands			-
Percent of Total		1.05%	100%

Sched 1 Domestic Farm & Home Service	Sched 2 Commercial & Small Power	Sched 3 Off-Peak Marketing Rate	Sched 4 Large Power Service 1 & 3 PH	Sched 5 Street Lighting Service	Sched 6 Outdoor Lighting Serv
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Lines

Number of Consumers	11,071	1,102	-	67	-	111
Percent of Total	71.94%	7.16%	0.00%	0.44%	0.00%	0.72%

Transformers

Number of Consumers	11,071	1,102	-	67	-	111
Minimum Size Transform	10 KVA	25 KVA	-	50 KVA	-	-
Transformer Cost	\$ 297.00	\$ 493.99	-	\$ 1,623.50	-	151.34
Weight	3,288,087	544,377	-	108,775	-	16,798
Percent of Total	67.12%	11.11%	0.00%	2.22%	0.00%	0.34%

Services

Number of Consumers	11,071	1,102	-	67	-	111
Type of Service	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex
Service Cost	1.2434	1.2434	1.2434	1.2434	1.2434	1.2434
Average Length	120	120	20	50	120	120
Cost of Service	149.208	149.208	24.868	62.17	149.208	149.208
Weight	1,651,882	164,427	-	4,165	-	16,562
Percent of Total	72.13%	7.18%	0.00%	0.18%	0.00%	0.72%

Meters

Number of Consumers	11,071	1,102	-	67	-	111
Cost of Meter	55.56	55.56	55.56	126.16	0	0
Weight	615,105	61,227	-	8,453	-	-
	69.38%	6.91%	0.00%	0.95%	0.00%	0.00%

Consumer Account & Serv

Number of Consumers	11,071	1,102	-	67	-	4,435
Factor	8	6	5	10	3	3
Weight	88,568	6,612	-	670	-	13,305
Percent of Total	67.88%	5.07%	0.00%	0.51%	0.00%	10.20%

Sched 7 All Electric Schools	Sched 10 Residential Time of Day	Sched 16 Sml Com kW & kWh	Sched 17 Water Pumping Service	Sched 18 General Service Rate	Sched 19 Temporary Service Rate
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Lines

Number of Consumers	9	2	5	1	2,155	67
Percent of Total	0.06%	0.01%	0.03%	0.01%	14.00%	0.44%

Transformers

Number of Consumers	9	2	5	1	2,155	67
Minimum Size Transform	50 KVA	10 KVA	25 KVA	10 KVA	10 KVA	25 KVA
Transformer Cost	\$ 1,623.50	\$ 297.00	\$ 493.99	\$ 297.00	\$ 297.00	\$ 493.99
Weight	14,611.50	594.00	2,469.95	297.00	640,035.00	33,097.33
Percent of Total	0.30%	0.01%	0.05%	0.01%	13.07%	0.68%

Services

Number of Consumers	9	2	5	1	2,155	67
Type of Service	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex
Service Cost	1,2434	1,2434	1,2434	1,2434	1,2434	1,2434
Average Length	120	120	120	120	120	120
Cost of Service	149,208	149,208	149,208	149,208	149,208	149,208
Weight	1,343	298	746	149	321,543	9,997
Percent of Total	0.06%	0.01%	0.03%	0.01%	14.04%	0.44%

Meters

Number of Consumers	9	2	5	1	2,155	67
Cost of Meter	126.16	97.96	126.16	55.56	55.56	55.56
Weight	1,135	196	631	56	119,732	3,723
Percent of Total Weight	0.13%	0.02%	0.07%	0.01%	13.51%	0.42%

Consumer Account & Serv

Number of Consumers	9	2	5	1	2,155	67
Factor	10	7	10	7	7	7
Weight	90	14	50	7	15,085	469
Percent of Total	0.07%	0.01%	0.04%	0.01%	11.56%	0.36%

Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate	Total for EKPC Schedule E=2
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Lines

Number of Consumers	42	739	12	4	1	15,388
Percent of Total	0.27%	4.80%	0.08%	0.03%	0.01%	100%

Transformers

Number of Consumers	42	739	12	4	1	15,388
Minimum Size Transform	10 KVA%	10 KVA%	10 KVA%	10 KVA%	10 KVA%	
Transformer Cost	\$ 297.00	\$ 297.00	\$ 297.00	\$ 297.00	\$ 297.00	
Weight	12,474.00	219,483.00	3,564.00	1,188.00	297.00	4,886,148
Percent of Total	0.25%	4.48%	0.07%	0.02%	0.01%	1

Services

Number of Consumers	42	739	12	4	1	15,388
Type of Service	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	1/0 Triplex	
Service Cost	1.2434	1.2434	1.2434	1.2434	1.2434	
Average Length	120	120	120	120	120	
Cost of Service	149.208	149.208	149.208	149.208	149.208	
Weight	6,267	110,265	1,790	597	149	2,290,181
Percent of Total	0.27%	4.81%	0.08%	0.03%	0.01%	100.00%

Meters

Number of Consumers	42	739	12	4	1	15,388
Cost of Meter	55.56	97.80	97.80	97.80	97.80	
Weight	2,334	72,274	1,174	391	98	886,527
Percent of Total	0.26%	8.15%	0.13%	0.04%	0.01%	100.00%

Consumer Account & Serv

Number of Consumers	42	739	12	4	1	19,712
Factor	7	7	7	7	7	
Weight	294	5,173	84	28	7	130,456
Percent of Total	0.23%	3.96%	0.06%	0.02%	0.01%	99.98%

Schedule 14a Large Indust EKPC Sched B	Total for All Rate Classes
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Lines

Number of Consumers	2	15,390
Percent of Total	0.01%	100.00%

Transformers

Number of Consumers	2	15,390
Minimum Size Transform	1000 KVA	
Transformer Cost	\$ 6,291.83	
Weight	12,583.66	4,898,731
Percent of Total	0.26%	100%

Services

Number of Consumers	2	15,390
Type of Service	No	
Service Cost	0	
Cost of Service	0	
Weight	0	2,290,181
Percent of Total	0	100%

Meters

Number of Consumers	2	15,390
Cost of Meter	0	
Weight	0	886,526.960
Percent of Total	0	1.000

Consumer Account & Serv

Number of Consumers	2	
Factor	13	
Weight	26	130,482
Percent of Total	0.02%	1.000

Grand RECC
Case No, 2018-00272

Results from the Cost of Service Study

Total Amount	Sched 1 Domestic Farm & Home Service	Sched 2 Commercial & Small Power	Sched 3 Off-Peak Marketing Rate	Sched 4 Large Power Service 1 & 3 PH	Sched 5 Street Lighting Service	
Revenue from Rates	26,833,904	17,159,553	1,961,059	-	2,199,471	-
Purchase Power Demand	3,994,283	2,638,081	159,853	-	332,785	-
Purchase Power Energy	11,512,148	7,124,333	766,893	-	1,148,509	-
Gross Margin	11,327,473	7,397,139	1,034,313	-	718,177	-
Distribution Demand Costs	4,727,442	3,192,520	306,660	-	533,996	-
Distribution Consumer Costs	7,914,446	5,583,836	533,755	-	42,034	-
Outdoor Lighting	131,107	-	-	-	-	-
Total Distribution Costs	12,772,994	8,776,355	840,414	-	576,031	-
Margin (Loss)	(1,445,521)	(1,379,216)	193,898	-	142,146	-
Allocation of Other Elect Revenue	969,412	697,359	69,415	-	4,220	-
Allocation of Other Revenue	216,531	155,765	15,505	-	943	-
Margin (Loss)	(259,578)	(526,093)	278,817	-	147,309	-

Results from the Cost of Service Study

	Sched 6 Outdoor Lighting Serv	Sched 7 All Electric Schools	Sched 10 Residential Time of Day	Sched 16 Sml Com kW & kWh	Sched 17 Water Pumping Service	Sched 18 General Service Rate
Revenue from Rates	565,211	470,417	5,108	18,538	1,133	1,284,013
Purchase Power Demand	22,844	87,464	892	783	154	122,400
Purchase Power Energy	185,876	246,250	2,297	11,216	286	275,441
Gross Margin	356,490	136,703	1,919	6,539	694	886,172
Distribution Demand Costs	69,348	137,634	1,276	3,337	313	171,984
Distribution Consumer Costs	220,903	6,070	1,088	3,146	490	1,056,825
Outdoor Lighting	131,107					
Total Distribution Costs	421,358	143,704	2,363	6,483	803	1,228,809
Margin (Loss)	(64,868)	(7,002)	(444)	56	(109)	(342,638)
Allocation of Other Elect Revenue	6,992	567	126	315	63	135,743
Allocation of Other Revenue	1,562	127	28	70	14	30,320
Margin (Loss)	(56,314)	(6,308)	(290)	441	(32)	(176,575)
Increase Amount						

Results from the Cost of Service Study

	Sched 19 Temporary Service Rate	Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate
Revenue from Rates	106,953	17,750	1,153,340	12,159	3,782	113
Purchase Power Demand	9,641	9,626	136,474	6,415	1,938	51
Purchase Power Energy	33,318	6,580	446,978	3,218	2,083	6
Gross Margin	63,994	1,543	569,887	2,525	(239)	56
Distribution Demand Costs	12,225	-	165,094	6,478	2,384	122
Distribution Consumer Costs Outdoor Lighting	33,387	20,597	401,745	6,524	2,175	544
Total Distribution Costs	45,612	20,597	566,838	13,001	4,559	666
Margin (Loss)	18,382	(19,054)	3,049	(10,476)	(4,798)	(610)
Allocation of Other Elect Revenue	4,220	2,646	46,549	756	252	63
Allocation of Other Revenue	943	591	10,397	169	56	14
Margin (Loss)	23,545	(15,817)	59,995	(9,551)	(4,489)	(533)

Gray RECC
Case No, 2018-00272

Results from the Cost of Service Study

	Total for EKPC Schedule E=2	Envirowatts	Sched 14a Large Indust EKPC Sched B	Total for All Rate Classes
Revenue from Rates	24,958,600	1,568	1,873,737	26,833,904
Purchase Power Demand	3,529,403		464,880	3,994,283
Purchase Power Energy	10,253,285	1,425	1,257,438	11,512,148
Gross Margin	11,175,912	143	151,419	11,327,473
Distribution Demand Costs	4,603,370		124,071	4,727,442
Distribution Consumer Costs	7,913,118		1,328	7,914,446
Outdoor Lighting	131,107			131,107
Total Distribution Costs	12,647,595		125,399	12,772,994
Margin (Loss)	(1,471,684)	143	26,020	(1,445,521)
Allocation of Other Elect Revenue	969,286		126	969,412
Allocation of Other Revenue	216,503		28	216,531
Margin (Loss)	(285,895)	143	26,174	(259,578)

TIER and Return on Net Investment Rate Base for Each Rate Class

Witness: James Adkins

Total Amount	Sched 1 Domestic Farm & Home Service	Sched 2 Commercial & Small Power	Sched 3 Off-Peak Marketing Rate	Sched 4 Large Power Service 1 & 3 PH	Sched 5 Street Lighting Service
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Actual for Test Year

Margins	(259,578)	(526,093)	278,817	-	147,309	-
Interest Expense	1,305,501	889,272	87,648	-	66,583	-
Total Margin & Int	1,045,923	363,179	366,465	-	213,892	-
Rate Base	54,669,418 \$	37,239,329 \$	3,670,343 \$	- \$	2,788,240 \$	-

Proposed Test Year

Total Margin & Int	1,045,923	363,179	366,465	-	213,892	-
Increase Proposed	1,579,660	1,063,719	73,231	-	16,610	-
Total All	2,625,583	1,426,898	439,696	-	230,502	-

Ratios

Actual TIER	0.80	0.41	4.18	3.21
Proposed TIER	2.01	1.60	5.02	3.46
Actual Return	1.9%	1.0%	10.0%	7.7%
Proposed Return	4.8%	3.8%	12.0%	8.3%

TIER and Return on Net Investment Rate Base for Each Rate Class

Witness: James Adkins

Sched 6 Outdoor Lighting Serv	Sched 7 All Electric Schools	Sched 10 Residential Time of Day	Sched 16 Sml Com kW & kWh	Sched 17 Water Pumping Service	Sched 18 General Service Rate
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Actual for Test Year

Margins	(56,314)	(6,308)	(290)	441	(32)	(176,575)
Interest Expense	49,234	16,809	249	675	82	116,022
Total Margin & Int	(7,080)	10,501	(41)	1,117	50	(60,553)

Rate Base	2,061,729	703,896	10,445	28,282	3,435	4,858,545
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Proposed Test Year

Total Margin & Int	(7,080)	10,501	(41)	1,117	50	(60,553)
Increase Proposed	118,952	24,517	288	647	77	202,668
Total All	111,872	35,018	247	1,764	127	142,115

Ratios

Actual TIER	(0.14)	0.62	(0.16)	1.65	0.61	(0.52)
Proposed TIER	2.27	2.08	0.99	2.61	1.54	1.22
Actual Return	-0.3%	1.5%	-0.4%	3.9%	1.4%	-1.2%
Proposed Return	5.4%	5.0%	2.4%	6.2%	3.7%	2.9%

Sched 19 Temporary Service Rate	Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate
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Actual for Test Year

Margins	23,545	(15,817)	59,995	(9,551)	(4,489)	(533)
Interest Expense	4,629	1,843	55,829	1,330	491	62

TIER and Return on Net Investment Rate Base for Each Rate Class

Total Margin & Int	28,174	(13,974)	115,825	(8,221)	(3,999)	(471)
Rate Base	193,835	77,185	2,337,926	55,687	20,549	2,612
<u>Proposed Test Year</u>						
Total Margin & Int	28,174	(13,974)	115,825	(8,221)	(3,999)	(471)
Increase Proposed	3,892	4,818	68,316	1,511	388	25
Total All	32,066	(9,156)	184,141	(6,710)	(3,611)	(446)

Ratios

Actual TIER	6.09	(7.58)	2.07	(6.18)	(8.15)	(7.55)
Proposed TIER	6.93	(4.97)	3.30	(5.05)	(7.36)	(7.15)
Actual Return	14.5%	-18.1%	5.0%	-14.8%	-19.5%	-18.0%
Proposed Return	-16.5%	-11.9%	7.9%	-12.0%	-17.6%	-17.1%

Total for EKPC Schedule E=2	Envirowatts	Sched 14a Large Indust EKPC Sched B	Total for All Rate Classes
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Actual for Test Year

Margins	(285,895)	143	26,174	(259,578)
Interest Expense	1,305,501		14,743	1,305,501
Total Margin & Int	1,019,606	143	40,917	1,045,923
Rate Base	54,059,591		609,826	54,669,418

Proposed Test Year

Classification of Net Investment Rate Base

Classification of Net Investment Rate Base

Description	Total \$\$\$\$	Lines		Transformers		Consumer Related			Outdoor Lighting
		Demand	Consumer	Demand	Consumer	Services	Meters	& Accounting Services	
Substation Equipment	31,054	17,137	13,917	-	-	-	-	-	-
Poles, Towers and Fixtures	26,372,044	14,553,110	11,818,934	-	-	-	-	-	-
Overhead Conductor	21,682,973	11,965,500	9,717,473	-	-	-	-	-	-
UG Conductor	460,150	253,928	206,221	-	-	-	-	-	-
Line Transformers	8,327,678	-	-	5,430,996	2,896,681	-	-	-	-
Services	7,613,763	-	-	-	-	7,613,763	-	-	-
Meters	3,682,175	-	-	-	-	-	3,682,175	-	-
Install. On Consumer Prem. Street Ltg & Signal Systems	2,023,425	-	-	-	-	-	-	-	2,023,425
Total Distribution Plant	70,193,262	26,789,676	21,756,546	5,430,996	2,896,681	7,613,763	3,682,175	-	2,023,425
Total General Plant	5,715,308	1,822,808	1,480,346	11,664	6,221	518,383	610,405	1,265,444	37
Total Utility Plant In Service	75,908,570	28,612,483	23,236,892	5,442,660	2,902,902	8,132,146	4,292,580	1,265,444	2,023,462
Accum. Depreciation	23,474,155	8,848,196	7,185,834	1,683,102	897,701	2,514,805	1,327,448	391,329	625,740
Net Plant	52,434,415	19,764,288	16,051,058	3,759,558	2,005,201	5,617,341	2,965,132	874,115	1,397,722
CWIP	1,002,008	382,422	310,574	77,527	41,350	108,686	52,563	-	28,884
Net Utility Plant	53,436,423	20,146,710	16,361,632	3,837,086	2,046,551	5,726,027	3,017,695	874,115	1,426,606
Cash Working Capital	1,004,141	378,494	307,384	71,997	38,400	107,574	56,784	16,740	26,767
Materials & Supplies	267,646	100,885	81,931	19,190	10,235	28,673	15,135	4,462	7,135
Prepayments	328,343	123,763	100,511	23,542	12,557	35,176	18,568	5,474	8,752
Minus: Consumer Advances	367,135	138,385	112,386	26,324	14,040	39,331	20,761	6,120	9,787
Net Investment Rate Base	54,669,418	20,611,467	16,739,073	3,925,492	2,093,704	5,858,119	3,087,420	894,670	1,459,473

Category	Sched 1 Domestic Farm & Home Service	Sched 2 Commercial & Small Power	Sched 3 Off-Peak Marketing Rate	Sched 4 Large Power Service 1 & 3 PH	Sched 5 Street Lighting Service	Sched 6 Outdoor Lighting Serv
<u>Demand Related</u>						
Lines	13,721,682	1,362,370	-	2,445,905	-	317,669
Transformers	3,096,015	197,549	-	178,286	-	23,085
Total Demand	\$ 16,817,697	\$ 1,559,919	\$ -	\$ 2,624,191	\$ -	\$ 340,754
<u>Consumer Related</u>						
Lines	12,041,473	1,198,600	-	72,873	-	120,730
Transformers	1,405,319	232,665	-	46,490	-	7,180
Services	4,225,395	420,593	-	10,655	-	42,365
Meters	2,142,165	213,230	-	29,437	-	-
Accounting & Service Lighting	607,280	45,336	-	4,594	-	91,228
Total Consumer	\$ 20,421,632	\$ 2,110,424	\$ -	\$ 164,049	\$ -	\$ 1,459,473
Total All	\$ 37,239,329	\$ 3,670,343	\$ -	\$ 2,788,240	\$ -	\$ 2,061,729

Category	Sched 7 All Electric Schools	Sched 10 Residential Time of Day	Sched 16 Sml Com kW & kWh	Sched 17 Water Pumping Service	Sched 18 General Service Rate	Sched 19 Temporary Service Rate
<u>Demand Related</u>						
Lines	627,632	5,678	14,533	1,386	745,418	52,015
Transformers	52,224	796	2,807	211	152,777	13,049
Total Demand	679,856	6,474	17,341	1,597	898,195	65,065
<u>Consumer Related</u>						
Lines	9,789	2,175	5,438	1,088	2,343,905	72,873
Transformers	6,245	254	1,056	127	273,549	14,146
Services	3,435	763	1,908	382	822,484	25,571
Meters	3,954	682	2,197	193	416,978	12,964
Accounting & Service Lighting	617	96	343	48	103,433	3,216
Total Consumer	24,040	3,971	10,942	1,838	3,960,350	128,770
Total All	703,896	10,445	28,282	3,435	4,858,545	193,835

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Allocation of Net Investment Rate Base

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Category	Sched 20 Inclining Block Rate	Sched 21 Prepay Residential	Sched 22 Prepay General Serv	Net Metering Residential	Net Metering General Service Rate	Total for EKPC Schedule E=2
<u>Demand Related</u>						
Lines	-	708,443	29,641	10,207	541	20,043,121
Transformers	-	162,675	2,228	2,402	86	3,884,190
Total Demand	-	871,118	31,869	12,609	627	23,927,311
<u>Consumer Related</u>						
Lines	45,682	803,780	13,052	4,351	1,088	16,736,897
Transformers	5,331	93,806	1,523	508	127	2,088,326
Services	16,030	282,049	4,580	1,527	382	5,858,119
Meters	8,127	251,702	4,087	1,362	341	3,087,420
Accounting & Service	2,016	35,469	576	192	48	894,492
Lighting						1,459,473
Total Consumer	77,185	1,466,807	23,818	7,939	1,985	30,124,727
Total All	77,185	2,337,926	55,687	20,549	2,612	54,052,038

Allocation of Net Investment Rate Base

Category	Envirowatts	Sched 14a Large Indust EKPC Sched B	Total for All Rate Classes
<u>Demand Related</u>			
Lines		568,346	20,611,467
Transformers		41,302	3,925,492
Total Demand		609,648	24,536,959
<u>Consumer Related</u>			
Lines		2,175	16,739,073
Transformers		5,378	2,093,704
Services		-	5,858,119
Meters		-	3,087,420
Accounting & Service		178	894,670
Lighting			1,459,473
Total Consumer		7,732	30,132,459
Total All		609,826	54,669,418

Grayson RECC

Present and Proposed Rates

Rate Schedule	Current <u>Rates</u>	Propose <u>Rate</u>	Percent <u>Change</u>
<u>Schedule 1 - Domestic - Farm & Home Service</u>			
Customer Charge	\$ 15.00	\$ 22.50	50.0%
Energy Charge Per KWH	\$ 0.10658	\$ 0.10703	0.42%
<u>Schedule 2 - Commercial and Small Power</u>			
Customer Charge	\$ 27.50	\$ 30.00	9.1%
Energy Charge Per KWH	\$ 0.10444	\$ 0.10703	2.5%
Schedule 3 - Off-Peak Marketing Rate			
Customer Charge	\$ 15.00	\$ -	-100.0%
Energy Charge Per KWH - On-Peak	\$ 0.10658	\$ -	-100.0%
Energy Charge Per KWH - Off-Peak	\$ 0.05973	\$ -	-100.0%
Schedule 4 - Large Power Service- Single and Three-Phase			
Customer Charge	\$ 63.02	\$ 67.50	7.1%
Demand Charge per KW	\$ 8.54	\$ 8.54	0.0%
Primary Meter Credit per KW	\$ (0.15)	\$ (0.15)	0.0%
Energy Charge Per KWH	\$ 0.05968	\$ 0.06025	1.0%
Schedule 5 - Street Lighting Service 7,000 Lumens			
	\$ 10.49	\$ -	-100.0%
Schedule 6 - Outdoor Lighting Service			
Mercury Vapor Lighting			
7,000 Lumens HPS	\$ 10.15	\$ 12.50	23.2%
10,000 Lumens HPS	\$ 12.83	\$ 15.00	16.9%
Flood Lighting			
3,600 LED Yard Light	\$ 10.22	\$ 12.50	22.3%
19,176 LED Flood Light	\$ 23.00	\$ 26.00	13.0%
Street Lighting -- 7000 Lumens	\$ 10.49	\$ 12.75	21.5%

Grayson RECC

Present and Proposed Rates

Rate Schedule	Current <u>Rates</u>	Propose <u>Rate</u>	Percent <u>Change</u>
Schedule 7 - All Electric Schools			
Customer Charge	\$ 31.04	\$ 37.50	20.8%
Demand Charge per KW	\$ 6.48	\$ 6.60	1.9%
Energy Charge Per KWH	\$ 0.07110	\$ 0.07550	6.2%
Schedule 10 - Residential Time of Day			
Customer Charge	\$ 19.00	\$ 22.50	18.4%
Energy Charge Per KWH - On-Peak	\$ 0.19748	\$ 0.20000	1.3%
Energy Charge Per KWH - Off-Peak	\$ 0.05973	\$ 0.06500	8.8%
Schedule 14(a) - Large Industrial Service			
Customer Charge	\$ 566.12	\$ 566.12	0.0%
Demand Charge per KW of Contract	\$ 7.23	\$ 7.23	0.0%
Demand Charge per KW of Excess	\$ 10.50	\$ 10.50	0.0%
Energy Charge Per KWH	\$ 0.04650	\$ 0.04650	0.0%
Schedule 16 - Small Commercial Demand & Energy Rate			
Customer Charge	\$ 27.50	\$ 30.00	9.1%
Demand Charge per KW	\$ 6.10	\$ 6.60	8.2%
Energy Charge Per KWH	\$ 0.06281	\$ 0.06400	1.9%
Schedule 17 - Water Pumping Service			
Customer Charge	\$ 41.39	\$ 45.00	8.7%
Energy Charge Per KWH - On-Peak	\$ 0.13241	\$ 0.14000	5.7%
Energy Charge Per KWH - Off-Peak	\$ 0.06748	\$ 0.07000	3.7%
Schedule 18 - General Service Rate			
Customer Charge	\$ 22.50	\$ 27.50	22.2%
Energy Charge Per KWH - On-Peak	\$ 0.12795	\$ 0.14111	10.3%

Grayson RECC

Present and Proposed Rates

Rate Schedule	Current <u>Rates</u>	Propose <u>Rate</u>	Percent <u>Change</u>
Schedule 19 - Temporary Service Rate			
Customer Charge	\$ 51.73	\$ 55.00	6.3%
Energy Charge Per KWH	\$ 0.10175	\$ 0.10375	2.0%
Schedule 20 - Inclining Block Rate			
Customer Charge	\$ 15.00	\$ 22.50	50.0%
Energy Charge Per KWH - First 300	\$ 0.07180	\$ 0.08000	11.4%
Energy Charge Per KWH - Next 200	\$ 0.08754	\$ 0.10000	14.2%
Energy Charge Per KWH - All Over 500	\$ 0.13482	\$ 0.15000	11.3%
Schedule 21 - Prepay Metering Program (Residential)			
Customer Charge	\$ 15.00	\$ 22.50	50.0%
Energy Charge Per KWH	\$ 0.10658	\$ 0.10703	0.4%
Monthly Programming Fee	\$ 10.00	\$ 10.00	0.0%
Schedule 21 - Prepay Metering Program (General Service)			
Customer Charge	\$ 22.50	\$ 27.50	22.2%
Energy Charge Per KWH	\$ 0.12795	\$ 0.14111	10.3%
Monthly Programming Fee	\$ 10.00	\$ 10.00	0.0%
Schedule NM - Residential			
Customer Charge	\$ 15.00	\$ 22.50	50.0%
Energy Charge Per KWH	\$ 0.10658	\$ 0.10703	0.42%
Received KWH	\$ 0.10658	\$ 0.10703	0.42%
Schedule NM - General Service Rate			
Customer Charge	\$ 22.50	\$ 27.50	22.2%
Energy Charge Per KWH	\$ 0.12795	\$ 0.14111	10.3%
Received KWH	\$ 0.12795	\$ 0.14111	10.3%

Schedule 1 - Domestic - Farm & Home Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	133,664	\$ 2,004,960	\$ 15.00	2,004,960	\$ 22.50	\$ 3,007,440
Energy Charge Per KWH	142,100,290	15,418,719	\$ 0.10668	15,159,259		
Energy Charge Per KWH - Off-Peak	243,209	15,313	\$ 0.05973	14,527		
Total KWH	<u>142,343,499</u>				\$ 0.10703	15,235,025
Prorate Customer Charge		(19,193)		(19,193)		(19,193)
Total from base rates		<u>17,419,799</u>		<u>\$ 17,159,553</u>		<u>\$ 18,223,272</u>
Fuel Adjustment		(806,420)				
Environmental Surcharge		<u>1,479,469</u>				
Total Revenues		<u>\$ 18,092,848</u>				
Change:						
Amount				\$ (260,246)		\$ 1,063,719
Percent				-1.5%		6.2%
Average monthly usage		1,063				
Average monthly bill		\$ 130.33		\$ 128.38		\$ 136.34
Amount of change				\$ (1.95)		\$ 7.96
Percent of change				-1.5%		6.2%

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Schedule 2 - Commercial and Small Power

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	13,197	\$ 362,917	\$ 27.50	362,918		
Customer Charge	13,257				\$ 30.00	\$ 395,910
Energy Charge Per KWH	15,310,066	1,626,379	\$ 0.10444	1,598,983		
Energy Charge Per KWH - Off-Peak	12,385	776	\$ 0.05973	740		
Total KWH	<u>15,322,451</u>					
Total KWH	<u>15,546,553</u>				\$ 0.10703	1,639,962
Prorate Customer Charge		(1,582)		(1,582)		(1,582)
Total from base rates		<u>1,988,490</u>		<u>\$ 1,961,059</u>		<u>\$ 2,034,290</u>
Fuel Adjustment		(89,051)				
Environmental Surcharge		<u>168,946</u>				
Total Revenues		<u>\$ 2,068,385</u>				
Change:						
Amount				\$ (27,431)		\$ 73,231
Percent				-1.4%		3.7%
Average monthly usage		1,160				
Average monthly bill		\$ 150.68		\$ 148.60		\$ 154.15
Amount of change				\$ (2.08)		\$ 5.55
Percent of change				-1.4%		3.7%

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Schedule 4 - Large Power Service-Single and Three-Phase

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	788	\$ 49,659	\$ 63.02	49,660	\$ 67.50	\$ 53,190
Demand Charge per KW	89,717	766,187	\$ 8.54	766,183	\$ 8.54	766,183
Primary Meter Credit per KW	19,453	(2,918)	\$ (0.15)	(2,918)	\$ (0.15)	(2,918)
Energy Charge Per KWH	22,947,105	1,404,551	\$ 0.05968	1,369,483	\$ 0.06025	1,382,563
Difference to Contract Minimum		23,662		17,063		17,063
Total from base rates		<u>2,241,141</u>		<u>\$ 2,199,471</u>		<u>\$ 2,216,081</u>
Fuel Adjustment		(132,764)				
Environmental Surcharge		<u>181,692</u>				
Total Revenues		<u>\$ 2,290,069</u>				
Change:						
Amount				\$ (41,670)		\$ 16,610
Percent				-1.9%		0.8%
Average monthly usage		29,121				
Average monthly bill		\$ 2,844.09		\$ 2,791.21		\$ 2,812.29
Amount of change				\$ (52.88)		\$ 21.08
Percent of change				-1.9%		0.8%

(Combined with Outdoor Lighting)

Schedule 5 - Street Lighting Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
7,000 Lumens	551	\$ 5,859	\$ 10.49	5,780	\$	-
KWH usage						
Total from base rates		<u>5,859</u>		<u>\$ 5,780</u>		<u>\$ -</u>
Fuel Adjustment						
Environmental Surcharge						
Total Revenues		<u>\$ 5,859</u>				
Change:						
Amount				\$ (79)		\$ (5,780)
Percent						
Average monthly usage						
Average monthly bill						
Amount of change						
Percent of change						

Schedule 6 - Outdoor Lighting Service
Street Lighting included

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Mercury Vapor Lighting						
7,000 Lumens HPS	41,320	\$ 249,182	\$ 10.15	419,398	\$ 12.50	\$ 516,500
10,000 Lumens HPS	-	\$ 176,188	\$ 12.83	-	\$ 15.00	\$ -
Flood Lighting	3,253	\$ 61,582	\$ 18.79	61,124	\$ 21.50	\$ 69,940
LED Lighting						
3,600 LED Yard Light	7,703	\$ 79,726	\$ 10.22	78,725	\$ 12.50	\$ 96,288
19,176 LED Flood Light	2	\$ 46	\$ 23.00	46	\$ 26.00	\$ 52
Street Lighting						
7,000 Lumens HPS	551		\$ 10.49	5,780	\$ 12.75	\$ 7,025
KWH Usage	<u>3,713,787</u>					
Prorate monthly lighting		(5,642)		(5,642)		(5,642)
Total from base rates		561,082		<u>\$ 559,431</u>		<u>\$ 684,162</u>
Fuel Adjustment		(1,013)				
Environmental Surcharge		<u>2,150</u>				
Total Revenues		<u>\$ 562,219</u>				
Change:						
Amount				\$ (1,651)		\$ 124,732
Percent				-0.3%		22.3%
Average monthly bill		\$ 10.73		\$ 10.70		\$ 13.09
Amount of change				\$ (0.03)		\$ 2.39
Percent of change				-0.3%		22.3%

Schedule 7 - All Electric Schools

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	108	\$ 3,352	\$ 31.04	3,352	\$ 37.50	\$ 4,050
Demand Charge per KW	18,094	117,250	\$ 6.48	117,249	\$ 6.60	119,420
Energy Charge Per KWH	4,920,047	358,565	\$ 0.07110	349,815	\$ 0.07550	371,464
				-		-
Total from base rates		<u>479,167</u>		<u>\$ 470,417</u>		<u>\$ 494,934</u>
Fuel Adjustment		(28,289)				
Environmental Surcharge		<u>38,980</u>				
Total Revenues		<u>\$ 489,858</u>				
Change:						
Amount				\$ (8,750)		\$ 24,517
Percent				-1.8%		5.2%
Average monthly usage		45,556				
Average monthly bill		\$ 4,436.73		\$ 4,355.71		\$ 4,582.72
Amount of change				\$ (81.02)		\$ 227.01
Percent of change				-1.8%		5.2%

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Schedule 10 - Residential Time of Day

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	24	\$ 456	\$ 19.00	456	\$ 22.50	\$ 540
Energy Charge Per KWH - On-Peak	13,875	2,763	\$ 0.19748	2,740	\$ 0.20000	2,775
Energy Charge Per KWH - Off-Peak	32,013	1,973	\$ 0.05973	1,912	\$ 0.06500	2,081
Total KWH	<u>45,888</u>					
Billing adjustment, prior to test year		(373)		-		-
Total from base rates		<u>4,819</u>		<u>\$ 5,108</u>		<u>\$ 5,396</u>
Fuel Adjustment		(260)				
Environmental Surcharge		<u>394</u>				
Total Revenues		<u>\$ 4,953</u>				
Change:						
Amount				\$ 289		\$ 288
Percent				6.0%		5.6%
Average monthly usage		1,912				
Average monthly bill		\$ 200.79		\$ 212.84		\$ 224.83
Amount of change				\$ 12.05		\$ 11.99
Percent of change				6.0%		5.6%

Schedule 14(a) - Large Industrial Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	24	\$ 13,587	\$ 566.12	13,587	\$ 566.12	\$ 13,587
Demand Charge per KW of Contract	55,650	402,350	\$ 7.23	402,350	\$ 7.23	402,350
Demand Charge per KW of Excess	1,331	13,976	\$ 10.50	13,976	\$ 10.50	13,976
Energy Charge Per KWH	31,050,000	1,496,206	\$ 0.04650	1,443,825	\$ 0.04650	1,443,825
Total from base rates		<u>1,926,119</u>		<u>\$ 1,873,737</u>		<u>\$ 1,873,737</u>
Fuel Adjustment		(191,656)				
Environmental Surcharge		<u>161,410</u>				
Total Revenues		<u>\$ 1,895,873</u>				
Change:						
Amount				\$ (52,382)		\$ -
Percent				-2.7%		0.0%
Average monthly usage		2,374				
Average monthly bill		\$ 80,254.96		\$ 78,072.37		\$ 78,072.37
Amount of change				\$ (2,182.59)		\$ -
Percent of change				-2.7%		0.0%

Schedule 16 - Small Commercial Demand & Energy Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	60	\$ 1,650	\$ 27.50	1,650	\$ 30.00	\$ 1,800
Demand Charge per KW	461	2,812	\$ 6.10	2,812	\$ 6.60	3,043
Energy Charge Per KWH	224,102	14,495	\$ 0.06281	14,076	\$ 0.06400	14,343
				-		-
Total from base rates		<u>18,957</u>		<u>\$ 18,538</u>		<u>\$ 19,185</u>
Fuel Adjustment		(1,302)				
Environmental Surcharge		<u>1,511</u>				
Total Revenues		<u>\$ 19,166</u>				
Change:						
Amount				\$ (419)		\$ 647
Percent				-2.2%		3.5%
Average monthly usage		3,735				
Average monthly bill		\$ 315.95		\$ 308.97		\$ 319.75
Amount of change				\$ (6.98)		\$ 10.79
Percent of change				-2.2%		3.5%

Schedule 17 - Water Pumping Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	12	\$ 497	\$ 41.39	497	\$ 45.00	\$ 540
Energy Charge Per KWH - On-Peak	3,870	518	\$ 0.13241	512	\$ 0.14000	542
Energy Charge Per KWH - Off-Peak	1,840	129	\$ 0.06748	124	\$ 0.07000	129
Total KWH	<u>5,710</u>			-		-
Total from base rates		<u>1,144</u>		<u>\$ 1,133</u>		<u>\$ 1,211</u>
Fuel Adjustment		(34)				
Environmental Surcharge		<u>95</u>				
Total Revenues		<u>\$ 1,205</u>				
Change:						
Amount				\$ (11)		\$ 77
Percent				-0.9%		6.8%
Average monthly usage		476				
Average monthly bill		\$ 95.33		\$ 94.44		\$ 100.88
Amount of change				\$ (0.89)		\$ 6.44
Percent of change				-0.9%		6.8%

Schedule 18 - General Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	25,959	\$ 584,078	\$ 22.50	584,078	\$ 27.50	\$ 713,873
Energy Charge Per KWH - On-Peak	5,496,694	713,148	\$ 0.12795	703,302		
Energy Charge Per KWH - Off-Peak	6,596	416	\$ 0.05973	394		
Total KWH	<u>5,503,290</u>				\$ 0.14111	776,569
Prorate Customer Charge		(3,760)		(3,760)		(3,760)
Total from base rates		<u>1,293,882</u>		<u>\$ 1,284,013</u>		<u>\$ 1,486,682</u>
Fuel Adjustment		(32,337)				
Environmental Surcharge		<u>111,354</u>				
Total Revenues		<u>\$ 1,372,899</u>				
Change:						
Amount				\$ (9,869)		\$ 202,668
Percent				-0.8%		15.8%
Average monthly usage		212				
Average monthly bill		\$ 49.84		\$ 49.46		\$ 57.27
Amount of change				\$ (0.38)		\$ 7.81
Percent of change				-0.8%		15.8%

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Schedule 19 - Temporary Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	783	\$ 40,505	\$ 51.73	40,505	\$ 55.00	\$ 43,065
Energy Charge Per KWH	665,686	68,869	\$ 0.10175	67,734	\$ 0.10375	69,065
Prorate Customer Charge		(1,285)		(1,285)		(1,285)
Total from base rates		<u>108,089</u>		<u>\$ 106,953</u>		<u>\$ 110,845</u>
Fuel Adjustment		(3,788)				
Environmental Surcharge		<u>9,255</u>				
Total Revenues		<u>\$ 113,556</u>				
Change:						
Amount				\$ (1,136)		\$ 3,892
Percent				-1.1%		3.6%
Average monthly usage		850				
Average monthly bill		\$ 138.04		\$ 136.59		\$ 141.56
Amount of change				\$ (1.45)		\$ 4.97
Percent of change				-1.1%		3.6%

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Schedule 20 - Inclining Block Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	472	\$ 7,080	\$ 15.00	7,080	\$ 22.50	\$ 10,620
Energy Charge Per KWH - First 300	93,020	6,835	\$ 0.07180	6,679	\$ 0.08000	7,442
Energy Charge Per KWH - Next 200	25,246	2,250	\$ 0.08754	2,210	\$ 0.10000	2,525
Energy Charge Per KWH - All Over 500	13,211	1,797	\$ 0.13482	1,781	\$ 0.15000	1,982
Total KWH	<u>131,477</u>					
Total from base rates		<u>17,962</u>		<u>\$ 17,750</u>		<u>\$ 22,568</u>
Fuel Adjustment		(842)				
Environmental Surcharge		<u>1,653</u>				
Total Revenues		<u>\$ 18,773</u>				
Change:						
Amount				\$ (212)		\$ 4,818
Percent				-1.2%		27.1%
Average monthly usage		225				
Average monthly bill		\$ 38.06		\$ 37.61		\$ 47.81
Amount of change				\$ (0.45)		\$ 10.21
Percent of change				-1.2%		27.1%

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Schedule 21 - Prepay Metering Program (Residential)

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	8,573	\$ 128,595	\$ 15.00	128,595	\$ 22.50	\$ 192,893
Energy Charge Per KWH	8,930,587	965,475	\$ 0.10658	951,822	\$ 0.10703	955,841
Monthly Programming Fee		74,208	\$ 10.00	74,208	\$ 10.00	74,208
Prorate Customer Charge		(1,285)		(1,285)		(1,285)
Total from base rates		<u>1,166,993</u>		<u>\$ 1,153,340</u>		<u>\$ 1,221,656</u>
Fuel Adjustment		(53,161)				
Environmental Surcharge		<u>90,570</u>				
Total Revenues		<u>\$ 1,204,402</u>				
Change:						
Amount				\$ (13,653)		\$ 68,316
Percent				-1.2%		5.9%
Average monthly usage		1,042				
Average monthly bill		\$ 136.12		\$ 134.53		\$ 142.50
Amount of change				\$ (1.59)		\$ 7.97
Percent of change				-1.2%		5.9%

Schedule 22 - Prepay Metering Program (General Service)

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	133	\$ 2,993	\$ 22.50	2,993	\$ 27.50	\$ 3,658
Energy Charge Per KWH	64,302	8,319	\$ 0.12795	8,227	\$ 0.14111	9,074
Monthly Programming Fee		1,122	\$ 10.00	1,122	\$ 10.00	1,122
Prorate Customer Charge		(183)		(183)		(183)
Total from base rates		<u>12,251</u>		<u>\$ 12,159</u>		<u>\$ 13,670</u>
Fuel Adjustment		(406)				
Environmental Surcharge		<u>961</u>				
Total Revenues		<u>\$ 12,806</u>				
Change:						
Amount				\$ (92)		\$ 1,511
Percent				-0.8%		12.4%
Average monthly usage		483				
Average monthly bill		\$ 92.11		\$ 91.42		\$ 102.78
Amount of change				\$ (0.69)		\$ 11.36
Percent of change				-0.8%		12.4%

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Schedule NM - Residential

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	50	\$ 750	\$ 15.00	750	\$ 22.50	\$ 1,125
Energy Charge Per KWH	41,614	4,503	\$ 0.10658	4,435	\$ 0.10703	4,454
Received KWH	13,163	(1,429)	\$ 0.10658	(1,403)	\$ 0.10703	(1,409)
Total from base rates		<u>3,824</u>		<u>\$ 3,782</u>		<u>\$ 4,170</u>
Fuel Adjustment		(229)				
Environmental Surcharge		<u>331</u>				
Total Revenues		<u>\$ 3,926</u>				
Change:						
Amount				\$ (42)		\$ 388
Percent				-1.1%		10.3%
Average monthly usage		832				
Average monthly bill		\$ 76.48		\$ 75.65		\$ 83.40
Amount of change				\$ (0.83)		\$ 7.76
Percent of change				-1.1%		10.3%

Schedule NM - General Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	5	\$ 113	\$ 22.50	113	\$ 27.50	\$ 138
Energy Charge Per KWH	113	12	\$ 0.10658	12	\$ 0.14111	16
Received KWH	113	(12)	\$ 0.10658	(12)	\$ 0.14111	(16)
Total from base rates		<u>113</u>		<u>\$ 113</u>		<u>\$ 138</u>
Fuel Adjustment		(1)				
Environmental Surcharge		<u>9</u>				
Total Revenues		<u>\$ 121</u>				
Change:						
Amount				\$ (1)		\$ 25
Percent				-0.4%		22.2%
Average monthly usage		23				
Average monthly bill		\$ 22.60		\$ 22.50		\$ 27.50
Amount of change				\$ (0.10)		\$ 5.00
Percent of change				-0.4%		22.2%

Envirowatts

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Energy Charge Per KWH	57,000	\$ 1,568	\$ 0.02750	1,568	\$ 0.02750	\$ 1,568
Total from base rates		<u>1,568</u>		<u>\$ 1,568</u>		<u>\$ 1,568</u>
Fuel Adjustment		-				
Environmental Surcharge		-				
Total Revenues		<u>\$ 1,568</u>				
Change:						
Amount				\$ (1)		\$ -
Percent				0.0%		0.0%

Schedule 1 - Domestic - Farm & Home Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	133,664	\$ 2,004,960	\$ 15.00	2,004,960	\$ 22.50	\$ 3,007,440
Energy Charge Per KWH	142,100,290	15,418,719	\$ 0.10668	15,159,259		
Energy Charge Per KWH - Off-Peak	243,209	15,313	\$ 0.05973	14,527		
Total KWH	<u>142,343,499</u>				\$ 0.10703	15,235,025
Prorate Customer Charge		(19,193)		(19,193)		(19,193)
Total from base rates		<u>17,419,799</u>		<u>\$ 17,159,553</u>		<u>\$ 18,223,272</u>
Fuel Adjustment		(806,420)				
Environmental Surcharge		<u>1,479,469</u>				
Total Revenues		<u>\$ 18,092,848</u>				
Change:						
Amount				\$ (260,246)		\$ 1,063,719
Percent				-1.5%		6.2%
Average monthly usage		1,063				
Average monthly bill		\$ 130.33		\$ 128.38		\$ 136.34
Amount of change				\$ (1.95)		\$ 7.96
Percent of change				-1.5%		6.2%

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Schedule 2 - Commercial and Small Power

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	13,197	\$ 362,917	\$ 27.50	362,918		
Customer Charge	13,257				\$ 30.00	\$ 397,710
Energy Charge Per KWH	15,310,066	1,626,379	\$ 0.10444	1,598,983		
Energy Charge Per KWH - Off-Peak	12,385	776	\$ 0.05973	740		
Total KWH	<u>15,322,451</u>					
Total KWH	<u>15,546,553</u>				\$ 0.10660	1,657,263
Prorate Customer Charge		(1,582)		(1,582)		(1,582)
Total from base rates		<u>1,988,490</u>		<u>\$ 1,961,059</u>		<u>\$ 2,053,391</u>
Fuel Adjustment		(89,051)				
Environmental Surcharge		<u>168,946</u>				
Total Revenues		<u>\$ 2,068,385</u>				
Change:						
Amount				\$ (27,431)		\$ 92,332
Percent				-1.4%		4.7%
Average monthly usage		1,160				
Average monthly bill		\$ 150.68		\$ 148.60		\$ 155.60
Amount of change				\$ (2.08)		\$ 7.00
Percent of change				-1.4%		4.7%

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Schedule 4 - Large Power Service-Single and Three-Phase

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	788	\$ 49,659	\$ 63.02	49,660	\$ 67.50	\$ 53,190
Demand Charge per KW	89,717	766,187	\$ 8.54	766,183	\$ 8.54	766,183
Primary Meter Credit per KW	19,453	(2,918)	\$ (0.15)	(2,918)	\$ (0.15)	(2,918)
Energy Charge Per KWH	22,947,105	1,404,551	\$ 0.05968	1,369,483	\$ 0.06025	1,382,563
Difference to Contract Minimum		23,662		17,063		17,063
Total from base rates		<u>2,241,141</u>		<u>\$ 2,199,471</u>		<u>\$ 2,216,081</u>
Fuel Adjustment		(132,764)				
Environmental Surcharge		<u>181,692</u>				
Total Revenues		<u>\$ 2,290,069</u>				
Change:						
Amount				\$ (41,670)		\$ 16,610
Percent				-1.9%		0.8%
Average monthly usage		29,121				
Average monthly bill		\$ 2,844.09		\$ 2,791.21		\$ 2,812.29
Amount of change				\$ (52.88)		\$ 21.08
Percent of change				-1.9%		0.8%

(Combined with Outdoor Lighting)

Schedule 5 - Street Lighting Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
7,000 Lumens	551	\$ 5,859	\$ 10.49	5,780	\$	-
KWH usage						
Total from base rates		<u>5,859</u>		<u>\$ 5,780</u>		<u>\$ -</u>
Fuel Adjustment						
Environmental Surcharge						
Total Revenues		<u>\$ 5,859</u>				
Change:						
Amount				\$ (79)		\$ (5,780)
Percent						
Average monthly usage						
Average monthly bill						
Amount of change						
Percent of change						

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Schedule 6 - Outdoor Lighting Service
Street Lighting included

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Mercury Vapor Lighting						
7,000 Lumens HPS	41,320	\$ 249,182	\$ 10.15	419,398	\$ 12.50	\$ 516,500
10,000 Lumens HPS	-	\$ 176,188	\$ 12.83	-	\$ 15.00	\$ -
Flood Lighting	3,253	\$ 61,582	\$ 18.79	61,124	\$ 21.50	\$ 69,940
LED Lighting						
3,600 LED Yard Light	7,703	\$ 79,726	\$ 10.22	78,725	\$ 12.50	\$ 96,288
19,176 LED Flood Light	2	\$ 46	\$ 23.00	46	\$ 26.00	\$ 52
Street Lighting						
7,000 Lumens HPS	551		\$ 10.49	5,780	\$ 12.75	\$ 7,025
KWH Usage	<u>3,713,787</u>					
Prorate monthly lighting		<u>(5,642)</u>		<u>(5,642)</u>		<u>(5,642)</u>
Total from base rates		561,082		<u>\$ 559,431</u>		<u>\$ 684,162</u>
Fuel Adjustment		(1,013)				
Environmental Surcharge		<u>2,150</u>				
Total Revenues		<u>\$ 562,219</u>				
Change:						
Amount				\$ (1,651)		\$ 124,732
Percent				-0.3%		22.3%
Average monthly bill		\$ 10.73		\$ 10.70		\$ 13.09
Amount of change				\$ (0.03)		\$ 2.39
Percent of change				-0.3%		22.3%

Schedule 7 - All Electric Schools

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	108	\$ 3,352	\$ 31.04	3,352	\$ 37.50	\$ 4,050
Demand Charge per KW	18,094	117,250	\$ 6.48	117,249	\$ 6.60	119,420
Energy Charge Per KWH	4,920,047	358,565	\$ 0.07110	349,815	\$ 0.07550	371,464
				-		-
Total from base rates		<u>479,167</u>		<u>\$ 470,417</u>		<u>\$ 494,934</u>
Fuel Adjustment		(28,289)				
Environmental Surcharge		<u>38,980</u>				
Total Revenues		<u>\$ 489,858</u>				
Change:						
Amount				\$ (8,750)		\$ 24,517
Percent				-1.8%		5.2%
Average monthly usage		45,556				
Average monthly bill		\$ 4,436.73		\$ 4,355.71		\$ 4,582.72
Amount of change				\$ (81.02)		\$ 227.01
Percent of change				-1.8%		5.2%

Schedule 10 - Residential Time of Day

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	24	\$ 456	\$ 19.00	456	\$ 22.50	\$ 540
Energy Charge Per KWH - On-Peak	13,875	2,763	\$ 0.19748	2,740	\$ 0.20000	2,775
Energy Charge Per KWH - Off-Peak	32,013	1,973	\$ 0.05973	1,912	\$ 0.06500	2,081
Total KWH	<u>45,888</u>					
Billing adjustment, prior to test year		(373)		-		-
Total from base rates		<u>4,819</u>		<u>\$ 5,108</u>		<u>\$ 5,396</u>
Fuel Adjustment		(260)				
Environmental Surcharge		<u>394</u>				
Total Revenues		<u>\$ 4,953</u>				
Change:						
Amount				\$ 289		\$ 288
Percent				6.0%		5.6%
Average monthly usage		1,912				
Average monthly bill		\$ 200.79		\$ 212.84		\$ 224.83
Amount of change				\$ 12.05		\$ 11.99
Percent of change				6.0%		5.6%

Schedule 14(a) - Large Industrial Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	24	\$ 13,587	\$ 566.12	13,587	\$ 566.12	\$ 13,587
Demand Charge per KW of Contract	55,650	402,350	\$ 7.23	402,350	\$ 7.23	402,350
Demand Charge per KW of Excess	1,331	13,976	\$ 10.50	13,976	\$ 10.50	13,976
Energy Charge Per KWH	31,050,000	1,496,206	\$ 0.04650	1,443,825	\$ 0.04650	1,443,825
Total from base rates		<u>1,926,119</u>		<u>\$ 1,873,737</u>		<u>\$ 1,873,737</u>
Fuel Adjustment		(191,656)				
Environmental Surcharge		<u>161,410</u>				
Total Revenues		<u>\$ 1,895,873</u>				
Change:						
Amount				\$ (52,382)		\$ -
Percent				-2.7%		0.0%
Average monthly usage		2,374				
Average monthly bill		\$ 80,254.96		\$ 78,072.37		\$ 78,072.37
Amount of change				\$ (2,182.59)		\$ -
Percent of change				-2.7%		0.0%

(Combining with Schedule 2)

Schedule 16 - Small Commercial Demand & Energy Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	60	\$ 1,650	\$ 27.50	1,650	\$ -	\$ -
Demand Charge per KW	461	2,812	\$ 6.10	2,812	\$ -	-
Energy Charge Per KWH	224,102	14,495	\$ 0.06281	14,076	\$ -	-
				-		-
Total from base rates		<u>18,957</u>		<u>\$ 18,538</u>		<u>\$ -</u>
Fuel Adjustment		(1,302)				
Environmental Surcharge		<u>1,511</u>				
Total Revenues		<u>\$ 19,166</u>				
Change:						
Amount				\$ (419)		\$ (18,538)
Percent				-2.2%		-100.0%
Average monthly usage		3,735				
Average monthly bill		\$ 315.95		\$ 308.97		\$ -
Amount of change				\$ (6.98)		\$ (308.97)
Percent of change				-2.2%		-100.0%

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Schedule 17 - Water Pumping Service

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	12	\$ 497	\$ 41.39	497	\$ 45.00	\$ 540
Energy Charge Per KWH - On-Peak	3,870	518	\$ 0.13241	512	\$ 0.14000	542
Energy Charge Per KWH - Off-Peak	1,840	129	\$ 0.06748	124	\$ 0.07000	129
Total KWH	<u>5,710</u>			-		-
Total from base rates		<u>1,144</u>		<u>\$ 1,133</u>		<u>\$ 1,211</u>
Fuel Adjustment		(34)				
Environmental Surcharge		<u>95</u>				
Total Revenues		<u>\$ 1,205</u>				
Change:						
Amount				\$ (11)		\$ 77
Percent				-0.9%		6.8%
Average monthly usage		476				
Average monthly bill		\$ 95.33		\$ 94.44		\$ 100.88
Amount of change				\$ (0.89)		\$ 6.44
Percent of change				-0.9%		6.8%

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Schedule 18 - General Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	25,959	\$ 584,078	\$ 22.50	584,078	\$ 27.50	\$ 713,873
Energy Charge Per KWH - On-Peak	5,496,694	713,148	\$ 0.12795	703,302		
Energy Charge Per KWH - Off-Peak	6,596	416	\$ 0.05973	394		
Total KWH	<u>5,503,290</u>				\$ 0.14111	776,569
Prorate Customer Charge		(3,760)		(3,760)		(3,760)
Total from base rates		<u>1,293,882</u>		<u>\$ 1,284,013</u>		<u>\$ 1,486,682</u>
Fuel Adjustment		(32,337)				
Environmental Surcharge		<u>111,354</u>				
Total Revenues		<u>\$ 1,372,899</u>				
Change:						
Amount				\$ (9,869)		\$ 202,668
Percent				-0.8%		15.8%
Average monthly usage		212				
Average monthly bill		\$ 49.84		\$ 49.46		\$ 57.27
Amount of change				\$ (0.38)		\$ 7.81
Percent of change				-0.8%		15.8%

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Schedule 19 - Temporary Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	783	\$ 40,505	\$ 51.73	40,505	\$ 55.00	\$ 43,065
Energy Charge Per KWH	665,686	68,869	\$ 0.10175	67,734	\$ 0.10375	69,065
Prorate Customer Charge		(1,285)		(1,285)		(1,285)
Total from base rates		<u>108,089</u>		<u>\$ 106,953</u>		<u>\$ 110,845</u>
Fuel Adjustment		(3,788)				
Environmental Surcharge		<u>9,255</u>				
Total Revenues		<u>\$ 113,556</u>				
Change:						
Amount				\$ (1,136)		\$ 3,892
Percent				-1.1%		3.6%
Average monthly usage		850				
Average monthly bill		\$ 138.04		\$ 136.59		\$ 141.56
Amount of change				\$ (1.45)		\$ 4.97
Percent of change				-1.1%		3.6%

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Schedule 20 - Inclining Block Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	472	\$ 7,080	\$ 15.00	7,080	\$ 22.50	\$ 10,620
Energy Charge Per KWH - First 300	93,020	6,835	\$ 0.07180	6,679	\$ 0.08000	7,442
Energy Charge Per KWH - Next 200	25,246	2,250	\$ 0.08754	2,210	\$ 0.10000	2,525
Energy Charge Per KWH - All Over 500	13,211	1,797	\$ 0.13482	1,781	\$ 0.15000	1,982
Total KWH	<u>131,477</u>					
Total from base rates		<u>17,962</u>		<u>\$ 17,750</u>		<u>\$ 22,568</u>
Fuel Adjustment		(842)				
Environmental Surcharge		<u>1,653</u>				
Total Revenues		<u>\$ 18,773</u>				
Change:						
Amount				\$ (212)		\$ 4,818
Percent				-1.2%		27.1%
Average monthly usage		225				
Average monthly bill		\$ 38.06		\$ 37.61		\$ 47.81
Amount of change				\$ (0.45)		\$ 10.21
Percent of change				-1.2%		27.1%

Schedule 21 - Prepay Metering Program (Residential)

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	8,573	\$ 128,595	\$ 15.00	128,595	\$ 22.50	\$ 192,893
Energy Charge Per KWH	8,930,587	965,475	\$ 0.10658	951,822	\$ 0.10703	955,841
Monthly Programming Fee		74,208	\$ 10.00	74,208	\$ 10.00	74,208
Prorate Customer Charge		(1,285)		(1,285)		(1,285)
Total from base rates		<u>1,166,993</u>		<u>\$ 1,153,340</u>		<u>\$ 1,221,656</u>
Fuel Adjustment		(53,161)				
Environmental Surcharge		<u>90,570</u>				
Total Revenues		<u>\$ 1,204,402</u>				
Change:						
Amount				\$ (13,653)		\$ 68,316
Percent				-1.2%		5.9%
Average monthly usage		1,042				
Average monthly bill		\$ 136.12		\$ 134.53		\$ 142.50
Amount of change				\$ (1.59)		\$ 7.97
Percent of change				-1.2%		5.9%

Schedule 22 - Prepay Metering Program (General Service)

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	133	\$ 2,993	\$ 22.50	2,993	\$ 27.50	\$ 3,658
Energy Charge Per KWH	64,302	8,319	\$ 0.12795	8,227	\$ 0.14111	9,074
Monthly Programming Fee		1,122	\$ 10.00	1,122	\$ 10.00	1,122
Prorate Customer Charge		(183)		(183)		(183)
Total from base rates		<u>12,251</u>		<u>\$ 12,159</u>		<u>\$ 13,670</u>
Fuel Adjustment		(406)				
Environmental Surcharge		<u>961</u>				
Total Revenues		<u>\$ 12,806</u>				
Change:						
Amount				\$ (92)		\$ 1,511
Percent				-0.8%		12.4%
Average monthly usage		483				
Average monthly bill		\$ 92.11		\$ 91.42		\$ 102.78
Amount of change				\$ (0.69)		\$ 11.36
Percent of change				-0.8%		12.4%

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Schedule NM - Residential

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	50	\$ 750	\$ 15.00	750	\$ 22.50	\$ 1,125
Energy Charge Per KWH	41,614	4,503	\$ 0.10658	4,435	\$ 0.10703	4,454
Received KWH	13,163	(1,429)	\$ 0.10658	(1,403)	\$ 0.10703	(1,409)
Total from base rates		<u>3,824</u>		<u>\$ 3,782</u>		<u>\$ 4,170</u>
Fuel Adjustment		(229)				
Environmental Surcharge		<u>331</u>				
Total Revenues		<u>\$ 3,926</u>				
Change:						
Amount				\$ (42)		\$ 388
Percent				-1.1%		10.3%
Average monthly usage		832				
Average monthly bill		\$ 76.48		\$ 75.65		\$ 83.40
Amount of change				\$ (0.83)		\$ 7.76
Percent of change				-1.1%		10.3%

Schedule NM - General Service Rate

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	5	\$ 113	\$ 22.50	113	\$ 27.50	\$ 138
Energy Charge Per KWH	113	12	\$ 0.10658	12	\$ 0.14111	16
Received KWH	113	(12)	\$ 0.10658	(12)	\$ 0.14111	(16)
Total from base rates		<u>113</u>		<u>\$ 113</u>		<u>\$ 138</u>
Fuel Adjustment		(1)				
Environmental Surcharge		<u>9</u>				
Total Revenues		<u>\$ 121</u>				
Change:						
Amount				\$ (1)		\$ 25
Percent				-0.4%		22.2%
Average monthly usage		23				
Average monthly bill		\$ 22.60		\$ 22.50		\$ 27.50
Amount of change				\$ (0.10)		\$ 5.00
Percent of change				-0.4%		22.2%

Grayson Rural Electric Cooperative Corporation
Case No. 2018-000xx
Billing Analysis
December 31, 2017

Exhibit J - Revised PH 2
page 18 of 19
Witness: James Adkins

Envirowatts

Description	Billing Determinants	Test Year Revenue	Normalized Case No. 2017-00013		Proposed	
			Rates	Revenues	Rates	Revenues
Energy Charge Per KWH	57,000	\$ 1,568	\$ 0.02750	1,568	\$ 0.02750	\$ 1,568
Total from base rates		<u>1,568</u>		<u>\$ 1,568</u>		<u>\$ 1,568</u>
Fuel Adjustment		-				
Environmental Surcharge		-				
Total Revenues		<u>\$ 1,568</u>				
Change:						
Amount			\$	(1)	\$	-
Percent				0.0%		0.0%

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

11. Provide the number of customers that are served under Schedule 20 - Residential Inclining Block Rate.

Response 11:

The number of accounts on this rate schedule at the end of the test year was 42.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

12. Provide a copy of the contract for Grayson RECC's current attorney, and provide any additional change to the rate case expense incurred due to the hiring of new counsel during the pendency of the rate case.

Response 12:

Please find attached a copy of Mr. Clayton Oswald's contract for service representing Grayson RECC through the conclusion of Case 2018-00272. Mr. Oswald's expenses have totaled to date \$3,756.33.

As of March 1, Grayson RECC has hired Mr. Derrick Willis to serve as the Cooperative's legal counsel. No expenses related to the rate case are expected from Mr. Willis.

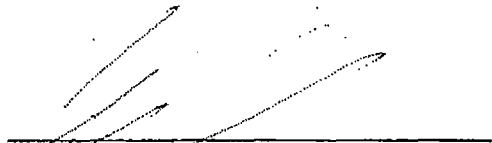
CONTRACT FOR LEGAL SERVICES

This contract for legal services made and entered into on this 31st day of January, 2019 between Grayson Rural Electric Cooperative by its President, Carol Ann Fraley, hereinafter referred to as "client," and Clayton O. Oswald, attorney, and the law firm of Taylor, Keller & Oswald, PLLC of London and Lexington, Kentucky, hereinafter referred to as "attorney," and for and in consideration of the mutual promises as set forth below, the parties do covenant and agree as follows:

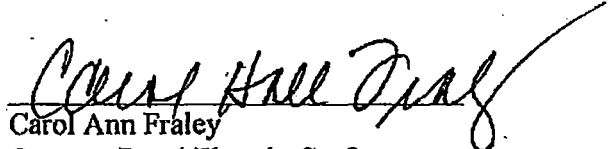
That the attorneys will provide legal representation to the client before the Kentucky Public Service Commission in all matters related to Case No. 2018-00272.

In return, the client agrees to pay the attorneys at the rate of \$135.00 per hour for legal services rendered. Further, the client will pay all necessary expenses involved, including but not limited to, photocopies, postage and mileage.

In agreement herewith, witness the signatures of the parties on this the 31st day of January, 2019.



Clayton O. Oswald, Attorney
Taylor, Keller & Oswald, PLLC



Carol Ann Fraley
Grayson Rural Electric Co-Op



WILLIS LAW OFFICE
Attorney at Law

P.O. Box 1500
Grayson, KY 41143

Tel. (606) 474-4668
Fax. (606) 474-4662

February 15, 2019

Ms. Carol Ann Fraley
Via hand-delivery

In re: *Proposal*

Dear Carol Ann:

This letter is to set forth my proposal to represent Grayson RECC. I would request a retainer of One Thousand Five Hundred Dollars (\$1,500.00) per month. I will bill One Hundred Fifty Dollars (\$150.00) per hour upon exhaustion of my retainer. I do not need health insurance at this time. I would also ask this be for a term of one year.

Please consider the terms herein. I look forward to meeting with you and the board next week.

Very truly yours,

Derrick E. Willis

Agreement
Commencing March 1, 2019 and continuing until
February 29, 2020.

Derrick E. Willis

2-22-19
Date

Carol Ann Fraley
GRECC CEO

2/22/19
Date

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

13. Refer to the Fraley Hearing Testimony. Provide a listing of any variable rate loans that Grayson RECC refinanced to a fixed rate within the last five years and the valuation of each of those refinanced loans.

Response 13:

Please refer to Response 9.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

14. Provide a copy of the analysis that supports Bradley Cherry's hearing testimony (Cherry Hearing Testimony), regarding management oversight of Grayson RECC's long-term debt.

a. Provide a detailed analysis comparing interest rate options and loan refinancing that supports the Cherry Hearing Testimony that Grayson RECC's long-term debt portfolio is in the best financial position with regard to its long-term debt interest expense.

b. Confirm the frequency of Grayson RECC's management meetings between President/CEO, Carol Hall Fraley, and Manager of Accounting, Bradley Cherry, that were conducted for the specific purpose of evaluating Grayson RECC's long-term debt portfolio.

c. Provide any documentation, emails or other correspondence that was created as a direct result of the above-referenced meetings.

d. Provide all correspondence and any related documentation for the years 2017 and 2018 between Grayson RECC's management and all lenders that were used by Grayson RECC's management to evaluate potential long-term debt conversions or refinancing.

Response 14a:

Refer to response to Question 9 and 13 of this response. Grayson has refinanced RUS loans with proceeds from CoBank and CFC during 2011 and 2017, respectively.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

Response 14b:

The CoBank and CFC loans are all fixed. FFB sends the notes with interest rates each quarter. Grayson reviews these rates at the time FFB submits them and compares to the Rural Utilities Loan Interest Rates that USDA lists on its website. In addition, the CFC representative will review the interest rates with expected rates to evaluate whether any loans can be refinanced at a lower rate.

Response 14c:

Refer to Case No. 2016-00327 where Grayson converted its last loans that were eligible to be refinanced at a lower rate.

Response 14d:

Please see attached.

Bradley Cherry

Question 14

Page 3 of 3

Witness: Bradley Cherry

From: Brian Stavish <Brian.Stavish@nrucfc.coop>
Sent: Friday, January 04, 2019 1:41 PM
To: Bradley Cherry
Subject: CFC Visit on Monday, January 14

Hi Bradley,

Happy New Years.

I will be in the Grayson area on the afternoon of Monday, January 14 and wanted to see if you had some time for me to stop by for a visit. I can review Grayson's account with CFC and give you an update on CFC activities.

Let me know if you are available.

Thanks.

Brian Stavish
RVP
2695 McVey Blvd W
Columbus, OH 43235
571-213-9003

CFC – Created and Owned by America's Electric Cooperative Network

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

15. Refer to the Cherry Hearing Testimony. Provide the analysis relied upon by Grayson RECC concerning the Long Term Disability Insurance and the amounts included in the 401(k) account for the years 2013 through 2018.

Response 15:

Please see analysis on flash drive.

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

16. Refer to the Cherry Hearing Testimony. Provide a detailed breakdown with supporting invoices for the \$69,730 rate case expense to date.

Response 16:

Please see attached supporting documentation for the updated rate case expense of \$73,580.34.

Totals by category are as follows:

Advertising	\$14,118.30
Legal	\$ 5,406.33
Consultants	\$50,977.00
Supplies/Misc	\$ 3,078.71

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

Question 16
Page 2 of 46
Witness: Bradley Cherry

Account	Item ID1	Item ID2	Date	Amount	Description
	232	MEAL	0 5/31/2018	\$ 131.82	RATE CASE MTGS/PREP 4/19;5/18
	232	MEAL	0 6/30/2018	\$ 42.24	RATE CASE PREP(AZ/BC/JA)
	232	MEAL	0 7/31/2018	\$ 93.34	COSS/RATE CASE DISCUSSION 7/18
	232	MEAL	0 8/31/2018	\$ 36.20	RATE CASE PREP-BC/AZ
	232	ADVR	2 9/26/2018	\$ 1,512.00	LEGAL ADS FOR RATE CASE
	232	MEAL	0 9/30/2018	\$ 69.37	RATE CASE PREP(BC/AZ/JA/PS)
	232	MEAL	0 9/30/2018	\$ 45.35	RATE CASE PREP. (BC/JA/AZ)
	232	MEAL	0 9/30/2018	\$ 88.71	RATE CASE PREP.(BC/AZ/AM/PS)
	232	MTSP	1 9/30/2018	\$ 285.40	RATE CASE SUPPLIES-TABS
	232	MTSP	5 9/30/2018	\$ 10.00	CERTIFCATE OF EXIST-RATE CASE
	232	ADVR	2 9/30/2018	\$ 1,974.00	OFFICIAL NOTICES-RATE CASE.
	232	ADVR	2 9/30/2018	\$ 4,536.00	LEGAL ADS FOR RATE CASE
	232	ADVR	2 9/30/2018	\$ 1,327.20	LEGAL AD-RATE CASE (ELLIOTT CO)
	232	ADVR	2 10/2/2018	\$ 850.50	(3)RATE CASE NOTICES-SEPT/OCT
	232	CONT	6 10/27/2018	\$ 22,720.00	RATE CASE PREP.(APR-AUG'18)
	232	MEAL	0 10/31/2018	\$ 19.34	RATE CASE PREP. (BC/JA)
	232	MEAL	0 10/31/2018	\$ 67.47	RATE CASE PREP.(BC/AZ/JA)
	232	MTSP	1 10/31/2018	\$ 515.92	RATE CASE SUPPLIES-TABS
	232	MEAL	0 10/31/2018	\$ 11.02	RATE CASE DELIVERY (BC)
	232	MEAL	0 10/31/2018	\$ 11.08	RATE CASE DELIVERY AMEND APP(BC)
	232	MEAL	0 10/31/2018	\$ 4.15	RATE CASE-1ST DATA REQUEST(BC)
	232	MTSP	1 10/31/2018	\$ 84.63	RATE CASE SUPPLIES-BINDERS
	232	MTSP	1 10/31/2018	\$ 31.78	RATE CASE-USB
	232	MEAL	0 10/31/2018	\$ 9.31	RATEA CASE SUPPLIES(BC)
	232	CONT	5 10/31/2018	\$ 16,995.70	RATE CASE 2018-00272 PREP (COSS)
	232	ADVR	2 10/31/2018	\$ 987.00	OFFICIAL NOTICE-RATE CASE
	232	ADVR	2 10/31/2018	\$ 663.60	LEGAL AD-RATE CASE (ELLIOTT CO)
	232	BDAT	1 10/31/2018	\$ 300.00	(1.50) EXC HR/OCTOBER(RATE CASE)
	232	MTSP	1 11/28/2018	\$ 105.74	REPORT COVERS-RATE CASE
	232	MEAL	0 11/30/2018	\$ 87.17	RATE CASE(BC/PS/CA/AM/AZ/JA/KB)
	232	MTSP	1 11/30/2018	\$ 125.91	3-HOLE PUNCH PAPER-RATE CASE
	232	MTSP	1 11/30/2018	\$ 105.74	REPORT COVERS-RATE CASE
	232	ADVR	2 11/30/2018	\$ 1,512.00	RATE CASE ADS-ELLIOTT CO NEWS
	232	BDAT	1 11/30/2018	\$ 1,350.00	(6.75) EXC HR/NOV(RATE CASE)
	232	CONT	6 12/22/2018	\$ 5,950.00	RATE CASE WORK(PSC 2018-00272)
	232	MEAL	0 12/31/2018	\$ 28.59	RATE CASE PREP(3) 11/19
	232	MEAL	0 12/31/2018	\$ 29.46	RATE CASE PREP(4) 11/20
	232	MEAL	0 12/31/2018	\$ 46.08	RATE CASE QUESTIONS(BC/AM)
	232	MEAL	0 12/31/2018	\$ 23.73	RATE CASE QUESTIONS(BC/AM/JA)
	232	MEAL	0 12/31/2018	\$ 40.48	RATE CASE QUEST(BC/CA/AM/JA/AZ)
	232	MTSP	1 12/31/2018	\$ 570.80	RATE CASE SUPPLIES
	232	MTSP	1 12/31/2018	\$ 19.06	RATE CASE SUPPLIES-USB
	232	ADVR	2 12/31/2018	\$ 756.00	BAL ON RATE CASE AD(OCTOBER INV)
	232	CONT	5 12/31/2018	\$ 5,311.30	RATE CASE PREP. OF RESPONSES
	232	MTSP	1 1/21/2019	\$ 216.77	REPORT COVERS FOR RATE CASE
	232	MTSP	1 1/31/2019	\$ 27.54	RATE CASE SUPPLIES
	232	CONT	5 2/28/2019	\$ 3,756.33	LEGAL FEES
	232	MEAL	0 2/28/2019	\$ 47.26	RATE CASE HEARING
	232	MEAL	0 2/28/2019	\$ 15.75	RATE CASE HEARING
	232	MEAL	0 2/28/2019	\$ 31.50	RATE CASE HEARING

MELINI'S CUCINA
 209 S CAROL MALONE BLVD
 GRAYSON, KY 41143
 606-475-1521

04/19/2018 12:32:28

CREDIT CARD
 VISA SALE

Card # XXXXXXXXXXXX8321
 Chip Card: VISA CREDIT
 AID: A0000000031010
 ATC: 001E
 ARQC: F3284B88D1DD153A
 SEQ #: 10
 Batch #: 11
 Trans #: 11
 SERVER 0009
 Approval Code: 004125
 TRANS ID: 308109595108518
 Entry Method: Chip Read
 Mode: Issuer

SALE AMOUNT \$50.30
 TIP AMOUNT
 TOTAL AMOUNT 58.30

Gratuity Guidelines
 15% = \$7.54 18% = \$9.05
 20% = \$10.06

THANK YOU

CUSTOMER COPY

Question 16
 Page 3 of 46
 Witness: Bradley Cherry

Melini Cucina
 209 South Carol Malone B1
 Grayson, Ky 41143

Server: Jordan 04/19/2018
 Table 10/1 12:28 PM
 Guests: 5

#10009

H2O (4 @0.00) 0.00
 Iced Tea 2.19
 Hawaiian Slice (2 @4.99) 9.98
 Caesar Salad 4.99
 Side SHRIMP 6.00
 Salmon Caesar Salad 11.99
 Side Salmon 7.00
 Mixed Veggies 4.00

Subtotal 45.15
 Tax 2.77
 FOOD 1.38
 Total 50.30

Balance Due 50.30

Thanks for coming in!
 Hope to see you again soon



TRES HERMANOS NUNEZ #1
 502 EAST MAIN STREET
 GRAYSON, KY 41143-1418
 606-474-6631

04/26/2018

CREDIT CARD
 VISA SALE

Card # XXXXXXXXXXXXXXXX
 Chip Card: VISA CREDIT
 AID: A0000000031010
 ATC: 001E
 ARQC: E291A459A91111

Approval Code

AMOUNT \$58.30
 TIP AMOUNT 5.00
 TOTAL AMOUNT 63.30

Gratuity Guidelines
 10% = \$2.12 15% = \$3.18
 20% = \$4.24

THANK YOU

CUSTOMER COPY

Bradley
 Andrea
 Alan

1947
 881 KY-1947
 GRAYSON, KY 41143
 606-255-6392

Cafe 1947
 881 KY-1947
 GRAYSON, KY 41143
 606-255-6392

Dine In #95

Server: Mandi K. 05/18/2018
 Order: 95 12:54PM
 Receipt: 3285

Server: Mandi K. 05/18/2018
 Order: 21 12:54PM
 Guests: 3 Register:
 Receipt: 3285

Card Holder: RECC/GRAYSON
 Card Number: XXXXXXXXXXXX8321
 Entry Method: Swipe
 Card Type: Visa
 Approval: 281227375

1 x Philly cheesesteak
 - Add Grilled onions
 - Add Grilled mushrooms
 - Onion Rings
 2 x Water
 3 x Cake
 - Strawberry Cheesecake
 1 x Catfish Special 17.9
 - Coleslaw
 - Fries

Amount: \$41.28
 + Tip: 6.00
 = Total: 47.28

Subtotal 38.9
 Tax 2.3

Balance Due 41.21

Card 41.21

Paid

I agree to pay the above amount according
 to the card issuer agreement.

x _____

*** CUSTOMER COPY ***

Thank you for dining at Cafe 1947. Please come
 again soon!

Witness: Bradley Cherry
 Question 16
 Page 4 of 46

58.30
 26.21
 47.28
 131.29
 92

TRES HERMANOS NUNEZ
502 EAST MAIN STREET
GRAYSON, KY 41143-1418
606-474-6631

05/23/2018

CREDIT CARD
VISA SALE

Card # XXXXXXXXXXXXXXXX
Chip Card: VISA CRT
AID: A000000000
ATC: 0000
ARQC: 5CDD5C3D13B5D
SEQ #: 1
Batch #: 1
Trans #: 1
Approval Code: 0000
AMS #: 3081436090
Entry Method: Chip Read
Mode: Issu

26.88
+ 15.36

\$42.24

SALE AMOUNT \$26.88
TIP AMOUNT 4.00
TOTAL AMOUNT 26.88

Gratuity Guidelines
10% = \$2.28 15% = \$3.43
20% = \$4.57

THANK YOU

CUSTOMER COPY

Subway#7857-0 Phone 606-474-7696
222 ST HWY 1947
GRAYSON, KY, 41143

Served by: Lynn 5/21/2018 12:15:25 pm
Term ID-Trans# 1/A-207065

Qty	Size	Item	Price
1		Rst Chicken Salad	6.00
2		21oz Fountain Drink	0.50
1		3 Cookies	1.59
1		RotisStylChkn Salad	6.00
Sub Total			14.09
Local City Tax (3%)			0.42
KY State Taxes (6%)			0.85
Total (Eat In)			15.36
Credit Card			15.36
Change			0.00

Approval No: 004278
Reference No: 814116112416
Card Issuer: Visa
Account No: *****8321
Acquired: Contact EMV
Amount: \$15.36

Application: VISA CREDIT
AID: A0000000031010
TVR: 8080008000
TSI: 6800

Date/Time: 5/21/2018 12:15:21

CUSTOMER COPY

Host Order ID: 624-409-1955845

Hungry for more? Let us know how we did today by taking our 1 minute survey at subwaylistens.com, and receive a purchase offer to use with your next purchase.

Witness: Bradley Cherry

CASS DISCOUNT

③

Question 16
Safe 1947
BERRY 1947
BERRY 1947
Witness: GRAYSON
606-255-6392

Dine In #79

Server: Shannon Y. 07/18/201
Table: 21 01:24F
Guests: 6 Register-
Receipt: 6912

1 x Grilled Cheese	4.9
- Pimento	
- Regular	
- French Fries	
1 x Grilled Chicken Salad	9.9
- No Croutons	
- Balsamic Vinaigrette Dressing	
1 x Quesadilla	7.9
- 3 cheese blend	
- Chicken	
1 x Chicken Alfredo	8.9
- Alfredo	
1 x Route 66 Burger	7.9
- Well Done	
- No Cheese	
Add Lettuce	
Add Onion	
French Fries	
1 x Grilled Cheese	4.9
- Pimento	
- Regular	
- Potato Chips	
1 x Philly cheesesteak	8.9
- No Peppers	
- No Mushrooms	
- No Onions	
- No Onion	
- French Fries	
2 x Cake	7.9
- Lemon Berry Mascarpone	2.0
1 x Cake	3.9
- Death by Chocolate	0.4
1 x DT PEPSI	2.4
1 x ICED TEA	2.4
- Sweet	
Subtotal	73.37
Tax	4.41
Tip	15.56
Balance Due	93.34
Card	93.34

Card Holder: RECC/GRAYSON
Card Number: XXXXXXXXXXXX8321
Entry Method: Swipe

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Server: Mandi K. 07/27/2018
Order: 89 01:25PM
Receipt: 7421

Card Holder: RECC/GRAYSON
Card Number: XXXXXXXXXXXX8321
Entry Method: Swipe
Card Type: Visa
Approval: 293148715

Amount: \$31.20

+ Tip: 5.00

= Total: 36.20

I agree to pay the above amount according
to the card issuer agreement.

x _____

*** CUSTOMER COPY ***

Dine In #89

Server: Mandi K. 07/27/2018
Table: 32 01:20PM
Guests: 2 Register-1
Receipt: 7421

2 x Water	0.00
1 x Catfish Special	9.99
- 1 piece	
- Coleslaw	
- Onion Rings	0.99
- No Bread Side	
1 x Cobb Salad	9.99
- No Avocado	
- No Eggs	
- Balsamic Vinaigrette Dressing	
1 x Cake	3.99
- Pina Colada	0.49
1 x Cheesecake	2.99
- Black Forrest	0.99
Subtotal	29.43
Tax	1.77

Balance Due 31.20

Thank you for dining at Cafe 1947. Please come
again soon!

Witness: Bradley Cherry
Question 16
Page 7 of 46

Big Sandy News-Tri Rivers Advertiser

240 East Main Street
 BOX 272
 Arlisle, KY 40311

Witness: Bradley Cherry

Date	Invoice #
9/26/2018	2029

Bill To
Grayson Rural Electric Coop-Corp 109 Bagby Park Grayson Ky 41143

Description	Qty	Rate	Amount	P.O. No.	Terms	Project
63" display ad SEpt 19 Notice		504.00	504.00			
63" display ad SEpt 26 Notice		504.00	504.00			
63" display ad Oct 3 Notice		504.00	504.00			
				Total		
				\$1,512.00		
				Payments/Credits		
				\$0.00		
				Balance Due		
				\$1,512.00		

Phone # 859-289-6425
 Fax # 859-289-4000
 melissa@kynewsgroup.com

MELINI CUCINA ITALIAN
 209 S CAROL MALONE BLVD
 GRAYSON KY 41143
 606-475-1521

Terminal ID: *****871 ***0

8/28/18 12:27 PM

SERVER #: 8

VISA CREDIT - INSERT
 AID: A0000000031010
 ACCT #: *****8321

CREDIT SALE
 UID: 824012571755 REF #: 4908
 BATCH #: 091 AUTH #: 002212

AMOUNT \$39.35
 TIP \$ 6.00
 TOTAL \$ 45.35

APPROVED

ARQC - 8981F591072BBCE4

THANK YOU!!
 PLEASE COME AGAIN!!

CUSTOMER COPY 7

Melini Cucina
 209 South Carol Malone Bl
 Grayson, Ky 41143

Server: Justin 08/28/2018
 Table 4/1 12:26 PM
 Guests: 3 #10025

2D (2 @0.00) 0.00
 Diet Pepsi 2.19
 Salmon Caesar Salad (2 @11.99) 23.98
 CHEESE (2 @1.00) 2.00
 Chef Salad 7.99
 Subtotal 36.16
 Tax 2.17
 FOOD 1.02
 Total 39.35

Balance Due 39.35

①

Cafe 1947
 881 KY-1947
 GRAYSON, KY 41143
 606-255-6392

Dine In #9

Server: Mandi K. 08/23/201
 Table: 23 01:34F
 Guests: 5 Register-
 Receipt: 9105

3 x Water 0.0
 1 x Philly cheesesteak 8.9
 - No Peppers
 - No Mushrooms
 - Regular
 - Sweet Potato Fries
 1 x Cobb Salad 9.9
 - Ranch Dressing
 1 x DT PEPSI 2.4
 1 x Route 66 Burger 7.9
 - Well Done
 - No Cheese
 - Add Lettuce
 - Add Onion
 - French Fries
 1 x ICED TEA 2.4
 - Sweet
 1 x Chef Salad 9.9
 - Ranch Dressing
 1 x Country Fried Steak 7.9
 - Mashed Potatoes
 - Coleslaw
 - Corn bread
 1 x Peach Cobbler 2.4
 1 x Cake 3.99
 - Blueberry Lemon Cheesecake 0.49

Subtotal 56.90
 Tax 3.42
 Tip 9.05

Balance Due 69.37

Card 69.37

Card Holder: RECC/GRAYSON

Witness: Bradley Berry

Question 16
 Page 9 of 46

6

617

Bradley
CA

Andrea
Priscilla
Alan

Dine In #54

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Server: Andrea L. 09/05/2018
Table: 31 01:20PM
Guests: 5 Register-2
Receipt: 9904

Server: Andrea L. 09/05/201
Order: 54 01:20F
Receipt: 9904

Card Holder: RECC/GRAYSON
Card Number: XXXXXXXXXXXX8321
Entry Method: Swipe
Card Type: Visa
Approval: 300327010

1 x Cobb Salad	9.99
- No Avocado	
- No Eggs	
- Balsamic Vinaigrette Dressing	
1 x Cobb Salad	9.99
- Balsamic Vinaigrette Dressing	
1 x Country Fried Steak	8.99
- Mashed Potatoes	
- Green Beans	
- Dinner Roll	
1 x Cobb Salad	9.99
- No Bleu Cheese	
- Ranch Dressing	
1 x Chef Salad	9.99
- Ranch Dressing	
2 x Extra roll	0.50
3 x Water	0.00
2 x ICED TEA	4.98
- Sweet	
4 x Cake	15.96
- Blueberry Lemon Cheesecake	1.96

Subtotal 72.35
Tax 4.36

Balance Due 76.71

Card 76.71

Paid

Amount: \$76.71

+ Tip: 12.00

= Total: 88.71

I agree to pay the above amount according to the card issuer agreement.

x _____

*** CUSTOMER COPY ***

Witness: Bradley Cherry
Question 16
Page 10 of 46

Thank you for dining at Cafe 1947. Please come again soon!

8

8



Final Details for Order #113-5268038-1256241
Print this page for your records.

Order Placed: September 6, 2018
Amazon.com order number: 113-5268038-1256241
Order Total: \$285.40

Shipped on September 7, 2018

Items Ordered	Price
5 of: <i>Avery Print & Apply Clear Label Dividers, Index Maker Easy Apply Printable Label Strip, 5 White Tabs, 25 Sets (11446)</i>	\$53.85
Sold by: Amazon.com Services, Inc	

Condition: New

Shipping Address:
Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Item(s) Subtotal:	\$269.25
Shipping & Handling:	\$0.00

Total before tax:	\$269.25
Sales Tax:	\$16.15

Shipping Speed:
Two-Day Shipping

Total for This Shipment: \$285.40

Payment information

Payment Method:
Visa | Last digits: 8321

Item(s) Subtotal:	\$269.25
Shipping & Handling:	\$0.00

Billing address
Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Total before tax:	\$269.25
Estimated tax to be collected:	\$16.15

Grand Total: \$285.40

Credit Card transactions

Visa ending in 8321: September 7, 2018: \$285.40

To view the status of your order, return to Order Summary.

9

The transaction was completed successfully. The Certificate of Existence / Authorization for GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION is now ready for viewing and printing.

You can print this page to use as your receipt for payment.

[View/Print this certificate \(PDF\)](#)

Certificate number	206098
Jurisdiction	Kentucky Public Service Commission
Certificate Type	Certificate of Existence / Authorization
Certificate Date	8/23/2018
Company	GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION
Company ID	0020454.09.99999
Charge	\$10.00
Certificate Web Address	http://app.sos.ky.gov/corpcertificates/98/2018082300206098.pdf

To order another certificate of this type for a different jurisdiction, click here. DO NOT click the back button if you are attempting to order another document.

Note: If your browser settings allow third party cookies, returning to this page within the next seven days will allow you to view this receipt and download your certificate again. If your browser does allow cookies, you may click [here](#) to list all certificates of this type that you have ordered in the last seven days for this particular company.

10

10 Date	11 Newspaper Reference	12 13 14 Description-Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
09/20/18	501497 GNLEG	OFFICIAL NOTICE GN PO# CASE 2018-00272	4.0X21.00 84.00	1 11.75	987.00	987.00
09/27/18	501497 GNLEG	OFFICIAL NOTICE GN PO# CASE 2018-00272	4.0X21.00 84.00	1 11.75	987.00	987.00

Statement of Account - Aging of Past Due Amounts

Due date: 10/15/18

Current Net Amount Due	22 30 Days	60 Days	Over 90 Days	*Unapplied Amount	23 Total Amount Due
1974.00	0.00	0.00	0.00		1974.00

THE DAILY INDEPENDENT

(606) 326-2600

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24 Invoice Number	25 Billing Period	6 Billed Account Number	7 Advertiser/Client Number	2 Advertiser/Client Name
091814890	09/2018	14890	14890	GRAYSON RURAL ELECTRIC

THE MOREHEAD NEWS
PO BOX 311
ASHLAND KY 41105-0311

(606) 784-4116

11 Billing Period 09/2018		12 Advertiser/Client Name GRAYSON RECC	
23 Total Amount Due 5110.00		24 Unapplied Amount	25 Terms of Payment
21 Current Net amount Due 5110.00		22a 30 Days .00	22b 60 Days .00
26 Page Number 1	27 Billing Date 09/30/18	28 Billed Account Number 1000765 MARA .	29 Advertiser/Client Number 1000765

Advertising Invoice

30 Billed Account Name and Address GRAYSON RECC JULIE.LEWIS@GRAYSONRECC.COM 109 BAGBY PARK GRAYSON KY 41143		31 Amount Paid: 32 Comments:
---	--	-------------------------------------

Please Return Upper Portion With Payment

10 Date	11 Newspaper Reference	12(13)14 Description-Client Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
09/27/18	242767	BALANCE FORWARD				580.75
	906	TMN PAYMENT				-580.75
09/19/18	501459	LEGAL: OFFICIAL NOTICE	6.0X13.50	1		
	LEG	TMN	81.00	15.00	* 1215.00	1215.00
/19/18	501460	LEGAL: OFFICIAL NOTICE	6.0X13.50	1		
	LEG	JT	81.00	13.00	* 1053.00	1053.00
09/19/18	501461	PWB: 21 DAYS 501460		1		
	PWB	JTW <i>Web</i>		25.00	25.00	25.00
09/26/18	501115	FULL PG CC QUARTERLY	1.0X48.00	1		
	FFF	JOB <i>Justin</i>	48.00	499.00	499.00	499.00
09/26/18	501116	CC QUARTERLY ONLINE		1		
	SSO	JTW <i>Web</i>		0.00	25.00	25.00
09/26/18	501459	LEGAL: OFFICIAL NOTICE	6.0X13.50	1		
	LEG	TMN	81.00	15.00	* 1215.00	1215.00
09/26/18	501460	LEGAL: OFFICIAL NOTICE	6.0X13.50	1		
	LEG	JT	81.00	13.00	* 1053.00	1053.00
09/26/18	501461	PWB: 21 DAYS 501460		1		
	PWB	JTW <i>Web</i>		25.00	25.00	25.00

1,215.00
1,053.00
1,215.00
1,053.00

4,536.00

Courier Publishing Company
142 Prestonsburg St
PO Box 187
West Liberty KY 41472
Phone 606-743-3551

Question 16
Statement

Witness: Bradley Cherry

DATE
09/30/'18

BILL TO
Grayson Rural Electric Coop Corp 109 Bagby Park Grayson KY 41143

AMOUNT DUE	AMOUNT ENC.
\$1,327.20	

DATE	DESCRIPTION	AMOUNT	BALANCE
08/31/18	Balance forward		0.00
09/21/18	Adjust Rates/Charges	663.60	663.60
09/28/18	Adjust Rates/Charges	663.60	1,327.20

CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
1,327.20	0.00	0.00	0.00	0.00	\$1,327.20

Lewis County Herald
 187 Main Street
 Vanceburg, KY 41179

Statement

Page 16 of 46

Witness: Bradley Cherry

DATE
10/02/18

BILL TO
Grayson RECC Kim Bush 109 Bagby Park Grayson, KY 41143

TERMS	AMOUNT DUE	AMOUNT ENC.
Due on receipt	\$850.50	

DATE	ITEM	DESCRIPTION	QTY	RATE	AMOUNT
08/31/18		Balance forward			0.00
09/18/18	DIS/AD	Proposed Rates	81	3.50	283.50
09/25/18	DIS/AD	Proposed Rates	81	3.50	283.50
10/02/18	DIS/AD	Proposed Rates	81	3.50	283.50

AMOUNT DUE
\$850.50

Alan M. Zumstein, CPA
Certified Public Accountant

1032 Chetford Drive
Lexington, Kentucky 40509
859-264-7147
zumstein@windstream.net

October 27, 2018

Grayson Rural Electric Cooperative
109 Bagby Park
Grayson, Kentucky 41143

Assist Grayson RECC's staff and consultant with gathering information for
schedules and exhibits in connection with Case No. 2018-00272

	<u>Hours</u>	<u>Miles</u>		
April, 2018	36	320		
Compile billing, purchase power, and payroll information				
May, 2018	48	480		
Revenue requirement adjustments				
June, 2018	32	160		
Revenue requirement adjustments and schedules and exhibits for filing the application				
July, 2018	36	320		
Revenue requirement adjustments and schedules and finalize exhibits for filing the application				
August, 2018	24	160		
Revenue requirement adjustments and schedules and finalize exhibits for filing the application and responses to First Data Request of Commission Staff				
Hours	176		@ \$125	\$ 22,000
Miles	1,440		@ \$0.50	<u>720</u>
Total due				<u>\$ 22,720</u>

Federal ID number 35-1877201

Welcome to Chick-fil-A
 Hamburg Place FSU (#01591)
 Lexington, KY
 (859) 543-0063
 Operator: Roderick Long
 CUSTOMER COPY
 9/20/2018 12:19:29 PM
 CARRY OUT

Order Number: 7355047

- 1 Meal-Grill Nug 12ct
- GRL Nug 12Ct
- Fries MD
- Swt Tea MD
- Cookie 1 Ct

Sub Total: \$11.02
 Tax: \$0.62
 Total: \$11.02

Change: \$0.00
 Visa: \$11.02
 Register # _____
 Cashier: _____
 Tran Seq No: 7355047

It has our pleasure serving you!
 Download the Chick-fil-A One App from
 Google Play or iTunes
 Don't forget to scan your app?
 to one.chick-fil-a.com/for

m : XXXXXXXX9321
 K112006081004
 01911
 06367

19

#7857-0 Phone 606-474-7696
 222 HWY 1947
 GRAYSON, KY, 41143

Served by: 9/18/2018 12:26:04 pm
 Term ID-Trans# 1/A-2262307

Qty	Size	Item	Price
1		RotisSty10kn Salad	12.00
1		21oz Fountain Drink	0.25
1		Roast Beef Salad	3.00
2		21oz Fountain Drink	3.38
1		3 Cookies	1.59
Sub Total			23.22
Local City Tax (3%)			0.70
KY State Taxes (6%)			1.39
Total (Before Tax)			25.31
Credit Card			25.31
Change			0.00

Approval No: 004102
 Reference No: 826116554593
 Card Issued: Visa
 Account No: **** *8321

Application: VISA CREDIT
 Amount: \$25.31
 AID: A0000000031010
 TVR: 8080008000
 TSI: 6800
 Date/Time: 9/18/2018 12:25:59 PM

Signature: _____

I agree to pay above total amount
 according to the Card Issuer Agreement.

Host Order ID: 624-430-3549851

TRES HERMANOS NUNEZ #1
 502 EAST MAIN STREET
 GRAYSON, KY 41143-1418
 606-474-6631

09/17/2018

CREDIT CARD
 VISA SALE

Card #: XXXXXXXXXXXX
 Chip Card: VISA (K)
 AID: A00G0000
 ATC:
 ARQC: F617341D7350
 SEQ #:
 Batch #:
 Trans #:
 Approval Code:
 TRANS ID: 468260600
 Entry Method: Chip
 Mode: Buss

SALE AMOUNT \$16.34
 TIP AMOUNT 3.00
 TOTAL AMOUNT 19.34

Gratuity Guidelines
 10% = \$1.63 15% = \$2.45
 20% = \$3.26

THANK YOU

16 CUSTOMER

Witness: Bradley Cherry
 Question 16
 Page 18 of 46

17



Final Details for Order #113-4955879-8051424

Print this page for your records.

Order Placed: October 1, 2018
Amazon.com order number: 113-4955879-8051424
Order Total: \$515.92

Shipped on October 1, 2018

Items Ordered	Price
8 of: <i>Avery Print & Apply Clear Label Dividers, Index Maker Easy Apply Printable Label Strip, 5 White Tabs, 25 Sets (11446)</i>	\$53.85
<small>Sold by: Amazon.com Services, Inc</small>	

Condition: New

Shipping Address:
Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Item(s) Subtotal:	\$430.80
Shipping & Handling:	\$55.92

Total before tax:	\$486.72
Sales Tax:	\$29.20

Shipping Speed:
One-Day Shipping

Total for This Shipment: \$515.92

Payment information

Payment Method:
Visa | Last digits: 8321

Item(s) Subtotal:	\$430.80
Shipping & Handling:	\$55.92

Billing address
Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Total before tax:	\$486.72
Estimated tax to be collected:	\$29.20

Grand Total: \$515.92

Credit Card transactions

Visa ending in 8321: October 1, 2018: \$515.92

To view the status of your order, return to [Order Summary](#).

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18

Qdoba Mexican Eats
2337 Sir Barton Dr, #. 15
Lexington, KY 40509
858 543-0096

Melini Cucina
209 South Carol Malone Bl
Grayson, Ky 41143

TM1085

Server: Jordan 09/24/2018
Table 15/1 1:07 PM
Guests: 3

Host: Drawer 5 10/03/2018
TM1085 1:59 PM
10085

#10014

Queso Burrito Steak 8.45
Bowl
Cookie (2 @1.00) 2.00

-20 (2 @0.00) 0.00
Iced Tea 2.19
Chicken Caesar Salad 8.99
Salmon Caesar Salad 11.99
Side Salmon 7.00
Broccoli 3.00

Subtotal 33.17
Tax .99
FOOD 1.00

Total 36.16

Balance Due 36.16

Thanks for coming in!
Hope to see you again soon

* TAKE OUR SURVEY AND RECEIVE *
* FREE CHIPS & SALSA *
* with purchase of an entree *
* on your next visit. *

1) Within 3 days visit
www.QdobaListens.com or 1-858-227-3168
2) Enter

534 820 020 139 012

3) Write provided validation code here:

Coupon code: 435

4) Bring receipt to a Qdoba to redeem.
One per order, valid 7 days from today

Subtotal 10.45
Tax 0.63

TO GO Total 11.08

Visa 11.08
Auth:008804

MELINI CUCINA ITALIAN
209 S CAROL MALONE BLVD
GRAYSON KY 41143
606-475-1521

Terminal ID: *****871 ***0

9/24/18 1:14 PM

SERVER #: 9

VISA CREDIT - INSERT
AID: A0000000031010
ACCT #: *****8321

CREDIT SALE
UID: 826722158909 REF #: 6419
BATCH #: 118 AUTH #: 002422

AMOUNT \$36.16

TIP \$

TOTAL \$ 42.16

APPROVED

ARQC - 71563E5C17325792

THANK YOU!!
PLEASE COME AGAIN!!

CUSTOMER COPY

--- Check Closed ---

20

17

(2)

THANKS FOR CHOOSING JOHNNY'S PIZZERIA
Tuesday - Thursday 11-9
Friday & Saturday 11-10
Sunday 11-7
9:43 - 10/11/2018 7:46 PM

Your Order: 44
Item Count: 1

VISA-XXXXXX8321
AUTH CODE: 004526
REFERENCE: 828425452170
SWIPED

\$4.15

\$0.00 DUE

TOTAL \$4.15
CREDIT CARD 4.15
DINNER SALAD 3.79
Local Tax 0.12
State Tax 0.24

DATE 10/11/2018 7:45 PM
EMPLOYEE: Gracie B.
COVERS: 1
CHECK: 0092544
TAKE OUT

Johnny's Pizza
117 W. Main St
Grayson, KY 41143
606-474-2441



With us, it's personal.

Store #01743
Walgreen Co. DBA Rite Aid
100 SOUTH CAROL
MALONE BLVD.
GRAYSON, KY 41143
(606) 474-4470

(23)

Register #3 Transaction #614630
Cashier #17433898 10/12/18 9:00AM

wellness rewards
Dscnt Card#: 95XXXXX2024
1 MEMOREX TRAVEL DR 8GB BLU 12.99 T
1 MAXELL 16GB USB DRIVE 14.99 T
1 MAXELL 16GB USB DRIVE 14.99 T

87.13

3 Items Subtotal 42.97
Tax 2.58
Total 45.55
VISA 45.55

VISA card * #XXXXXXXXXXXXXXXX12321
App #AA APPROVAL AUTO
Ref # 001333
Entry Method: Chip

Application Label: VISA CREDIT
AID: A00000000031010
TVR: 808000000000
TSI: 6800
AC: CE960652B6EF5A84
ARC: 00

14.99
14.99
29.98
X K06T
31.78

Steak 'n Shake No:4304303

1994 PTY: 1
09/19/2018 1:01:41 PM
SubTotal 8.78
Tax 0.53
Total 9.31
Ending:8321 Amount 9.31

Y_MODE: Chip Read
PAPROVED

SA CREDIT
0000031010
008000

0A03600000
BC3

RD Balance: 0.00

REWARDS, EASY AS 1-2-3!

Download Steak 'n Shake App
Scan & Pay
at the Food

11 Us About Your Experience
7-STK-N-SHK (1-877-785-6745)

To contact this store
call (606)618-0001

Item Count 4
Customer Copy

(24)



CLUB MANAGER JIM BATCHELOR
(740) 894-3296
SOUTH POINT, OH

09/19/18 12:26 0139 00152 003 143

GRAYSON

8-10.98
980035070 MM ZIN BNDR 65.88 T
SUBTOTAL 65.88

TAX 1 7.250 4.78
TOTAL 70.66

VOIDED BANKCARD TRANSACTION
MasterCard **** * 1292 I 2
AID A0000000041010
AAC 60C72C48F31C2D81
TERMINAL # SC010953

DECLINED

09/19/18 12:27:02

VOIDED BANKCARD TRANSACTION
MasterCard **** * 1292 I 2
AID A0000000041010
AAC 75000937A7D0F7F1
TERMINAL # SC010953

DECLINED

09/19/18 12:27:41

CREDIT **** * 8321 I 11
APPROVAL # 003212

000000031010
6CBFB8520586
TERMINAL # SC010953

SIGNATURE REQUIRED
CHANGE DUE 0.00

New! Free shipping for Plus members.
Visit samsclub.com/freeshipping
Visit samsclub.com to see your savings.

ITEMS SOLD 6

TC# 8291 4054 2662 7535 0764



Happy to Help

*** MEMBER COPY ***

L

(22)

13.97
70.66
84.63

Office DEPOT
Page 22 of 46
OfficeMax

ASHLAND - (606) 325-3114
09/19/2018 11:59 AM



2PV GP4P5Y35BBW6E

SALE 6246-1-1147-903498-18.7.2

563057 PAPER,30% REC, 13.18

You Pay 13.18S

PAPER,30% REC, S -6.59

Promotion -6.59
Subtotal: 13.18

KY State Tax 6% 0.79
Total 13.97

Visa 8321 13.97

AUTH CODE 003911
TDS Chip Read

AID A0000000031010 VISA CREDIT
TVR 8080008000

CVS No Signature Required

Total Savings \$6.59

WE WANT TO HEAR FROM YOU!

Participate in our online customer survey and receive a coupon for \$10 off your next qualifying purchase of \$50 or more on office supplies, furniture and more. (Excludes Technology. Limit 1 coupon per household/business.)

Visit www.officedepot.com/feedback

and enter the survey code below:

A563-3Y8A 8BBZ

INVOICE FOR SERVICES RENDERED

**James R. Adkins
2189 Roswerll Dr
Lexington, KY 40513-1811**

December 29, 2017
October 31, 2018

**Mr Bradley Cherry
Grayson RECC
109 Bagby Park
Grayson, KY 41143**

SERVICES RENDERED			
Month	Description	Hours	Mileage
April 19	Meeting to Discuss Rate Case	6.50	
May 23	Rate Design Discussion	4.00	220
June 12	Load Research Information Requested	2.00	
June 13	Cost of Service Questionnaire Prepared	1.00	
June 14	Cost of Service Questionnaire Prepared	5.00	
June 15	Review of Trial Balance and TY Adjustments	1.00	
June 19	Initial Review of Continuous Property Records	4.50	
June 22	COSS Inputs Initiated	2.00	
June 24	COSS Inputs Initiated	0.80	
June 25	COSS Inputs Initiated	6.00	
June 26	COSS Inputs Initiated	1.50	
June 27	COSS Inputs Initiated	4.00	
June 28	COSS Inputs Initiated	3.00	
June 29	Load Research Information Review	1.50	
July 2	Test Year Adjustments Inputed in COSS	4.00	
July 5	Test Year Adjustments Inputed in COSS	2.00	
July 6	Load Research Integrated into COSS	2.00	
July 9	Balancing the COSS with Adjusted Test Year	4.00	
July 10	Balancing the COSS with Adjusted Test Year	4.00	
July 11	Reviewing and Adjusting Results of COSS	6.30	
July 13	Determination of Increase for Each Rate Class	1.50	
July 16	Determination of Increase for Each Rate Class	5.30	
July 17	Initiation of Rate Design	4.50	
July 18	Initiation of Rate Design	5.00	
July 19	Review COSS Results & Rate Design Proposal	6.80	
July 20	Review COSS Results & Rate Design with Board	4.00	
August 18	Make Changes as Result of Board Meeting	3.00	
August 23	Make Changes as Result of Board Meeting	7.30	
August 24	Start Testimony	6.30	
August 27	Start Review of the Complete Filing	7.50	
August 28	Start Review of the Complete Filing	7.00	
Sept 17	Finalize Rate Case Documents	6.50	220
Sept 18	Finalize Rate Case Documents	4.30	
Total Hours and Mileage		134.10	440.00
Rate		\$ 125.00	\$ 0.53
Amount		\$ 16,762.50	\$ 233.20
Total Invoice			\$ 16,995.70

James R. Adkins

Please Return Upper Portion With Payment

10 Date	11 Newspaper Reference	12 13 14 Description-Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
		BALANCE FORWARD				1974.00
10/17/18	243438	CASH PAYMENT				-1974.00
	901	CK# 175598				
10/04/18	501497	OFFICIAL NOTICE	4.0X21.00	1		
	GNLEG	GN	84.00	11.75	987.00	987.00
		PO# CASE 2018-00272				

(96)

Statement of Account - Aging of Past Due Amounts

Due date: 11/15/18

21 Current Net Amount Due	22 30 Days	60 Days	Over 90 Days	*Unapplied Amount	23 Total Amount Due
987.00	0.00	0.00	0.00		987.00

THE DAILY INDEPENDENT

(606) 326-2600

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24 Invoice Number	25 Billing Period	6 Billed Account Number	7 Advertiser/Client Number	2 Advertiser/Client Name
1018148	10/2018	14890	90	GRAYSON RURAL ELECTRIC

Ke'a 11/1/18

Invoice

Page 26 of 46

Witness: Bradley Cherry

DATE
11/1/2018

INVOICE #
24215



W. JEFFREY SCOTT PSC
ATTORNEY AT LAW
P.O. BOX 608
311 W. MAIN STREET
GRAYSON, KY 41143
(606) 474-5194

BILL TO:

Grayson Rural Electric Cooperative Corp.
Carol Ann Fraley
109 Bagby Park
Grayson, KY 41143

P.O. NUMBER	TERMS	PROJECT
-------------	-------	---------

2018 Rate Case

QUANTITY	DESCRIPTION	RATE	AMOUNT
0.5	10/2/18 - review of amended petition; phone conference with Bradley	200.00	100.00
0.75	10/3/18 - phone conference with Carol Ann regarding Ronnie James; phone conference with Carol Ann and Bradley regarding rate case; letter to Derrick Willis regarding Ronnie James and copy to Carol Ann	200.00	150.00
0.5	10/22/18 - receipt and review of Order of the Commission entered October 19; review of same; letter to Carol Ann with the copy of the Order and diarying all of the dates set forth in the procedural schedule of the October 19 Order.	200.00	100.00
0.5	10/24/18 - review of letter to RUS; memo to W. Jeffrey Scott (BMM)	200.00	100.00

} not all rate case



28

TOTAL

\$450.00
-150.00
300.00

28



296731



Office Depot, Inc
PO BOX 630813
CINCINNATI OH
45263-0813

ORIGINAL INVOICE

10000

Question 16
THANKS FOR YOUR ORDER
IF YOU HAVE ANY QUESTIONS
Please Call 1-800-451-7046
Witnesse Bradley Cherry US
FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT: (800) 721-6592

FEDERAL ID: 59-2663954

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
239848043001	105.74	Page 1 of 1
INVOICE DATE	TERMS	PAYMENT DUE
30-NOV-18	NET 20	20-DEC-18

BILL TO:

ATTN: ACCTS PAYABLE
GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203

014699-016765

SHIP TO:

GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203



ACCOUNT NUMBER	PURCHASE ORDER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE		
90492547		0492547	239848043001	29-NOV-18	30-NOV-18		
BILLING ID	ACCOUNT MANAGER	RELEASE	ORDERED BY	DESKTOP	COST CENTER		
34941506			CAITLIN SEXTON				
CATALOG ITEM #/ MANUF CODE	DESCRIPTION/ CUSTOMER ITEM #	U/M	QTY ORD	QTY SHP	QTY B/O	UNIT PRICE	EXTENDED PRICE
934331 25973	COVER,PSBD,11X8.5,CLTH,DK 934331	EA	25	25	0	3.990	99.75

SUB-TOTAL	99.75
DELIVERY	0.00
SALES TAX	5.99
TOTAL	105.74

All amounts are based on USD currency

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

014699-016765

29

Johnny's Pizza
 117 W. Main St
 Grayson, KY 41143
 606-474-2441

0128-000
 Bradley
 10/15/18

DATE 11/15/2018 11:26 AM
 CUSTOMER alden
 EMPLOYEE Stephanie F.
 COVERS 1
 CHECK 0094933
TAKE OUT

1	CHICKEN BACON RANCH SANDWICH	5.99
1	POTATO SOUP	3.99
1	CAULIFLOWER BREAD STICKS	4.99
	ADD CHEESE	0.65
1	CHICKEN NOODLE SOUP	4.99
1	CHICKEN NOODLE SOUP	4.99
1	CAULIFLOWER BREAD STICKS	4.99
	ADD CHEESE	0.65
1	HOT HAM & CHEESE	5.99
1	POTATO SOUP	3.99
1	CAULIFLOWER BREAD STICKS	4.99
	ADD CHEESE	0.65
1	CHEF SALAD	7.49
1	CAULIFLOWER BREAD STICKS	4.99
	ADD CHEESE	0.65
1	ANTIPASTO SALAD	8.49
1	SWEET TEA	2.19

SUB TOTAL 70.67

Local Tax 2.13
 State Tax 4.37
 CHARGED TIPS 10.00

TOTAL 87.17
 CREDIT CARD 87.17

DUE \$0.00

VISA-XXXXXX8321 \$87.17
 AUTH CODE: 001265
 REFERENCE: 10
 CHARGED TIP: \$10.00

Witness: Bradley Cherry
 Page 28 of 46
 Question 16

30

ORIGINAL INVOICE

10000



Office Depot, Inc
PO BOX 630813
CINCINNATI OH
45263-0813

THANKS FOR YOUR ORDER
IF YOU HAVE ANY QUESTIONS
OR PROBLEMS, JUST CALL US
FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT: (800) 721-6592

FEDERAL ID:59-2663954

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
239834585001	125.91	Page 1 of 1
INVOICE DATE	TERMS	PAYMENT DUE
30-NOV-18	NET 20	20-DEC-18

BILL TO:

ATTN: ACCTS PAYABLE
GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203

SHIP TO:

GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203

014699-016765



ACCOUNT NUMBER	PURCHASE ORDER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE		
0492547		0492547	239834585001	29-NOV-18	30-NOV-18		
BILLING ID	ACCOUNT MANAGER	RELEASE	ORDERED BY	DESKTOP	COST CENTER		
4941506			CAITLIN SEXTON				
ATALOG ITEM #/ MANUF CODE	DESCRIPTION/ CUSTOMER ITEM #	U/M	QTY ORD	QTY SHP	QTY B/O	UNIT PRICE	EXTENDED PRICE
35200	OD Red Top 3HP BSD 10RM CT	CA	2	2	0	59.390	118.78
51031OD	495200						

SUB-TOTAL	118.78
DELIVERY	0.00
SALES TAX	7.13
TOTAL	125.91

All amounts are based on USD currency

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

014699-016765

31

ORIGINAL INVOICE

10000

**Office
DEPOT**

Office Depot, Inc
PO BOX 630813
CINCINNATI OH
45263-0813

THANKS FOR YOUR ORDER

IF YOU HAVE ANY QUESTIONS
OR PROBLEMS. JUST CALL US

FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT: (800) 721-6592

Question 16
Page 30 of 46
Bradley Ch...

FEDERAL ID: 59-2663954

INVOICE NUMBER	AMOUNT DUE	PAGE NUMBER
238482881001	105.74	Page 1 of 1
INVOICE DATE	TERMS	PAYMENT DUE
28-NOV-18	NET 20	18-DEC-18

32

CALL TO:

ATTN: ACCTS PAYABLE
GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203

SHIP TO:

GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFI
109 BAGBY PARK ST
GRAYSON KY 41143-1203

004104-003944
Witness



ACCOUNT NUMBER	PURCHASE ORDER	SHIP TO ID	ORDER NUMBER	ORDER DATE	SHIPPED DATE		
90492547		0492547	238482881001	27-NOV-18	28-NOV-18		
BILLING ID	ACCOUNT MANAGER	RELEASE	ORDERED BY	DESKTOP	COST CENTER		
34941506			CAITLIN SEXTON				
CATALOG ITEM #/ MANUF CODE	DESCRIPTION/ CUSTOMER ITEM #	U/M	QTY ORD	QTY SHP	QTY B/O	UNIT PRICE	EXTENDED PRICE
934331 25973	COVER,PSBD,11X8.5,CLTH,DK 25973	EA	25	25	0	3.990	99.75

004104-003944

SUB-TOTAL	99.75
DELIVERY	0.00
SALES TAX	5.99
TOTAL	105.74

Amounts are based on USD currency

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage

9 2

240 East Main Street
 P O BOX 272
 Carlisle, KY 40311

Phone # 859-289-6425 melissa@kynewsgroup.com
 Fax # 859-289-4000

Date 12/3/2018

To
 Grayson Rural Electric Coop-Corp
 109 Bagby Park
 Grayson Ky 41143

Amount Due	Amount Enc
\$1,512.00	

Date	Transaction	Amount	Balance
01/01/2018	Balance forward		0.00
09/26/2018	INV #2029. Due 09/26/2018.	1,512.00	1,512.00

Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	Over 90 Days Past Due	Amount Due
0.00	0.00	0.00	1,512.00	0.00	\$1,512.00



W. JEFFREY SCOTT PSC
ATTORNEY AT LAW
 P.O. BOX 608
 311 W. MAIN STREET
 GRAYSON, KY 41143
 (606) 474-5194

Witness: **Bradley Cherry**

DATE	INVOICE #
12/6/2018	24364

BILL TO:

Grayson Rural Electric Cooperative Corp.
 Carol Ann Fraley
 109 Bagby Park
 Grayson, KY 41143

P.O. NUMBER	TERMS	PROJECT
-------------	-------	---------

2018 Rate Case

92800- BDATE3

QUANTITY	DESCRIPTION	RATE	AMOUNT
0.75	11/5/18 - 11/6/18 - receipt and review of order on rate case regarding Attorney General intervention and order on setting date for hearing and filing date for exhibits and witness lists; letter to Carol Ann and letter to Bradley Cherry.	200.00	150.00
0.25	11/13/18 - receipt and review of e-mail from Attorney General; phone conference with Bradley; phone conference with Attorney General's office; second phone call to Bradley	200.00	50.00
1	11/15/18 - phone conference with Carol Ann regarding rate case and information request by Commission and Attorney General's office; phone conference Ricardo Charles with RUS regarding Wholesale Power Contract and receipt and review of information request from Commission; e-mail with document enclosure to Ricardo Charles	200.00	200.00
0.75	11/27/18 - meeting with clients; going over answers to requests for information	200.00	150.00
1	11/27/18 - teleconference with Carol Ann; preparation of motion; review of Attorney General request conference with W. Jeffrey Scott	200.00	200.00
0.5	11/28/18 - review of redacted attachments for requests for information	200.00	100.00
0.75	11/28/18 - review of correspondence from Bradley; preparation of e-mail response; review of Commission Rules of Procedure	200.00	150.00
0.5	11/29/18 - conference with Whitley Bailey and W. Jeffrey Scott regarding rate case	200.00	100.00
0.75	11/29/18 - preparation of e-mail to Bradley; review of edited draft letter; conference with W. Jeffrey Scott	200.00	150.00
0.5	11/30/18 - telephone conference with Bradley; conference with W. Jeffrey Scott	200.00	100.00

6.75 hrs

ATTORNEY AT LAW

34

TOTAL

\$1,350.00



Alan M. Zumstein, CPA
Certified Public Accountant

1032 Chetford Drive
Lexington, Kentucky 40509
859-264-7147
zumstein@windstream.net

December 22, 2018

Grayson Rural Electric Cooperative
109 Bagby Park
Grayson, Kentucky 41143

Assist Grayson RECC's staff and consultant with gathering information for schedules and exhibits in connection with Case No. 2018-00272

	<u>Hours</u>	<u>Miles</u>
PSC Second Request for Information		
Attorney General Initial Data Request		
November 15 - 27	32	720
Assist in responses to requests for information		
 PSC Third Request for Information		
Attorney General Second Data Request		
December 15-17		
Assist in responses to requests for information	12	180

Summary:

Hours	44	@ \$125	\$ 5,500
Miles	900	@ \$0.50	<u>450</u>
Total due			<u>\$ 5,950</u>

Federal ID number 35-1877201

35

Carol Grayley
 Alo Zumbstein
 Jim Adkins
 Cafe 1947
 Page 16 of 16
 Question 16
 887 RV 1946
 Witness: Grayson, Cheryl
 606-255-6392
 9.26.00
 meal 00

PIZZA HUT #014693
 360 CW Stevens Blvd
 Grayson, Ky 41143
 (000)000-0000
 SALE

Server: TANYA Ticket #10
 11/20/18 12:15PM
 *****1838
 APPR CODE: 002847 Invoice #8

AMOUNT: 29.46
 TIP: 10.00
 Total: 39.46

I agree to pay above total amount
 according to card issuer agreement.

Signature: *Andrea McClure*
 ELECTRIC GRAYSON RURAL
 Customer Copy

Makin' it Great
 014693

VISA CREDIT
 Chip Read
 AID: A0000000031010
 Mode: ISSUER
 TVR: 8080008000
 TSI: 6800
 IAD: 06010A03600000
 ARC: 00
 CVM: SIGNATURE

9.26.00 Meal 00
 Alo Zumbstein
 Jim Adkins
 Andrea McClure
 Sherry Buckler

37

SEE BACK FOR AN OFFER

Take Out #24

Server: Andrea L. 11/19/20
 Receipt: 15025 01:02
 Customer: Fraley Register:

2 x Meatloaf Special 17.1
 - Mashed Potatoes
 - Green Beans
 - Dinner Roll
 1 x Meatloaf Special 8.9
 - Mashed Potatoes
 - Sweet Corn
 - Dinner Roll

Subtotal 26.9
 Tax 1.6

Balance Due 28.5

Card 28.5

Card Holder: ELECTRIC/GRAYSON RURAL
 Card Number: XXXXXXXXXXX1838
 Entry Method: Swipe
 Card Type: Visa
 Approval: 313547682

I agree to pay the above amount according to the card issuer agreement.

Andrea McClure

Paid

Thank you for dining at Cafe 1947. Please come again soon!

36

Cafe 1947
 881 KY-1947
 GRAYSON, KY 41143
 606-255-6392

92800

Question 16
 Cafe 1947
 Page 5 of 26
 881 KY-1947
 GRAYSON, KY 41143
 606-255-6392

BC
 AM

Witness: Bradley Cherry

Take Out #81

Server: Andrea L.
 Receipt: 15317
 11/26/2018
 12:46PM
 Register

1 x Cake
 - Death by Chocolate 3.00
 Subtotal 4.46
 Tax 0.27

Balance Due 4.75

Card 4.75

Card Holder: RECC/GRAYSON
 Card Number: XXXXXXXX
 Entry Method: Swipe
 Card Type: Visa
 Approval: 314517710

I agree to pay the above amount according to the card issuer agreement.

Paid

Thank you for dining at Cafe 1947. Please come again soon!

Take Out #1

Server: Spenser G.
 Receipt: 15472
 Customer: Here
 11/29/20
 12:48
 Register

2 x Cannoli 7.10
 Subtotal 7.10
 Tax 0.10

Balance Due 8.20

Card 8.20

Card Holder: RECC/GRAYSON
 Card Number: XXXXXXXXXXXX8321
 Entry Method: Swipe
 Card Type: Visa
 Approval: 314940174

I agree to pay the above amount according to the card issuer agreement.

Paid

Thank you for dining at Cafe 1947. Please come again soon!

15.89
 4.75
 8.40
 16.98
 46.08

38

Thanks for visiting Subway®. To view your latest Subway MyWay® Rewards token and \$2 Reward balance, please download the Subway® App or visit www.SubwayMyWay.com

Sub Total 14.58
 Local City Tax (3%) 0.44
 KY State Taxes (6%) 0.87
 Total (Eat In) 15.89
 Credit Card 15.89
 Change 0.00
 Subway MyWay Rewards

Qty	Size	Item	Price
1		OnpSteakGuac-WrPFIY	6.99
1		-Fresh Value Meal (21-1)	2.71
		-30oz Fountain Drink	
		-Drips	
1	6"	Rotlststy/Dkkn Sub	4.85

Subway#7857-0 Phone 606-474-7696
 222 ST HWY 1947
 GRAYSON, KY, 41143
 Served by: 68 11/29/2018 12:57:32 PM
 Term ID-Trans# 1/A-237429

WINDY WINDY WINDY

Drive Thru


Store# 06647 11/28/2018
Cashier: 12:00:51 PM

Ticket# 387

1 FH Salad	5.59
Roasted TKY	
Light Italian	
1 Sm Mozz Sticks	2.99
1 3 CK Tender	3.99
2 Salted Caramel Chocolate	2.98
SubTotal	15.55
Tax	1.43
Total	16.98

Thank you for your visit!
Order Number 344087

38

Witness: Bradley Cherry
Question 16
Page 36 of 46

SEE BACK FOR CHANCE TO WIN

DIXIE LANES LLC
 530 N CAROL MALONE BLVD
 GRAYSON, KY 41143
 606/474-5750

Bank ID: 2643
 Merchant ID: 6091
 Term ID: 002

Sale

XXXXXXXXXXXX8321
 VISA Entry Method: Swiped
Amount: \$ 35.48
Tip: _____
Total: 40.48

11/27/18 13:26:09
 Inv #: 000001 Appr Code: 006114
 Apprvd: Online Batch#: 331001
 Retrieval Ref. #: 13244687

Customer Copy

50

 * YOUR RECEIPT *
 * THANK YOU *
 *

 13-51 11-27-2018
 0009
 FOOD *6.50TX
 FOOD *6.50TX
 FOOD *6.50TX
 FOOD *6.50TX
 FOOD *6.50TX

 SUBTTL *32.50
 *0.98T1
 *2.00T2

Subway#7857-0 Phone 606-474-7696

222 ST. HWY 1947
 GRAYSON, KY, 41143

Served by: 26 11/26/2018 12:57:22 pm
 Term ID-Trans# 1/A-236988

Qty	Size	Item	Price
1		Subway Club Salad	6.00
1		-Fresh Value Meal (21-1)	2.50
		-21oz Fountain Drink	
		-Chips	
1	6"	Roast Beef Sub	4.69
1		Steak & Chse WrpFlv	6.99
1		3 Cookies	1.59
Sub Total:			21.77
Local City Tax (3%)			0.65
KY State Taxes (6%)			1.31
Total (Eat In)			23.73
Credit Card			23.73
Change			0.00

Approval No: 008312
 Reference No: 833017457673
 Card Issuer: Visa
 Account No: *****8321
 Acquired: Contact EMV
 Amount: \$23.73
 Application: VISA CREDIT
 AID: A0000000031010
 TVR: 8080008000
 TSI: 6800
 Date/Time: 11/26/2018 12:57:18 PM

39

CUSTOMER COPY

Host Order ID: 621-436-1390157

Hungry for more? Let us know how we did today by taking our 1 minute survey at www.subwaylistens.com, and receive a surprise offer to use with your next



With us, it's personal.

Store #01743
 Walgreen Co. DBA Rite Aid
 100 SOUTH CAROL
 MALONE BLVD
 GRAYSON, KY 41143
 (606) 474-4470

Register #3 Transaction #621680
 Cashier #17434724 11/29/18 3:00PM

wellness+ rewards
 Descr: Card# 95XXXX2024
 1 VIVITAR USB 2.0 3GB BLK 9.99 T
 1 VIVITAR USB 2.0 3GB BLK 9.99 T
 SALE 1/5.99, Reg 1/11.99
 Discount 6.00-

2 Items Subtotal: 19.98
 Tax 1.08
 Total 19.06
 *VISA * 19.06
 VISA card * #XXXXXXXXXX8321
 App #AA APPROVAL AUTO
 Ref #001303
 Entry Method: Chip

Application Label: VISA CREDIT
 AID: A0000000031010
 TVR: 8080008000
 TSI: 6800
 AC: DD867F104693E640
 ARC: 00

Witness:

Cherry

Question 16
 Page 37 of 46



Final Details for Order #111-7393645-2113021

Print this page for your records.

Order Placed: November 23, 2018
Amazon.com order number: 111-7393645-2113021
Order Total: \$570.80

Shipped on November 24, 2018

Items Ordered

10 of: *Avery Print & Apply Clear Label Dividers, Index Maker Easy Apply Printable Label Strip, 5 White Tabs, 25 Sets (11446)*

Price

\$53.85

Sold by: Amazon.com Services, Inc

Condition: New

Shipping Address:

Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Item(s) Subtotal: \$538.50
Shipping & Handling: \$0.00

Total before tax: \$538.50
Sales Tax: \$32.30

Shipping Speed:

Two-Day Shipping

Total for This Shipment: \$570.80

Payment information

Payment Method:

Visa | Last digits: 8321

Item(s) Subtotal: \$538.50
Shipping & Handling: \$0.00

Billing address

Bradley Cherry
109 BAGBY PARK ST
GRAYSON, KY 41143-1203
United States

Total before tax: \$538.50
Estimated tax to be collected: \$32.30

Grand Total: \$570.80

Credit Card transactions

Visa ending in 8321: November 24, 2018: \$570.80

To view the status of your order, return to Order Summary.

41

THE MOREHEAD NEWS
 O BOX 311
 SHLAND KY 41105-0311

(606) 784-4116

Advertising Invoice

1 Billing Period 10/2018		2 Advertiser/Client Name GRAYSON RECC		Page 39 of 46	
23 Total Amount Due 1125.00		*Unapplied Amount		3 Terms of Payment	
21 Current Net Amount Due 1125.00		22 30 Days .00		60 Days .00	
22 90 Days .00		4 Page Number 1		5 Billing Date 10/31/18	
6 Billed Account Number 1000765		7 Advertiser/Client Number 1000765		MARA .	

8 Billed Account Name and Address GRAYSON RECC KIM.BUSH@GRAYSONRECC.COM 109 BAGBY PARK GRAYSON KY 41143		Amount Paid: Comments:
--	--	-------------------------------

43

Please Return Upper Portion With Payment

10 Date	11 Newspaper Reference	12 13 14 Description-Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
		BALANCE FORWARD				5110.00
10/17/18	243420	TMN PAYMENT				-5110.00
	906	CK# 175592				
10/29/18	243680	TMN PAYMENT				-1512.00
	906	CK# 175661				
'03/18	501459	LEGAL: OFFICIAL NOTICE	6.0X	13.50	1	
	LEG	TMN		81.00	15.00	1215.00
10/03/18	501460	LEGAL: OFFICIAL NOTICE	6.0X	13.50	1	
	LEG	JT		81.00	13.00	1053.00
10/03/18	501461	PWB: 21 DAYS 501460			1	
	PWB	JTW			25.00	25.00
10/24/18	503818	SIG PAGE	2X	2.00	1	
	SIG	JT		4.00	0.00	40.00
10/24/18	503833	JT			1	
	SIG				0.00	5.00
10/31/18	504163	JUST SAY NO GOLD STRIP	1.0X	12.00	1	
	JSNG	JT		12.00	299.00	299.00
	3COL	THREE COLOR			.00	

What does this pay - 1512.00

#1512 was paid on wrong acct - should have been paid to Big Sandy News.

Statement of Account - Aging of Past Due Amounts

Due date: 11/15/18

21 Current Net Amount Due 1125.00	22 30 Days 0.00	60 Days 0.00	Over 90 Days 0.00	*Unapplied Amount	23 Total Amount Due 1125.00
---------------------------------------	---------------------	-----------------	----------------------	-------------------	---------------------------------

MOREHEAD NEWS

(606) 784-4116

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24 Invoice Number 10181000765	25 Billing Period 10/2018	Advertiser Information			
6 Billed Account Number 1000765	7 Advertiser/Client Number 1000765	2 Advertiser/Client Name GRAYSON RECC			

INVOICE FOR SERVICES RENDERED

James R. Adkins
2189 Roswerll Dr
Lexington, KY 40513-1811

January 4, 2019

Mr Bradley Cherry
Grayson RECC
109 Bagby Park
Grayson, KY 41143

SERVICES RENDERED FOR CASE NO. 2018-00272

Month	Description	Hours	Mileage
Nov 11	Preparation of Responses - PSC 2 & AG 1	7.60	
Nov 19	Preparation of Responses - PSC 2 & AG 1	6.50	
Nov 20	Preparation of Responses - PSC 2 & AG 1	8.00	
Nov 26	Preparation of Responses - PSC 2 & AG 1	6.60	210
Nov 27	Preparation of Responses - PSC 2 & AG 1	7.60	
Dec 17	Preparation of Responses - PSC 3 & AG 2	5.30	
Total Hours and Mileage		41.60	210.00
Rate		\$ 125.00	\$ 0.53
Amount		\$ 5,200.00	\$ 111.30
Total Invoice			\$ 5,311.30

Signature

James R. Adkins

ORIGINAL INV



Office Depot, Inc
 PO BOX 630813
 CINCINNATI OH
 45263-0813

FEDERAL ID:59-2663954

FOR CUSTOMER
 FOR ACCOUNT

INVOICE NUMBER
262404096001
INVOICE DATE
21-JAN-19

BILL TO:

ATTN: ACCTS PAYABLE
 GRAYSON RURAL ELECTRIC
 CO OP CORP/DEL MAIN OFFI
 109 BAGBY PARK ST
 GRAYSON KY 41143-1203

004645-006174



SHIP TO

GRAYSON
 CO OP C
 109 BAGI
 GRAYSON



ACCOUNT NUMBER 90492547	PURCHASE ORDER	SHIP TO ID 0492547	ORDER NUMBER 262404096001		
BILLING ID 34941506	ACCOUNT MANAGER RELEASE	ORDERED BY CAITLIN SEXTON	DESKTOP		
CATALOG ITEM #/ MANUF CODE	DESCRIPTION/ CUSTOMER ITEM #	U/M	QTY ORD	QTY SHIP	QTY B/
934331	COVER,PSBD,11X8.5,CLTH,DK	EA	50	50	0
25973	934331				
SHREDQ418PIP2	8967928				

	SUB-TOTAL
	DELIVERY
	SALES TAX
All amounts are based on USD currency	TOTAL 216.77
To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please n replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until : or damage must be reported within 5 days after delivery.	

Question 16

Page 16

Witness: Brad



With us, it's personal.

Store #01743
Walgreen Co. DBA Rite Aid
100 SOUTH CAROL
MALONE BLVD.
GRAYSON, KY 41143
(606) 474-4470

Register #2 Transaction #1366207
Cashier #17432380 1/04/19 9:41AM

wellness+ rewards	
Dscnt Card#: 95XXXXX2024	
1 MEM TRVL DR 8GB RED	12.99 T
1 MEMOREX TRAVEL DR 8GB BLU	12.99 T
2 Items	Subtotal 25.98
	Tax 1.56
	Total 27.54
*VISA *	27.54

VISA card * #XXXXXXXXXXXX8321
App #AA APPROVAL AUTO
Ref # 009634
Entry Method: Chip
Application Label: VISA CREDIT
AID: A0000000031010
TVR: 8080008000
TSI: 6800
AC: E124C07D29800COF
ARC: 00

Tendered 27.54
Cash Change 1.00

46

Available BonusCash Rewards*: \$0.00

wellness+ Status: Bronze

The wellness+ Point Total is temporarily unavailable for yearend processing. Your 2018 points are being counted! Please contact Customer Care at 1-800-RITEAID, if you have any questions.

*Available rewards do not include rewards earned on this transaction or any pending rewards.

THANK YOU FOR SHOPPING AT RITE AID



T - Taxable

ENTER FOR A CHANCE
TO WIN \$1000!

Tell us about your service by entering the code below for a chance to win \$1,000 or one of ten to win \$100!

storesurvey.riteaid.com

4101 0001 7430 2071

rate case

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Dine In #83

Server: Keesha L. 02/05/2019
Table: 31 01:16PM
Guests: 6 Register-2
Receipt: 18591

1 x Cobb Salad	9.99
- No Avocado	
- No Eggs	
- Balsamic Vinaigrette Dressing	
1 x Rolls	0.49
1 x Cobb Salad	9.99
- Add Chicken	1.99
- Balsamic Vinaigrette Dressing	
2 x Taco Salad	19.98
1 x Chicken & Dumplings	7.99
- Coleslaw	
- SP fries	
- Dinner Roll	
1 x Grilled Cheese	4.99
- Pimento	
- Regular	
- French Fries	
2 x DT PEPSI	4.98
3 x Water	0.00
1 x ICED TEA	2.49
- Sweet	
2 x Slice of Pie	5.98
- Berry	
2 x Cake	7.98
- Strawberry Cheesecake	0.98

Subtotal 77.83
Tax 4.68

Balance Due 82.51

Card 82.51

Paid

Frady, Melissa, Ch
Zimstein, Adkin, Donald

rate case

Cafe 1947
881 KY-1947
GRAYSON, KY 41143
606-255-6392

Server: Keesha L. 02/05/2019
Order: 83 01:16PM
Receipt: 18591

Card Holder: RECC/GRAYSON
Card Number: XXXXXXXXXXXX4957
Entry Method: Swipe
Card Type: Visa
Approval: 326148398

Amount: \$82.51

+ Tip: 12.51

= Total: _____

I agree to pay the above amount according to the card issuer agreement.

X _____

*** CUSTOMER COPY ***

Witness: Bradley Cherry
Question 16
Page 43 of 46

TAYLOR, KELLER & OSWALD, PLLC

1306 W. Fifth St, Suite 100
PO Box 3440
London Kentucky 40743
606-878-8844
Fax: 606-878-8850
Federal Tax ID: 27-3073760

Question 16
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Witness: Bradley Cherry

Ms. Carol Fraley
Grayson Rural Electric Co-Op
109 Bagby Park St
Grayson KY 41143

February 28, 2019

Invoice Number: 3550

INVOICE

00411-08 In Re: Grayson Electric

For Legal Services Rendered through February 25, 2019

01/30/19	COO	Call from C. Fraley regarding status of rate case.	0.10	135.00	13.50
01/31/19	COO	Call Q. Nguyen regarding status of rate case and hearing.	0.10	135.00	13.50
02/03/19	COO	Review all filings in PSC rate case including application exhibits, data requests and responses.	5.00	135.00	675.00
02/04/19	COO	Draft notice of entry of appearance.	0.30	135.00	40.50
02/05/19	COO	Travel to Grayson RECC and attend meeting with C. Fraley, J. Adkins, B. Cherry and A. Zumstein.	4.50	135.00	607.50
02/07/19	COO	Receive and review motion to withdraw as counsel by J. Scott and order allowing withdrawal.	0.20	135.00	27.00
02/15/19	COO	Review and reply to email from B. Cherry regarding updated rate case filings.	0.20	135.00	27.00
02/17/19	COO	Draft hearing questions for witnesses.	0.50	135.00	67.50
02/17/19	COO	Email C. Fraley regarding PSC hearing.	0.20	135.00	27.00
02/18/19	COO	Review and reply to email from Attorney J. McNeil regarding PSC orders outside the record for use at rate hearing.	0.30	135.00	40.50
02/18/19	COO	Email to C. Fraley regarding Attorney General's use of prior rate case orders.	0.20	135.00	27.00
02/18/19	COO	Receive and review email from J. Adkins regarding additional information to be submitted post-hearing.	0.10	135.00	13.50

February 28, 2019

Invoice 3550

00411-08 In Re: Grayson Electric

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Witness: Bradley Cherry

02/18/19	COO	Call with C. Fraley and B. Cherry in preparation for rate hearing.	0.80	135.00	108.00
02/18/19	COO	Return call to Q. Nguyen regarding publication of notice of rate hearing.	0.10	135.00	13.50
02/18/19	COO	Prepare for hearing-reviewed application, testimony, data requests, recent case hearings and recent case orders.	3.50	135.00	472.50
02/19/19	COO	Travel to and attend PSC hearing in Frankfort.	8.50	135.00	1,147.50
02/19/19	COO	Receive and review email from A. McCleese with list of post-hearing data requests.	0.10	135.00	13.50
02/19/19	COO	Receive and review post-hearing order regarding data requests and past hearing brief.	0.10	135.00	13.50
02/22/19	COO	Receive and review PSC's post-hearing data requests.	0.20	135.00	27.00
02/22/19	COO	Email to C. Fraley regarding post-hearing data requests.	0.10	135.00	13.50

Total Hours and Fees 25.10 3,388.50

Disbursements

01/31/19	COO	1313 photocopies on 1/31/19			196.95
02/04/19	COO	Postage			1.60
02/04/19	COO	Postage			0.50
02/25/19	COO	Round-trip mileage to Grayson Electric on 2/5/19 (194 miles)			112.52
02/25/19	COO	Round-trip mileage to Frankfort on 2/19/19 (97 miles) Grayson RECC			56.26

Total Disbursements 367.83

Total this Invoice 3,756.33

February 28, 2019
Invoice 3550
00411-08 In Re: Grayson Electric

<u>Fee Summary</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Clayton O. Oswald	25.10	135.00	3,388.50
Total Fees	25.10		3,388.50

NEW BALANCE 3,756.33

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

17. Refer to Grayson RECC's hearing testimony of James Adkins (Adkins Hearing Testimony) and the Fraley Hearing Testimony that low-income residential customers consume more energy than the average residential customer does and that decreasing the residential customer charge would result in low-income customers paying more. Provide any documentation and analysis supporting these statements.

Response 17:

The average residential member of Grayson RECC uses 1,063 kWh per month while the average low-income residential member uses 1,224 kWh per month. The median usage amount for low-income residential members uses 1,161 kWh per month of energy. The average low-income residential member uses 161 kWh of energy more than the average residential member.

Additionally, on page two is the monthly cost per a residential member for various kWh energy usage amounts for two different rates. The first column represents different kWh usage amounts per month. The second column represents the cost per month for the various usage amounts using the proposed residential rates in the case. The third column represents the cost per month for the various usage amounts for rates where the proposed increase rolled into the energy rate with the customer charge remaining at \$15.00 month. Columns four and five indicates the proposed amount minus the amount for the newly developed rate and the percentage change.

The only conclusion that one may develop from this simple analysis is that the average low-income member has a less expensive bill with the proposed rates of Grayson RECC.

See page two for this analysis.

	Proposed	Developed
Customer Charge	\$ 22.50	\$ 15.00
Energy Charge	\$ 0.10703	\$ 0.11450

Usage kWh	Proposed Rates	Rates with Increase in Energy	Difference	
			Amount	Percent
0	\$ 22.50	\$ 15.00	\$ 7.50	50.0%
25	\$ 25.18	\$ 17.86	\$ 7.31	40.9%
50	\$ 27.85	\$ 20.73	\$ 7.13	34.4%
75	\$ 30.53	\$ 23.59	\$ 6.94	29.4%
100	\$ 33.20	\$ 26.45	\$ 6.75	25.5%
150	\$ 38.55	\$ 32.18	\$ 6.38	19.8%
200	\$ 43.91	\$ 37.90	\$ 6.01	15.8%
300	\$ 54.61	\$ 49.35	\$ 5.26	10.7%
400	\$ 65.31	\$ 60.80	\$ 4.51	7.4%
500	\$ 76.02	\$ 72.25	\$ 3.77	5.2%
600	\$ 86.72	\$ 83.70	\$ 3.02	3.6%
700	\$ 97.42	\$ 95.15	\$ 2.27	2.4%
800	\$ 108.12	\$ 106.60	\$ 1.52	1.4%
900	\$ 118.83	\$ 118.05	\$ 0.78	0.7%
1000	\$ 129.53	\$ 129.50	\$ 0.03	0.0%
1063	\$ 136.27	\$ 136.71	\$ (0.44)	-0.3%
1100	\$ 140.23	\$ 140.95	\$ (0.72)	-0.5%
1200	\$ 150.94	\$ 152.40	\$ (1.46)	-1.0%
1225	\$ 153.61	\$ 155.26	\$ (1.65)	-1.1%
1250	\$ 156.29	\$ 158.13	\$ (1.84)	-1.2%
1300	\$ 161.64	\$ 163.85	\$ (2.21)	-1.3%
1400	\$ 172.34	\$ 175.30	\$ (2.96)	-1.7%
1500	\$ 183.05	\$ 186.75	\$ (3.71)	-2.0%
1750	\$ 209.80	\$ 215.38	\$ (5.57)	-2.6%
2000	\$ 236.56	\$ 244.00	\$ (7.44)	-3.0%
2250	\$ 263.32	\$ 272.63	\$ (9.31)	-3.4%
2500	\$ 290.08	\$ 301.25	\$ (11.18)	-3.7%
2750	\$ 316.83	\$ 329.88	\$ (13.04)	-4.0%
3000	\$ 343.59	\$ 358.50	\$ (14.91)	-4.2%

Average Member

Average low-income-Member

Witness: Bradley Cherry

Grayson Rural Electric Cooperative
Case No. 2018-00272
Commission Staff's Post-Hearing Request for Information

18. Refer to the Adkins Hearing Testimony regarding depreciation. Provide a detailed fixed asset ledger that identifies all general plant items along with the depreciation rates and when those rates were implemented.

Response 18:

The following is shown to reflect the depreciation in the Application and the actual depreciation for the year ended December 31, 2018.

General plant	470,743
Less charged to clearing	<u>(213,869)</u>
Normalized depreciation expense	<u>256,874</u>
General plant depreciation expense	<u>256,642</u>

The depreciation expense proposed in the test year is within \$232 of the actual depreciation expense for the calendar year of 2018.

Attached is the general plant detailed depreciation. The only items that have a different rate are included in Account 391. The date for determining the rate is the date the asset was placed into service.

PLANT ACCT	CO	ITEMID	REC#	DESCRIPTION	VEHICLE	REM LIFE	LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
384.00	00	GP384000	1	FUTURA SOFTWARE (MAPPING)		60	60	27600.00	7361.44	.01667	108.70	403.70	460.09
		GP384000	2	GPS (TRIMBLE R2 RECEIVERS)		60	60	18263.62	4871.20	.01667	108.70	403.70	304.45
ACCOUNT TOTALS:								45863.62	12232.64				764.54
390.00	00	GP390000	2	ARCHITECT SERVICE				15750.00	10430.78	.00208	108.79	403.70	32.76
		GP390000	3	AWNING BACK				5625.00	5264.22	.00208	108.79	403.70	11.70
		GP390000	4	BLACKTOP - OFFICE				7744.54	7083.03	.00208	108.79	403.70	16.11
		GP390000	5	BLACKTOP - WAREHOUSE				14125.00	12917.41	.00208	108.79	403.70	29.38
		GP390000	9	CHAIN LINK FENCE - RADIO TOWE				1600.00	1064.05	.00208	108.79	403.70	3.33
		GP390000	11	DEPOSIT ON FURNITURE				48125.95	31671.64	.00208	108.79	403.70	100.10
		GP390000	12	DESIGN FEE				10456.26	7004.23	.00208	108.79	403.70	21.75
		GP390000	16	NEW ROOF				7500.00	5162.04	.00208	108.79	403.70	15.60
		GP390000	18	NEW STAGE - OVER HILL				4636.06	3654.20	.00208	108.79	403.70	9.64
		GP390000	20	OFFICE BUILDING - RENOVATION				417521.81	274201.09	.00208	108.79	403.70	868.45
		GP390000	22	SOUND SYSTEM - GARAGE				5833.22	3581.99	.00208	108.79	403.70	12.13
		GP390000	23	STEEL - POLE YARD				5808.80	3143.62	.00208	108.79	403.70	12.08
		GP390000	26	VEHICHL E SHELTER				102800.89	63372.08	.00208	108.79	403.70	213.83
		GP390000	27	WATER TAP FEE				700.00	461.12	.00208	108.79	403.70	1.46
		GP390000	29	SIGN ON MAIN STREET				3000.00	1335.36	.00208	108.79	403.70	6.24
		GP390000	30	WAREHOUSE (SHELIVING & WIRE DE				14186.37	5252.78	.00208	108.79	403.70	29.51
		GP390000	31	OHD GARAGE DOOR				2064.30	699.27	.00208	108.79	403.70	4.29
		GP390000	32	DOORS (2) W/LOCKS & CLOSERS				1540.31	521.60	.00208	108.79	403.70	3.20
		GP390000	34	WALLACE HOUSE				105170.00	33250.00	.00208	108.79	403.70	218.75
		GP390000	35	3.6 KW (S-SERIES) UNIT W/BRIC				791.42	229.53	.00208	108.79	403.70	1.65
		GP390000	36	9KW (EXT) UNIT WALLACE HOUSE				1253.48	349.74	.00208	108.79	403.70	2.61
		GP390000	37	2.5 TON GEO-THERMAL HEAT PUMP				4850.00	1160.35	.00208	108.79	403.70	10.09
		GP390000	38	SECURITY SYSTEM - WAREHOUSE				1716.00	385.56	.00208	108.79	403.70	3.57
		GP390000	39	2008 OFFICE RENOVATION				699673.29	155719.24	.00208	108.79	403.70	1455.32
		GP390000	40	LOCKERS (DOG HOUSE)				4162.12	891.98	.00208	108.79	403.70	8.66
		GP390000	41	BURTON PROPERTY				20000.00	4035.20	.00208	108.79	403.70	41.60
		GP390000	42	2.5 TON GEO-THERMAL				5250.00	1004.64	.00208	108.79	403.70	10.92
		GP390000	43	3 TON GEO-THERMAL				6350.00	1162.48	.00208	108.79	403.70	13.21
		GP390000	44	DOOR PARKING GARAGE (GREEN BUI				10010.64	1748.88	.00208	108.79	403.70	20.82
		GP390000	45	MAIL DROP BOX				3049.62	526.22	.00208	108.79	403.70	6.34
		GP390000	46	COOP MONUMENT SIGN				4744.28	424.41	.00208	108.79	403.70	9.87
		GP390000	47	SECURITY CAMERAS (FRONT PORCH				6980.00	609.84	.00208	108.79	403.70	14.52
		GP390000	48	GEO-THERMAL (4-TON)				5350.00	456.33	.00208	108.79	403.70	11.13
		GP390000	49	FENCE				9088.00	713.10	.00208	108.79	403.70	18.90
		GP390000	50	SOLAR PROJECT				22000.11	1718.08	.00208	108.79	403.70	45.76
		GP390000	51	ACCESS CONTROL SYSTEM-WAREHO				6377.00	450.84	.00208	108.79	403.70	13.26
		GP390000	52	GEO-THERMAL (4 - TON)				5850.00	413.78	.00208	108.79	403.70	12.17
		GP390000	53	1.5 TON GEO-THERMAL HEAT PUMP				5500.00	57.20	.00208	108.79	403.70	11.44
ACCOUNT TOTALS:								1597184.47	642127.91				3322.15
390.10	00	GP390010	1	MATL NEWFOUNDLAND SUB RENOVAT				10406.00	3634.26	.00208	108.79	403.70	21.64
		GP390010	2	3.0 KW ETS UNIT W/BRICK				828.83	287.24	.00208	108.79	403.70	1.72
ACCOUNT TOTALS:								11234.83	3921.50				23.36

Witness: Bradley Cherry
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PLANT	ACCT	CO	ITEMID	REC#	DESCRIPTION	VEHICLE	LIFE	REM LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
391.00	00		GP391001	7	GATEWAY COMPUTER				2794.16	2654.30	.00500	108.71	403.70	13.97
			GP391003	8	GATEWAY COMPUTER				1152.22	1059.84	.00500	108.71	403.70	5.76
			GP391003	9	WORKSTATIONS				20178.84	11916.45	.00500	108.71	403.70	100.89
			GP391003	10	RICOH COPIER/PRINTER/SCANNER				9446.93	5478.68	.00500	108.71	403.70	47.23
			GP391003	11	FILE DRAWERS (PEGGY S & TINA)				1237.02	668.52	.00500	108.71	403.70	6.19
			GP391003	12	4-TOM GEOTHERMAL UNIT				6577.00	2039.18	.00500	108.71	403.70	32.89
			GP391004	4	GATEWAY COMPUTER				1343.02	1337.28	.00500	108.71	403.70	* 5.74
			GP391004	5	DESK UNIT				6581.54	3620.10	.00500	108.71	403.70	32.91
			GP391006	4	COPIER (2ND FLOOR)				13727.00	2951.52	.00500	108.71	403.70	68.64
			GP391007	2	GATEWAY COMPUTER				1814.72	1768.65	.00500	108.71	403.70	9.07
			GP391007	3	CHAIRS (ORTHO BIG & TALL)				1121.48	471.24	.00500	108.71	403.70	5.61
			GP391008	5	GATEWAY COMPUTER E-1800				1670.56	1561.45	.00500	108.71	403.70	8.35
			GP391010	7	DESK, HUTCH, CREDENZA				3473.62	2987.64	.00500	108.71	403.70	17.37
			GP391010	8	(2) LATERAL FILES				1079.08	918.00	.00500	108.71	403.70	5.40
			GP391010	9	EXECUTIVE CHAIR				784.82	646.80	.00500	108.71	403.70	3.92
			GP391010	10	DESK CHAIR (KNEE TILT)				628.37	486.70	.00500	108.71	403.70	3.14
			GP391011	8	DESK UNIT				8256.34	4540.80	.00500	108.71	403.70	41.28
			GP391011	10	BIZHUB COPIER				6354.70	2160.36	.00500	108.71	403.70	31.77
			GP391013	7	HEAT PUMP				1890.00	793.80	.00500	108.71	403.70	9.45
			GP391013	8	COPIER				10947.68	4160.24	.00500	108.71	403.70	54.74
			GP391013	9	COPIER (KONICA MINOLTA C454)				12720.00	1144.80	.00500	108.71	403.70	63.60
			GP391014	2	GATEWAY PROFILE II				709.00	667.40	.00500	108.71	403.70	3.55
			GP391015	4	DESKS				3858.40	1620.36	.00500	108.71	403.70	19.29
			GP391015	5	BOOKCASES				1166.00	489.72	.00500	108.71	403.70	5.83
			GP391017	5	DESK & FILING				4545.28	727.36	.00500	108.71	403.70	22.73
			GP391018	3	FLAT MONITOR				621.51	600.23	.00500	108.71	403.70	3.11
			GP391018	5	GATEWAY LAP-TOP				2069.12	1925.10	.00500	108.71	403.70	10.35
			GP391019	2	GATEWAY COMPUTERS(CASH REGIST				2530.44	2302.30	.00500	108.71	403.70	12.65
			GP391019	3	SECURITY CAMERA FRONT COUNTER				785.46	526.62	.00500	108.71	403.70	3.93
			GP391020	4	HEATING/COOLING SYSTEM				5720.00	4719.00	.00500	108.71	403.70	28.60
			GP391020	5	WORK STATIONS (2)				6036.70	4979.70	.00500	108.71	403.70	30.18
			GP391020	6	CREDENZA				801.36	661.65	.00500	108.71	403.70	4.01
			GP391020	7	SECURITY CAMERA SYSTEM				4022.70	2915.95	.00500	108.71	403.70	20.11
			GP391020	8	HEAT PUMP				1890.00	784.35	.00500	108.71	403.70	9.45
			GP391020	9	HEAT PUMP (VAULT)				2750.00	453.75	.00500	108.71	403.70	13.75
			GP391022	15	HUBS FOR COMPUTER SYSTEM				1756.50	1729.66	.00500	108.71	403.70	8.78
			GP391022	17	HP DISK & EQUIPMENT				3826.60	3672.96	.00500	108.71	403.70	19.13
			GP391022	18	DELL POWER EDGE 2550 SERVER				5771.69	5541.12	.00500	108.71	403.70	28.86
			GP391022	19	CABINET (UPN)				1294.15	1235.77	.00500	108.71	403.70	6.47
			GP391022	20	UPS 700				923.51	877.80	.00500	108.71	403.70	4.62
			GP391022	21	LANSERVER II				7566.10	7149.87	.00500	108.71	403.70	37.83
			GP391022	22	HP 3000 MEMORY UPGRADE				1124.00	1062.18	.00500	108.71	403.70	5.62
			GP391022	23	SERVER-REPLACEMENT HARD DRIVE				890.40	836.60	.00500	108.71	403.70	4.45
			GP391022	26	GATEWAY INTEL CELERON PROCESS				658.54	592.20	.00500	108.71	403.70	3.29
			GP391022	28	TAPE DRIVE STORAGE SYSTEM				4154.75	3364.74	.00500	108.71	403.70	20.77
			GP391022	29	SERVER (HUB)				5965.00	4534.16	.00500	108.71	403.70	29.83
			GP391022	30	GATEWAY 9515 EXCHANGE SERVER				7117.07	4982.60	.00500	108.71	403.70	35.59
			GP391022	31	BARRACUDA SPAM FIREWALL 300				2168.76	1485.08	.00500	108.71	403.70	10.84
			GP391022	32	CISCO SYSTEM				8772.87	6008.82	.00500	108.71	403.70	43.86
			GP391022	33	CISCO UPLINK (X-CEV,LYRSMARTN				2804.49	1892.70	.00500	108.71	403.70	14.02
			GP391022	35	NETWORK STORAGE SERVER				4043.05	2527.50	.00500	108.71	403.70	20.22
			GP391022	37	VIRTUAL SERVER				14251.58	7339.78	.00500	108.71	403.70	71.26
			GP391022	38	BARRACUDA WEB FILTER 310				2161.12	1016.14	.00500	108.71	403.70	10.81

Question 18
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Witness: Bradley Cherry

PLANT ACCT	CO	ITEMID	REC#	DESCRIPTION	VEHICLE	LIFE	REM LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
GP391022		39		VIRTUALIZATION SERVER				51459.28	23840.16	.00500	108.71	403.70	257.30
GP391022		40		SECURE WORKS-MONITORING SERVI				13282.68	5893.58	.00500	108.71	403.70	66.41
GP391022		41		UPS-TRIPP SMART 3000VA				1052.88	483.92	.00500	108.71	403.70	5.26
GP391022		42		KVM SWITCH				1526.28	701.96	.00500	108.71	403.70	7.63
GP391022		43		IVR SYSTEM				81878.55	33050.14	.00500	108.71	403.70	409.39
GP391022		44		DATA BACKUP & DISASTER RECOVERE				8260.47	3345.30	.00500	108.71	403.70	41.30
GP391022		45		OMS - OUTAGE MANAGEMENT				50958.35	19873.62	.00500	108.71	403.70	254.79
GP391022		46		OMS LICENSE (FULL DISPATCH)				31800.00	12084.00	.00500	108.71	403.70	159.00
GP391022		47		OMS LICENSE (VIEW ONLY)				7950.00	3021.00	.00500	108.71	403.70	39.75
GP391022		49		HEAT PUMP				3000.00	780.00	.00500	108.71	403.70	15.00
GP391022		50		CISCO 48 PORT SWITCH				4472.30	3354.75	.01667	108.71	403.70	74.55
GP391022		51		ACCESS SYSTEM LOCK				713.00	149.94	.00500	108.71	403.70	3.57
GP391022		52		NETWORK UPGRADE (SWITCHES)	60	60		30549.41	18025.95	.01668	108.71	403.70	509.56
GP391022		53		VIRTUAL SERVER UPGRADE(2 SERV	60	60		98763.82	55596.28	.01668	108.71	403.70	1647.38
GP391022		54		LINUX CONVERSION SEDC				16519.04	5537.30	.01668	108.71	403.70	275.54
GP391022		55		MOBILE USER LICENSE (IPADS)				10600.00	994.00	.00500	108.71	403.70	53.00
GP391022		56		MOBILE WORKFORCE LICENSE(SERV				3635.80	361.54	.00500	108.71	403.70	18.18
GP391022		57		P2000 STORAGE EXPAN\$ION	60	60		21366.98	5346.00	.01668	108.71	403.70	356.40
GP391022		58		DATA DOMAIN	60	60		29429.24	6837.41	.01667	108.71	403.70	490.59
GP391022		59		VIRTUAL DESK TOP HOST ESX03	60	60		24304.88	4390.72	.01667	108.71	403.70	405.16
GP391024		3		ARIAL FIBER & MEDIA CONVERTER				2630.00	2130.30	.00500	108.71	403.70	13.15
GP391024		4		SECURITY CAMERA SYSTEM				7454.88	5404.15	.00500	108.71	403.70	37.27
GP391024		5		SECURITY SYSTEM GARAGE				1532.00	1026.44	.00500	108.71	403.70	7.66
GP391026		2		AUTO TELL REMIT PLUS PROCES M				12210.64	8345.85	.00500	108.71	403.70	61.05
GP391026		3		DELL COMPUTER (REMITT PROCESS				1417.53	942.97	.00500	108.71	403.70	7.09
GP391026		4		CANON CHECK SCANNER	60	60		3070.68	460.98	.01668	108.71	403.70	51.22
GP391027		26		GATEWAY DESK TOP COMP (VISTA)				2032.56	1249.68	.00500	108.71	403.70	10.16
GP391027		27		GATEWAY W/MONITOR (5)				5584.01	3350.40	.00500	108.71	403.70	27.92
GP391027		28		GATEWAY W/MONITOR				2233.60	1340.40	.00500	108.71	403.70	11.17
GP391027		29		GATEWAY W/MONITOR				1116.80	669.60	.00500	108.71	403.70	5.58
GP391027		30		GATEWAY W/MONITOR				1116.80	669.60	.00500	108.71	403.70	5.58
GP391027		31		GATEWAY W/MONITOR				1116.80	669.60	.00500	108.71	403.70	5.58
GP391028		1		INTERCOMS (2)				1547.31	820.44	.00500	108.71	403.70	7.74
GP391028		2		CASH REGISTER SYSTEM				6285.80	2577.26	.00500	108.71	403.70	31.43
ACCOUNT TOTALS:								767407.62	365914.76				6504.07
392.00	00	GP392000	84	2012 CHEVY SILVERADO EXT-CAB	134			28246.25	24450.98	.01292	108.72	184.10	364.94
		GP392000	85	2012 FREIGHTLINER	133			230937.62	196924.86	.01292	108.72	184.10	2983.71
		GP392000	86	2011 DODGE 5500	132			85325.97	69451.83	.01292	108.72	184.10	1102.41
		GP392000	87	2013 CHEVROLET SILVERADO EXT	131			28551.25	20657.28	.01292	108.72	184.10	368.88
		GP392000	88	2013 DODGE RAM 5500 (BUCKET)	129			113155.00	68712.12	.01292	108.72	184.10	1461.96
		GP392000	89	2013 DODGE RAM 5500 (BUCKET)	130			113155.00	68712.12	.01292	108.72	184.10	1461.96
		GP392000	90	2014 CHEVROLET SILVERADO 4X4	126			35360.00	21015.10	.01292	108.72	184.10	456.85
		GP392000	91	2014 GATOR (16 FT) TRAILER	40			2067.00	1095.11	.01292	108.72	184.10	26.71
		GP392000	92	2013 DODGE 5500 BUCKET	125			107994.00	53020.64	.01292	108.72	184.10	1395.28
		GP392000	93	2008 KABOTA UTV SIDE BY SIDE	124			9000.00	4302.36	.01292	108.72	184.10	116.28
		GP392000	94	2015 JEEP GRAND CHEROKEE	123			33565.00	13877.12	.01292	108.72	184.10	433.66
		GP392000	95	2016 FREIGHTLINER (BIG BUCKET	122			170496.00	66084.30	.01292	108.72	184.10	2202.81
		GP392000	96	2016 FREIGHTLINER (BIG BUCKET	121			193083.25	54882.08	.01292	108.72	184.10	2494.64
		GP392000	97	DITCH WITCH TRAILER	68			5774.18	1342.80	.01292	108.72	184.10	74.60
		GP392000	98	2015 GMC TERRAIN	6			30548.50	6315.04	.01292	108.72	184.10	394.69

Question 18
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 Witness: Bradley Cherry

PLANT ACCT	CO	ITEMID	REC#	DESCRIPTION	VEHICLE LIFE	REM LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
		GP392000	99	2016 CHEVROLET SILVERADO 4X4	120		34880.00	7210.40	.01292	108.72	184.10	450.65
		GP392000	100	RC ENCLOSED TRAILER (6X12)	41		2350.00	242.88	.01292	108.72	184.10	30.36
		GP392000	101	2017 DODGE 5500 BUCKET	119		120312.00	4663.29	.01292	108.72	184.10	1554.43
		GP392000	102	2017 CHEVROLET SILVERADO 1500	118		35000.00	1356.60	.01292	108.72	184.10	452.20
ACCOUNT TOTALS:							1379801.02	684316.91				17827.02
393.00	00	GP393000	2	SCALES & RAMP FOR WAREHOUSE			2145.78	1921.92	.00400	108.73	403.70	8.58
		GP393000	3	BARCODING SYSTEM (WAREHOUSE)			14839.04	6096.26	.00400	108.73	403.70	59.36
ACCOUNT TOTALS:							16984.82	8018.18				67.94
394.00	00	GP394000	8	AUGER			1463.37	1334.56	.00600	108.74	403.70	8.78
		GP394000	9	TANAKA GAS POWERED DRILL			572.39	507.64	.00600	108.74	403.70	3.43
		GP394000	10	ROCK RIPPER AUGER			1471.35	1289.18	.00600	108.74	403.70	8.83
		GP394000	11	HUSKIE BATTERY POW'D COMPRES			3829.78	3309.12	.00600	108.74	403.70	22.98
		GP394000	12	3000 PSI PRESSURE WASHER			3778.06	3083.12	.00600	108.74	403.70	22.67
		GP394000	13	HYDRAULIC JACK			1553.01	1220.92	.00600	108.74	403.70	9.32
		GP394000	14	AUGER 9" ROCK RIPPER			1495.86	1122.50	.00600	108.74	403.70	8.98
		GP394000	15	18" ROK-AWAY BIT W/2 HEX			2904.01	2125.24	.00600	108.74	403.70	17.42
		GP394000	16	WINCHES & ACCESSORIES			4227.68	2562.37	.00600	108.74	403.70	25.37
		GP394000	17	WINCH (15K WARN)			1696.00	794.04	.00600	108.74	403.70	10.18
		GP394000	18	WINCH (8K WARN)			874.50	409.50	.00600	108.74	403.70	5.25
		GP394000	19	AIR COMPRESSOR			1060.63	496.08	.00600	108.74	403.70	6.36
		GP394000	20	GROUND ROD DRIVER			2650.70	922.20	.00600	108.74	403.70	15.90
		GP394000	21	AIR COMPRESSOR			2703.00	383.18	.00417	108.74	403.70	11.27
		GP394000	22	AIR COMPRESSOR (PORTABLE)			19630.77	1637.20	.00417	108.74	403.70	81.86
ACCOUNT TOTALS:							49911.11	21196.85				258.60
395.00	00	GP395000	2	SURGE PROTECTION PROGRAM			1961.00	1929.16	.00400	108.75	403.70	7.84
		GP395000	11	TEST ADAPTER			750.00	736.10	.00400	108.75	403.70	3.00
		GP395000	12	TEST EQUIPMENT FOR COMPUTERS			2917.51	2742.45	.00400	108.75	403.70	11.67
		GP395000	14	COMPUTER FOR TURTLE SYSTEM			3561.60	3035.25	.00400	108.75	403.70	14.25
		GP395000	16	TURTLE SOFTWARE			9719.13	8203.68	.00400	108.75	403.70	38.88
		GP395000	17	TELEPHONE INTERFACE (PACTOLUS)			1397.50	1157.13	.00400	108.75	403.70	5.59
		GP395000	18	TERRAPINS (2)			2086.74	1711.75	.00400	108.75	403.70	8.35
		GP395000	19	RECEIVER CARDS			16481.85	12049.04	.00400	108.75	403.70	65.93
		GP395000	20	TELEPHONE INTERFACE (CARTER S			1309.75	1053.24	.00400	108.75	403.70	5.24
		GP395000	21	END OF LINE VOLTAGE MONITORS			5551.17	4440.00	.00400	108.75	403.70	22.20
		GP395000	22	TELEPHONE INTERFACE FOR LINKS			1140.99	898.32	.00400	108.75	403.70	4.56
		GP395000	23	INTERFERENCE LOCATOR (LIL SNO			267.79	204.37	.00400	108.75	403.70	1.07
		GP395000	24	INTERFERENCE LOCATOR (SPR SNO			1114.00	851.86	.00400	108.75	403.70	4.46
		GP395000	27	TURTLE PROGRAMMER			4199.28	2956.62	.00400	108.75	403.70	16.80
		GP395000	28	END OF LINE MONITORS			20183.46	13885.60	.00400	108.75	403.70	80.73
		GP395000	29	GATEWAY 9225 SERVER (TURTLES)			1897.23	1206.81	.00400	108.75	403.70	7.59
		GP395000	30	X-PULSE SOFTWARE (REMOTE DISC			583.00	361.15	.00400	108.75	403.70	2.33
		GP395000	32	END OF LINE VOLTAGE MONITOR			1007.08	548.08	.00400	108.75	403.70	4.03
		GP395000	33	METER TEST EQUIPMENT			4903.74	2470.86	.00400	108.75	403.70	19.61
		GP395000	36	RECEIVER SPU 1000 TSI			7833.00	3634.28	.00400	108.75	403.70	31.33

PLANT ACCT CO	ITEMID	REC#	DESCRIPTION	VEHICLE LIFE	REM LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
	GP395000	37	DOD ROUTER W/MODEM 4 PORT, AS			847.09	393.24	.00400	108.75	403.70	3.39
	GP395000	39	AIRLINK VERIZON TEST EQUIP			1557.14	610.54	.00400	108.75	403.70	6.23
	GP395000	40	AMP METER (LOADLOOKET GAUGE)			1831.26	689.02	.00400	108.75	403.70	7.33
	GP395000	41	3 PH-METER ANALYZER			25945.12	7991.06	.00400	108.75	403.70	103.78
	GP395000	42	FLEXIBLE CURRENT PROBE 36"			2016.62	621.39	.00400	108.75	403.70	8.07
	GP395000	43	HIGH VOLTAGE LITEWIRE PROBE			3714.82	1144.22	.00400	108.75	403.70	14.86
	GP395000	44	IV SCANNER			3793.28	1061.90	.00400	108.75	403.70	15.17
	GP395000	45	U/G FAULT LOCATOR			4641.00	1206.40	.00400	108.75	403.70	18.56
	GP395000	46	TEST BOARD (MODEL 2150)			30951.16	5291.87	.00417	108.75	403.70	129.07
	GP395000	47	IV SCANNER			1896.16	493.47	.00417	108.75	403.70	7.91
	GP395000	48	IV SCANNER			3200.26	832.85	.00417	108.75	403.70	13.35
	GP395000	49	IV SCANNER			2192.25	63.98	.00417	108.75	403.70	9.14
ACCOUNT TOTALS:						171451.98	84475.69				692.32
397.00 00	GP397000	53	RADIO SYSTEM (2016)	120	120	58995.53	6304.22	.00834	108.77	403.70	492.02
	GP397000	54	MOBILE RADIO (2 SPARE)	120	120	2127.14	159.66	.00834	108.77	403.70	17.74
ACCOUNT TOTALS:						61122.67	6463.88				509.76
397.05 00	GP397005	1	TS1 BLADE			2669.95	1291.66	.00834	108.77	403.70	22.27
	GP397005	2	75 KVA TRANSFORMER (TS2)			4213.50	1124.48	.00834	108.77	403.70	35.14
	GP397005	3	45 KVA TRANSFORMER (TS2)			4030.12	1075.52	.00834	108.77	403.70	33.61
ACCOUNT TOTALS:						10913.57	3491.66				91.02
397.10 00	GP397010	1	TRANSFORMER COUPLER UNIT			9751.79	7726.35	.00834	108.77	403.70	81.33
	GP397010	2	SPU			12403.79	9827.75	.00834	108.77	403.70	103.45
	GP397010	3	BLADES			10780.18	8541.45	.00834	108.77	403.70	89.91
	GP397010	4	75 KVA TRANSFORMER			4002.56	3171.10	.00834	108.77	403.70	33.38
	GP397010	5	TS2 INSTALLATION			41311.28	32731.30	.00834	108.77	403.70	344.54
ACCOUNT TOTALS:						78249.60	61997.95				652.61
397.20 00	GP397020	1	TRANSFORMER COUPLER UNIT			7104.41	5628.75	.00834	108.77	403.70	59.25
	GP397020	2	SPU			12408.41	9831.55	.00834	108.77	403.70	103.49
	GP397020	3	BLADES			8152.22	6459.05	.00834	108.77	403.70	67.99
	GP397020	4	45 KVA TRANSFORMER			3773.60	2989.65	.00834	108.77	403.70	31.47
	GP397020	5	TS2 INSTALLATION			47440.07	37586.75	.00834	108.77	403.70	395.65
ACCOUNT TOTALS:						78878.71	62495.75				657.85
397.30 00	GP397030	1	TRANSFORMER COUPLER UNIT			7123.43	4990.44	.00834	108.77	403.70	59.41
	GP397030	3	BLADES			10716.28	7507.08	.00834	108.77	403.70	89.37
	GP397030	4	45 KVA TRANSFORMER			4022.70	2818.20	.00834	108.77	403.70	33.55
	GP397030	5	TS2 INSTALLATION			31320.45	21941.64	.00834	108.77	403.70	261.21
	GP397030	6	SPU			14615.45	2803.47	.00834	108.77	403.70	121.89
ACCOUNT TOTALS:						67798.31	40060.83				565.43

PLANT ACCT CO	ITEMID	REC#	DESCRIPTION	REM VEHICLE LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
397.40 00	GP397040	1	TRANSFORMER COUPLER UNIT		7122.32	4989.60	.00834	108.77	403.70	59.40
	GP397040	3	BLADES		8078.67	5659.92	.00834	108.77	403.70	67.38
	GP397040	4	45 KVA TRANSFORMER		4022.70	2818.20	.00834	108.77	403.70	33.55
	GP397040	5	TS2 INSTALLATION		31467.01	22044.12	.00834	108.77	403.70	262.43
	GP397040	6	SPU		12614.00	315.60	.00834	108.77	403.70	105.20
			ACCOUNT TOTALS:		63304.70	35827.44				527.96
397.50 00	GP397050	1	TRANSFORMER COUPLER UNIT		7246.90	4714.32	.00834	108.77	403.70	60.44
	GP397050	3	BLADES		8040.25	5230.68	.00834	108.77	403.70	67.06
	GP397050	4	45 KVA TRANSFORMER		4310.25	2804.10	.00834	108.77	403.70	35.95
	GP397050	5	TS2 INSTALLATION		35795.01	23285.34	.00834	108.77	403.70	298.53
	GP397050	6	SPU		8957.57	4482.60	.00834	108.77	403.70	74.71
			ACCOUNT TOTALS:		64349.98	40517.04				536.69
397.60 00	GP397060	1	TRANSFORMER COUPLER UNIT		7133.37	4640.22	.00834	108.77	403.70	59.49
	GP397060	3	BLADES		5452.08	3546.66	.00834	108.77	403.70	45.47
	GP397060	4	45 KVA TRANSFORMER		4310.25	2804.10	.00834	108.77	403.70	35.95
	GP397060	5	TS2 INSTALLATION		26085.17	16968.90	.00834	108.77	403.70	217.55
	GP397060	7	SPC		14840.00	371.31	.00834	108.77	403.70	123.77
			ACCOUNT TOTALS:		57820.87	28331.19				482.23
397.70 00	GP397070	1	TRANSFORMER COUPLER UNIT		7131.90	4223.08	.00834	108.77	403.70	59.48
	GP397070	3	BLADES		8089.37	4790.37	.00834	108.77	403.70	67.47
	GP397070	4	45 KVA TRANSFORMER		4781.08	2830.77	.00834	108.77	403.70	39.87
	GP397070	5	TS2 INSTALLATION		20321.63	12121.68	.00834	108.77	403.70	169.48
	GP397070	6	SPU / REPLACEMENT COLLECTOR		12614.00	4102.80	.00834	108.77	403.70	105.20
			ACCOUNT TOTALS:		52937.98	28068.70				441.50
397.80 00	GP397080	1	TRANSFORMER COUPLER UNIT		7084.41	4194.68	.00834	108.77	403.70	59.08
	GP397080	2	SPU		12397.49	7341.40	.00834	108.77	403.70	103.40
	GP397080	3	BLADES		8036.41	4758.42	.00834	108.77	403.70	67.02
	GP397080	4	TS2 INSTALLATION		21950.20	12997.26	.00834	108.77	403.70	183.06
	GP397080	5	45 KVA TRANSFORMER		4459.35	2640.49	.00834	108.77	403.70	37.19
			ACCOUNT TOTALS:		53927.86	31932.25				449.75
397.90 00	GP397090	1	TRANSFORMER COUPLER UNIT		7088.18	4197.52	.00834	108.77	403.70	59.12
	GP397090	2	SPU		12403.99	7344.95	.00834	108.77	403.70	103.45
	GP397090	3	BLADES		6030.44	3570.66	.00834	108.77	403.70	50.29
	GP397090	4	45 KVA TRANSFORMER		4459.35	2640.49	.00834	108.77	403.70	37.19
	GP397090	5	TS2 INSTALLATION		12824.27	7593.45	.00834	108.77	403.70	106.95
	GP397090	6	BLADE		2617.91	1222.48	.00834	108.77	403.70	21.83
			ACCOUNT TOTALS:		45424.14	26569.55				378.83

PLANT ACCT	CO	ITEMID	REC#	DESCRIPTION	VEHICLE LIFE	REM LIFE	BASIS AMT	PREVIOUS ACCUM DEPR	%	RACCT	ACCT	CURRENT DEPR
397.91	00	GP397091	1	TRANSFORMER COUPLER UNIT			7086.52	4196.10	.00834	108.77	403.70	59.10
		GP397091	2	SPU			12400.80	7342.82	.00834	108.77	403.70	103.42
		GP397091	3	BLADES			10662.46	6313.32	.00834	108.77	403.70	88.92
		GP397091	4	45 KVA TRANSFORMER			4459.35	2640.49	.00834	108.77	403.70	37.19
		GP397091	5	TS2 INSTALLATION			20686.62	12249.63	.00834	108.77	403.70	172.53
ACCOUNT TOTALS:							55295.75	32742.36				461.16
397.92	00	GP397092	1	TRANSFORMER COUPLER UNIT			7218.28	3852.80	.00834	108.77	403.70	60.20
		GP397092	2	SPU			12402.26	6619.52	.00834	108.77	403.70	103.43
		GP397092	3	BLADES			8055.99	4300.16	.00834	108.77	403.70	67.19
		GP397092	4	45 KVA TRANSFORMER			4608.24	2459.52	.00834	108.77	403.70	38.43
		GP397092	5	TS2 INSTALLATION			23342.90	12459.52	.00834	108.77	403.70	194.68
ACCOUNT TOTALS:							55627.67	29691.52				463.93
397.93	00	GP397093	1	TRANSFORMER COUPLER UNIT			7218.28	3852.80	.00834	108.77	403.70	60.20
		GP397093	2	SPU			12400.45	6618.88	.00834	108.77	403.70	103.42
		GP397093	3	BLADES			10670.44	5695.36	.00834	108.77	403.70	88.99
		GP397093	4	45 KVA TRANSFORMER			4608.24	2459.52	.00834	108.77	403.70	38.43
		GP397093	5	TS2 INSTALLATION			23339.00	12457.60	.00834	108.77	403.70	194.65
ACCOUNT TOTALS:							58236.41	31084.16				485.69
398.00	00	GP398000	16	DIGITAL CAMERAL & BAG(MBR SER			1135.63	971.56	.00400	108.78	403.70	4.54
		GP398000	18	PROJECTOR			1819.58	1346.80	.00400	108.78	403.70	7.28
		GP398000	19	BOGEN 100W AMPLIFIER			560.00	383.04	.00400	108.78	403.70	2.24
		GP398000	20	NIKON DIGITAL ZOOM CAMERA			900.99	612.00	.00400	108.78	403.70	3.60
		GP398000	22	SECURITY CAMERA SYSTEM			1612.26	1070.70	.00400	108.78	403.70	6.45
		GP398000	23	MAIL DROP BOX & ATTACHMENTS			2014.04	1305.12	.00400	108.78	403.70	8.06
		GP398000	24	GUARDIAN GENERATOR (OVER HILL			7810.00	4785.66	.00400	108.78	403.70	31.24
		GP398000	25	SAFETY BOARD			5135.70	3183.72	.00400	108.78	403.70	20.54
		GP398000	26	REFRIGERATOR (OFFICE)			826.70	489.88	.00400	108.78	403.70	3.31
		GP398000	27	INTERNET INTRUSION EQUIPMENT			4907.05	2551.90	.00400	108.78	403.70	19.63
		GP398000	28	DIGITAL CAMERA			695.84	345.81	.00400	108.78	403.70	2.78
		GP398000	29	SOUND SYSTEM			688.99	331.20	.00400	108.78	403.70	2.76
		GP398000	30	HARD DRIVE DUPLICATOR			879.17	415.36	.00400	108.78	403.70	3.52
		GP398000	32	PROJECTOR (INFOCUS BIG IN37)			1266.94	542.49	.00400	108.78	403.70	5.07
		GP398000	33	ELECTRONIC STAKING SYSTEM			54569.09	22078.89	.00400	108.78	403.70	218.28
		GP398000	34	R/W TRACKING SOFTWARE			13550.37	5203.20	.00400	108.78	403.70	54.20
		GP398000	36	PHONE SYSTEM UPDATE (SHORETEL	60	60	129680.91	73665.22	.01668	108.78	403.70	2163.08
		GP398000	37	CAT GENERATOR	240	240	88864.70	3286.34	.00417	108.78	403.70	370.57
		GP398000	38	AED	60	60	7636.80	763.86	.01667	108.78	403.70	127.31
ACCOUNT TOTALS:							324554.76	123332.75				3054.46

GRAND TOTALS	PLANT ACCT	TOTAL BASIS AMT	TOTAL PREVIOUS ACCUM DEPR	CURRENT DEPR	NEW TOTAL ACCUM DEPR
	384.00	45,863.62	12,232.64	764.54	12,997.18
	390.00	1,597,184.47	642,127.91	3,322.15	645,450.06
	390.10	11,234.83	3,921.50	23.36	3,944.86
	391.00	767,407.62	365,914.76	6,504.07	372,418.83
	392.00	1,379,801.02	684,316.91	17,827.02	702,143.93
	393.00	16,984.82	8,018.18	67.94	8,086.12
	394.00	49,911.11	21,196.85	258.60	21,455.45
	395.00	171,451.98	84,475.69	692.32	85,168.01
	397.00	61,122.67	6,463.88	509.76	6,973.64
	397.05	10,913.57	3,491.66	91.02	3,582.68
	397.10	78,249.60	61,997.95	652.61	62,650.56
	397.20	78,878.71	62,495.75	657.85	63,153.60
	397.30	67,798.31	40,060.83	565.43	40,626.26
	397.40	63,304.70	35,827.44	527.96	36,355.40
	397.50	64,349.98	40,517.04	536.69	41,053.73
	397.60	57,820.87	28,331.19	482.23	28,813.42
	397.70	52,937.98	28,068.70	441.50	28,510.20
	397.80	53,927.86	31,932.25	449.75	32,382.00
	397.90	45,424.14	26,569.55	378.83	26,948.38
	397.91	55,295.75	32,742.36	461.16	33,203.52
	397.92	55,627.67	29,691.52	463.93	30,155.45
	397.93	58,236.41	31,084.16	485.69	31,569.85
	398.00	324,554.76	123,332.75	3,054.46	126,387.21
TOTALS:		5,168,282.45	2,404,811.47	39,218.87	2,444,030.34

Witness: Bradley Cherry
 Question 18
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19. Refer to the Direct Testimony of James Adkins, response to Question 8, page 3. Provide the table indicating the percentage of the total increase proposed for each rate class referenced in the response.

Response 19:

<u>Rate Schedule</u>	<u>Increase</u>	
	<u>Amount</u>	<u>Percent</u>
1 - Domestic - Farm & Home Service	\$ 1,063,719	6.2%
2 - Commercial and Small Power	\$ 73,231	3.7%
4 - Large Power Service-Single and Three-Phase	\$ 16,610	0.8%
5 - Street Lighting Service	\$ (5,780)	0.0%
6 - Outdoor Lighting Service	\$ 124,732	22.3%
7 - All Electric Schools	\$ 24,517	5.2%
10 - Residential Time of Day	\$ 288	5.6%
14(a) - Large Industrial Service	\$ -	0.0%
16 - Small Commercial Demand & Energy Rate	\$ 647	3.5%
17 - Water Pumping Service	\$ 77	6.8%
18 - General Service Rate	\$ 202,668	15.8%
19 - Temporary Service Rate	\$ 3,892	3.6%
20 - Inclining Block Rate	\$ 4,818	27.1%
21 - Prepay Metering Program (Residential)	\$ 68,316	5.9%
22 - Prepay Metering Program (General Service)	\$ 1,511	12.4%
NM - Residential	\$ 388	10.3%
NM - General Service Rate	\$ 25	22.2%
Envirowatts	\$ -	0.0%
Rounding	\$ -	0.0%
	\$ 1,579,660	5.9%

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20. Refer to the Adkins Hearing Testimony regarding the TIER & Return Tab of the COSS in the application. Provide a proposed revenue allocation and rate design so that Schedule 20-Inclining Block Rate and Schedule 22 - General Services Prepay rate classes, are no longer contributing negatively. Provide this with and without the proposed elimination of Schedule 16 as answered in Item 10 above.

Response 20:

In references to these rate classes, a better understanding is presented below that was probably not readily apparent at the hearing on February 19. Schedule 22 – General Services Prepay is not a separate rate schedule. It is a part of Schedule 18 – General Services Rate and should be viewed and evaluated on that basis. It is proposed in the response to Item 10 above that its rates be the same as those for Schedule 18 plus the \$10 per member program fee for prepay.

Schedule 20 – Inclining Block Rate is a schedule developed and approved by this Commission in the time frame of 2009 – 2010. Grayson RECC has a number of members with low usage. Most of these facilities have been in place for a long time with no upgrades or changes in their services and most probably fully depreciated. Grayson RECC does not want to lose this revenue stream as it could occur has electric rates continue to rise. These facilities are not costing Grayson RECC much in operations and maintenance expenses. Losing this revenue stream would hurt Grayson RECC's margins. The proposed rates in the response to Item above are higher than proposed in the original application. However, the TIER and Return ratios are still negative. It is my concern that proposed rates may cause members to discount these accounts and cause Grayson to lose the revenue stream from these accounts.

Witness: James Adkins & Carol Fraley

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21. Refer to Grayson RECC's Fraley, Cherry, and Adkins Testimonies. Provide a listing of the residential customer charges and energy charges for each of the 16 distribution cooperatives in the East Kentucky Power Cooperative, Inc., system (including Grayson RECC's current and proposed customer charge and energy charge) and a statement from Grayson RECC regarding its above-average position on this list.

Response 21:

Witness: James Adkins

Please see attached listings.

Witness: Carol Fraley

Grayson believes its customer charge is fair and reasonable based on its COSS, which shows the residential cost of service to be even higher than Grayson has requested.

Cooperative	Customer Charge	Energy Charge
		Per kWh
Big Sandy RECC	\$ 21.25	\$ 0.08756
Blue Grass Energy Cooperative	\$ 16.50	\$ 0.08281
Clark Energy Cooperative	\$ 12.43	\$ 0.08992
Cumberland Valley Electric	\$ 12.00	\$ 0.08500
Farmers RECC	\$ 14.00	\$ 0.08629
Fleming-Mason Energy	\$ 15.00	\$ 0.08183
Grayson RECC - Current	\$ 15.00	\$ 0.10658
Inter-County Energy Cooperative	\$ 15.20	\$ 0.09426
Jackson Energy Cooperative	\$ 16.44	\$ 0.09591
Licking Valley RECC	\$ 14.00	\$ 0.09200
Nolin RECC	\$ 13.50	\$ 0.09022
Owen Electric Cooperative	\$ 20.00	\$ 0.08245
Salt River Electric	\$ 8.84	\$ 0.07704
Shelby Energy Cooperative	\$ 15.00	\$ 0.08841
South Kentucky RECC	\$ 12.82	\$ 0.08294
Taylor County RECC	\$ 9.82	\$ 0.07968
Average	\$ 14.49	\$ 0.08768

* Source: Tariffs available on PSC website

Cooperative	Customer Charge	Energy Charge
		Per kWh
Big Sandy RECC	\$ 21.25	\$ 0.08756
Blue Grass Energy Cooperative	\$ 16.50	\$ 0.08281
Clark Energy Cooperative	\$ 12.43	\$ 0.08992
Cumberland Valley Electric	\$ 12.00	\$ 0.08500
Farmers RECC	\$ 14.00	\$ 0.08629
Fleming-Mason Energy	\$ 15.00	\$ 0.08183
Grayson RECC - Proposed	\$ 22.50	\$ 0.10703
Inter-County Energy Cooperative	\$ 15.20	\$ 0.09426
Jackson Energy Cooperative	\$ 16.44	\$ 0.09591
Licking Valley RECC	\$ 14.00	\$ 0.09200
Nolin RECC	\$ 13.50	\$ 0.09022
Owen Electric Cooperative	\$ 20.00	\$ 0.08245
Salt River Electric	\$ 8.84	\$ 0.07704
Shelby Energy Cooperative	\$ 15.00	\$ 0.08841
South Kentucky RECC	\$ 12.82	\$ 0.08294
Taylor County RECC	\$ 9.82	\$ 0.07968
Average	\$ 14.96	\$ 0.08771

* Source: Tariffs available on PSC website

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22. Refer to Exhibit 18 of the application. Provide a statement from Grayson RECC regarding its above average position in each of the categories on this exhibit for the cooperatives in the East Kentucky Power Cooperative, Inc., system.

Response 22:

Grayson believes its position in each category is fair and reasonable based on density, terrain, and weather.