

Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016

Depreciation Expense

Depreciation is computed on a composite basis. The ending plant balance is multiplied by rates that are within RUS approved guidelines. Depreciation rates and procedures follow RUS Bulletin 183-1. A copy of the depreciation study is attached.

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

Items fully-depreciated have been removed and identified on the far right column.