




Shelby Energy Cooperative

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PUBLIC SERVICE
COMMISSION

February 24, 2017

Ms. Talina R. Matthews
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: PSC CASE NO: 2017-00020

Dear Ms. Matthews:

In accordance with the above case, we are enclosing an original and six (6) copies regarding the fuel adjustment for the period from November 1, 2014 through October 31, 2016.

Should you have any questions or need further information, please contact our office.

Sincerely,



Mary Federle
Billing Manager

Enclosure

www.shelbyenergy.com

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

This institution is an equal opportunity provider and employer.

VERIFICATION

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

Mary E. Federle
Mary E. Federle

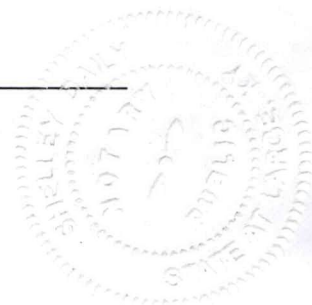
COMMONWEALTH OF KENTUCKY

COUNTY OF SHELBY

Subscribed and sworn to before me by Mary E. Federle, Billing Manager of Shelby Energy Cooperative, Inc., to be her free act and deed this 22 day of Feb, 2017.

(SEAL)

Shelby Day
Notary Public



My Commission Expires:

12-13-17

ID: 500871

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF SHELBY)
ENERGY COOPERATIVE, INC. FROM) CASE NO. 2017-00020
NOVEMBER 1, 2014 THROUGH)
OCTOBER 31, 2016)**

RESPONSE TO ORDER FOR INFORMATION

DATED FEBRUARY 06, 2017

CASE NO. 2017-00020
SUPPLEMENTAL DATA REQUEST

SHELBY ENERGY COOPERATIVE, INC.

Witnesses who will be available to respond to questions concerning the information requested:

Jared Routh, Senior VP, Finance & Cooperative Services

Mary E. Federle, Billing & Customer Service Manager

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00020 DATED FEBRUARY 06, 2017

1. a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2014 through October 2016.
- b. Describe the measures that Shelby has taken to reduce line loss during this period.
2. Provide Shelby's monthly revenue reports and monthly billing summaries which show the total FAC billings and FAC revenue collected as reported in Shelby's monthly filings required by the Commission for the review period November 1, 2014, through October 31, 2016.
3. Provide a schedule showing the calculation of the increase or decrease in Shelby's base fuel costs per kilowatt hour as proposed by its wholesale electric supplier adjusted for Shelby's 12-month average line loss for November 1, 2014, through October 31, 2016.
4. Provide a schedule of the present and proposed rates that Shelby seeks to change, pursuant to 807 KAR 5:056, as calculated in Item 3 above, shown in comparative form.
5. Provide a copy of the current tariff showing, by cross-outs and inserts, all proposed changes in rates.
6. Provide and explain the internal procedures in place to ensure the timely filing of:
 - a. FAC filings made pursuant to 807 KAR 5:056, Sections 1(7) and (9);
 - b. The affidavit certifying compliance or noncompliance with 807 KAR 5:056 as required by Commission Order in initiating FAC reviews; and,
 - c. The affidavit of publication of hearing notice as required by Commission Order in initiating FAC reviews.

SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2014 - OCTOBER, 2016

		KWH PURCHASED	KWH SALES TO MEMBERS	LINE LOSS	12 MTH AVG %
OCTOBER	2014	500,192,735	482,577,548	17,615,187	3.52%
NOVEMBER	2013	40,587,756	39,173,627	1,414,129	
NOVEMBER	2014	<u>42,981,874</u>	<u>40,688,340</u>	<u>2,293,534</u>	
		502,586,853	484,092,261	18,494,592	3.68%
DECEMBER	2013	46,661,279	45,164,875	1,496,404	
DECEMBER	2014	<u>44,513,993</u>	<u>43,340,505</u>	<u>1,173,488</u>	
		500,439,567	482,267,891	18,171,676	3.63%
JANUARY	2014	56,819,952	52,036,934	4,783,018	
JANUARY	2015	<u>50,909,553</u>	<u>47,736,540</u>	<u>3,173,013</u>	
		494,529,168	477,967,497	16,561,671	3.35%
FEBRUARY	2014	47,477,708	48,663,320	-1,185,612	
FEBRUARY	2015	<u>50,449,345</u>	<u>50,201,759</u>	<u>247,586</u>	
		497,500,805	479,505,936	17,994,869	3.62%
MARCH	2014	43,893,642	41,198,410	2,695,232	
MARCH	2015	<u>42,828,358</u>	<u>40,124,598</u>	<u>2,703,760</u>	
		496,435,521	478,432,124	18,003,397	3.63%
APRIL	2014	33,563,185	32,981,154	582,031	
APRIL	2015	<u>34,359,494</u>	<u>33,956,156</u>	<u>403,338</u>	
		497,231,830	479,407,126	17,824,704	3.58%
MAY	2014	35,870,198	33,856,937	2,013,261	
MAY	2015	<u>37,129,335</u>	<u>35,254,385</u>	<u>1,874,950</u>	
		498,490,967	480,804,574	17,686,393	3.55%
JUNE	2014	39,693,325	38,471,581	1,221,744	
JUNE	2015	<u>41,913,607</u>	<u>40,722,003</u>	<u>1,191,604</u>	
		500,711,249	483,054,996	17,656,253	3.53%
JULY	2014	40,526,767	39,460,587	1,066,180	
JULY	2015	<u>44,430,650</u>	<u>42,307,432</u>	<u>2,123,218</u>	
		504,615,132	485,901,841	18,713,291	3.71%
AUGUST	2014	42,628,502	40,205,937	2,422,565	
AUGUST	2015	<u>42,832,441</u>	<u>42,412,491</u>	<u>419,950</u>	
		504,819,071	488,108,395	16,710,676	3.31%
SEPTEMBER	2014	36,733,409	36,386,204	347,205	
SEPTEMBER	2015	<u>38,436,238</u>	<u>36,916,885</u>	<u>1,519,353</u>	
		506,521,900	488,639,076	17,882,824	3.53%
OCTOBER	2014	35,737,012	34,977,982	759,030	
OCTOBER	2015	<u>35,998,333</u>	<u>34,666,248</u>	<u>1,332,085</u>	
		506,783,221	488,327,342	18,455,879	3.64%
NOVEMBER	2014	42,981,874	40,688,340	2,293,534	
NOVEMBER	2015	<u>37,857,211</u>	<u>37,012,259</u>	<u>844,952</u>	
		501,658,558	484,651,261	17,007,297	3.39%
DECEMBER	2014	44,513,993	43,340,505	1,173,488	
DECEMBER	2015	<u>41,155,779</u>	<u>40,160,904</u>	<u>994,875</u>	
		498,300,344	481,471,660	16,828,684	3.38%

SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2014 - OCTOBER, 2016

		KWH PURCHASED	KWH SALES TO MEMBERS	LINE LOSS	12 MTH AVG %
JANUARY	2015	50,909,553	47,736,540	3,173,013	
JANUARY	2016	<u>52,601,783</u>	<u>49,037,083</u>	<u>3,564,700</u>	
		499,992,574	482,772,203	17,220,371	3.44%
FEBRUARY	2015	50,449,345	50,201,759	247,586	
FEBRUARY	2016	<u>45,474,651</u>	<u>45,665,875</u>	<u>-191,224</u>	
		495,017,880	478,236,319	16,781,561	3.39%
MARCH	2015	42,828,358	40,124,598	2,703,760	
MARCH	2016	<u>39,600,011</u>	<u>37,946,913</u>	<u>1,653,098</u>	
		491,789,533	476,058,634	15,730,899	3.20%
APRIL	2015	34,359,494	33,956,156	403,338	
APRIL	2016	<u>36,973,892</u>	<u>35,666,842</u>	<u>1,307,050</u>	
		494,403,931	477,769,320	16,634,611	3.36%
MAY	2015	37,129,335	35,254,385	1,874,950	
MAY	2016	<u>37,891,364</u>	<u>35,998,384</u>	<u>1,892,980</u>	
		495,165,960	478,513,319	16,652,641	3.36%
JUNE	2015	41,913,607	40,722,003	1,191,604	
JUNE	2016	<u>43,634,689</u>	<u>42,089,191</u>	<u>1,545,498</u>	
		496,887,042	479,880,507	17,006,535	3.42%
JULY	2015	44,430,650	42,307,432	2,123,218	
JULY	2016	<u>45,989,927</u>	<u>43,965,328</u>	<u>2,024,599</u>	
		498,446,319	481,538,403	16,907,916	3.39%
AUGUST	2015	42,832,441	42,412,491	419,950	
AUGUST	2016	<u>48,319,922</u>	<u>46,001,256</u>	<u>2,318,666</u>	
		503,933,800	485,127,168	18,806,632	3.73%
SEPTEMBER	2015	38,436,238	36,916,885	1,519,353	
SEPTEMBER	2016	<u>41,594,283</u>	<u>41,170,926</u>	<u>423,357</u>	
		507,091,845	489,381,209	17,710,636	3.49%
OCTOBER	2015	35,998,333	34,666,248	1,332,085	
OCTOBER	2016	<u>36,307,380</u>	<u>35,182,089</u>	<u>1,125,291</u>	
		507,400,892	489,897,050	17,503,842	3.45%

SHELBY ENERGY COOPERATIVE, INC.

February 2017

Programs to analyze and implement line loss reductions are continuously in effect. These involve a substation phase balance analysis for each distribution circuit on the system, an extensive annual right-of-way clearing and tree trimming project, the purchase of equipment on loss-price evaluation, retiring idle transformers and system voltage drop studies.

SHELBY ENERGY COOPERATIVE, INC.
 KWH SALES ANALYSIS
 NOVEMBER, 2014 - OCTOBER, 2016

	ORIGINAL KWH BILLED TO CUSTOMERS	KWH ADJUSTMENT TO BILLING	NET KWH BILLED TO CUSTOMERS
Nov-14	<u>40,688,496</u>	<u>-156</u>	<u>40,688,340</u>
Dec-14	<u>43,345,838</u>	<u>-5,333</u>	<u>43,340,505</u>
Jan-15	<u>47,739,343</u>	<u>-2,803</u>	<u>47,736,540</u>
Feb-15	<u>50,196,574</u>	<u>5,185</u>	<u>50,201,759</u>
Mar-15	<u>40,124,586</u>	<u>12</u>	<u>40,124,598</u>
Apr-15	<u>34,019,437</u>	<u>-63,281</u>	<u>33,956,156</u>
May-15	<u>35,254,507</u>	<u>-122</u>	<u>35,254,385</u>
Jun-15	<u>40,722,003</u>	<u>0</u>	<u>40,722,003</u>
Jul-15	<u>42,306,192</u>	<u>1,240</u>	<u>42,307,432</u>
Aug-15	<u>42,412,530</u>	<u>-39</u>	<u>42,412,491</u>
Sep-15	<u>36,915,595</u>	<u>1,290</u>	<u>36,916,885</u>
Oct-15	<u>34,698,855</u>	<u>-32,607</u>	<u>34,666,248</u>
Nov-15	<u>37,012,298</u>	<u>-39</u>	<u>37,012,259</u>
Dec-15	<u>40,160,241</u>	<u>663</u>	<u>40,160,904</u>
Jan-16	<u>49,037,559</u>	<u>-476</u>	<u>49,037,083</u>
Feb-16	<u>45,667,112</u>	<u>-1,237</u>	<u>45,665,875</u>
Mar-16	<u>37,947,181</u>	<u>-268</u>	<u>37,946,913</u>
Apr-16	<u>35,666,240</u>	<u>602</u>	<u>35,666,842</u>
May-16	<u>36,092,015</u>	<u>-93,631</u>	<u>35,998,384</u>
Jun-16	<u>42,089,620</u>	<u>-429</u>	<u>42,089,191</u>
Jul-16	<u>43,963,952</u>	<u>1,376</u>	<u>43,965,328</u>
Aug-16	<u>46,001,841</u>	<u>-585</u>	<u>46,001,256</u>
Sep-16	<u>41,171,121</u>	<u>-195</u>	<u>41,170,926</u>
Oct-16	<u>35,182,728</u>	<u>-639</u>	<u>35,182,089</u>
	978,415,864	-191,472	978,224,392

SHELBY ENERGY COOPERATIVE, INC.
 ANALYSIS OF FUEL ADJUSTMENT REVENUE
 MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
 NOVEMBER, 2014 - OCTOBER, 2016

	ORIG FAC SALES TO CUSTOMERS	CALC OF FAC ADJ	FC FACTOR	ADJ TO FAC	NET FAC TO CUSTOMERS
Nov-14	112,685.30	-156	0.00277	-0.43	112,684.87
Dec-14	5,648.87	-5,333	0.00013	-0.69	5,648.18
Jan-15	-127,918.88	-2,803	-0.00268	7.51	-127,911.37
Feb-15	-42,658.60	5,185	-0.00085	-4.41	-42,663.01
Mar-15	-123,578.00	12	-0.00308	-0.04	-123,578.04
Apr-15	-101,051.31	-63,281	-0.00297	187.94	-100,863.37
May-15	-172,389.28	-122	-0.00489	0.60	-172,388.68
Jun-15	-287,063.58	0	-0.00705	0.00	-287,063.58
Jul-15	-355,796.10	1,240	-0.00841	-10.43	-355,806.53
Aug-15	-51,125.90	-39	-0.00114	0.04	-51,125.86
Sep-15	-57,951.49	1,290	-0.00157	-2.03	-57,953.52
Oct-15	-124,913.40	-32,607	-0.00360	117.39	-124,796.01
Nov-15	-147,324.24	-39	-0.00398	0.16	-147,324.08
Dec-15	-213,660.57	663	-0.00532	-3.53	-213,664.10
Jan-16	-182,928.09	-476	-0.00373	1.78	-182,926.31
Feb-16	-108,225.71	-1,237	-0.00237	2.93	-108,222.78
Mar-16	-144,204.92	-268	-0.00380	1.02	-144,203.90
Apr-16	-103,075.20	602	-0.00289	-1.74	-103,076.94
May-16	-250,113.32	-93,631	-0.00693	648.86	-249,464.46
Jun-16	-328,290.71	-429	-0.00780	3.35	-328,287.36
Jul-16	-304,671.12	1,376	-0.00693	-9.54	-304,680.66
Aug-16	-249,328.12	-585	-0.00542	3.17	-249,324.95
Sep-16	-139,978.68	-195	-0.00340	0.66	-139,978.02
Oct-16	-121,348.98	-639	-0.00345	2.20	-121,346.78
	-3,619,262.03	-191,472		944.77	-3,618,317.26

3. Provide a schedule showing the calculation of the increase or decrease in Shelby's base fuel costs per kilowatt hour as proposed by its wholesale electric supplier adjusted for Shelby's 12-month average line loss for November 1, 2014, through October 31, 2016.

If the recommendation not to change the base period fuel cost of East Kentucky Power Cooperative, Inc. ("East Kentucky") is accepted, then Shelby Energy Cooperative, Inc. (Shelby Energy) has no increase or decrease to show for its base fuel costs.

If the alternative recommendation to reduce East Kentucky's base period fuel cost to \$0.02776 / kWh is accepted, then the calculation of the decrease in Shelby Energy's base fuel costs for the review period would be as follows, see page 2 of 2.

SHELBY ENERGY COOPERATIVE, INC.
INCREASE OR DECREASE IN SHELBY'S 12 MONTH AVERAGE LINE LOSS
MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
NOVEMBER, 2014 - OCTOBER, 2016

	KWH PURCHASED	KWH SALES TO CUSTOMERS	KWH LINE LOSS
Nov-14	42,981,874	40,688,340	2,293,534
Dec-14	44,513,993	43,340,505	1,173,488
Jan-15	50,909,553	47,736,540	3,173,013
Feb-15	50,449,345	50,201,759	247,586
Mar-15	42,828,358	40,124,598	2,703,760
Apr-15	34,359,494	33,956,156	403,338
May-15	37,129,335	35,254,385	1,874,950
Jun-15	41,913,607	40,722,003	1,191,604
Jul-15	44,430,650	42,307,432	2,123,218
Aug-15	42,832,441	42,412,491	419,950
Sep-15	38,436,238	36,916,885	1,519,353
Oct-15	35,998,333	34,666,248	1,332,085
Nov-15	37,857,211	37,012,259	844,952
Dec-15	41,155,779	40,160,904	994,875
Jan-16	52,601,783	49,037,083	3,564,700
Feb-16	45,474,651	45,665,875	-191,224
Mar-16	39,600,011	37,946,913	1,653,098
Apr-16	36,973,892	35,666,842	1,307,050
May-16	37,891,364	35,998,384	1,892,980
Jun-16	43,634,689	42,089,191	1,545,498
Jul-16	45,989,927	43,965,328	2,024,599
Aug-16	48,319,922	46,001,256	2,318,666
Sep-16	41,594,283	41,170,926	423,357
Oct-16	36,307,380	35,182,089	1,125,291
	1,014,184,113	978,224,392	35,959,721
24 Month Average %		35,959,721 / 1,014,184,113	= 0.03546
Wholesale Power Supplier's Adjustment Per kWh			= -0.00238
Shelby Energy's 24 Month Average Line Loss			= 0.03546
Shelby Energy's Change in Base Rate Per kWh		-0.00238 / 0.964543	= -0.00247

4. Provide a schedule of the present and proposed rates that Shelby seeks to change, pursuant to 807 KAR 5:056, as calculated in Item 3 above, shown in comparative form.

If the recommendation not to change the base period fuel cost of East Kentucky is accepted, then Shelby Energy does not propose any changes in its existing rates.

If the alternative recommendation to reduce East Kentucky's base period fuel cost to \$0.02776 / kWh is accepted, then Shelby Energy proposes the changes in its rates as shown in the schedule on page 2 of 2 of Item 4. In addition, please see Case No. 2017-00002, the Direct Testimony of Isaac S. Scott, concerning the discussion of a timing issue that affects Shelby Energy when there is a reestablishment of the base period fuel cost.

SHELBY ENERGY COOPERATIVE, INC.

	Present Rate	Proposed Rate
General Service - Rate 11		
All kWh	0.09020	0.08773
Residential Service - Rate 12		
All kWh	0.08861	0.08614
Large Power - Rate 2		
All kWh	0.06435	0.06188
Optional TOD Demand - Rate 22		
First 100 kWh per KW demand	0.07322	0.07075
Next 100 kWh per KW demand	0.06682	0.06435
All over 200 kWh per KW demand	0.06044	0.05797
Outdoor & Street Lighting Service - Rate 3		
HPS 100 Watt Security Light (39 kWh)	9.43	9.33
HPS 100 Watt Decorative Colonial Light (39 kWh)	12.68	12.58
HPS 400 Watt Directional Flood & Security/Street Light (159 kWh)	19.19	18.80
HPS 250 Watt Directional Flood & Security/Street Light (87 kWh)	13.88	13.67
HPS 150 Watt Decorative Acorn Light (58 kWh)	15.15	15.01
Outdoor & Street Lighting Service - Rate 3L (LED)		
Standard (24 kWh)	10.02	9.96
Decorative Colonial (24 kWh)	12.46	12.40
Cobra Head (37 kWh)	13.63	13.54
Directional Flood Light (70 kWh)	18.64	18.47
Off-Peak Retail Marketing Rate-ETS-Rate 9		
Energy charge per kwh	0.06118	0.05871
Large Industrial Rate=Schedule B1		
All kWh	0.05236	0.04989
Large Industrial Rate - Schedule B2		
All kWh	0.04662	0.04415
Large Industrial Rate - Schedule B3		
All kWh	0.04546	0.04299
Large Industrial Rate - Schedule C1		
All kWh	0.05236	0.04989
Large Industrial Rate - Schedule C2		
All kWh	0.04662	0.04415
Large Industrial Rate - Schedule C3		
All kWh	0.04546	0.04299
Special Outdoor Lighting - Rate 33	0.06036	0.05789

5. Provide a copy of the current tariff showing, by cross-outs and inserts, all proposed changes in rates.

If the recommendation not to change the base period fuel cost of East Kentucky is accepted; then Shelby Energy does not propose any changes to its existing rates and a tariff markup is not necessary.

If the alternative recommendation to reduce East Kentucky's base period fuel cost to \$0.02776 / kWh is accepted, then please see the attached tariff sheets reflecting Shelby Energy's proposed rate changes.

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 304

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

2nd Revised SHEET NO. 103

GENERAL SERVICE – RATE 11

AVAILABILITY:

Available for commercial, small power and non-residential purposes for single phase and three phase loads below 50 kW, subject to the established Rules and Regulations.

TYPE OF SERVICE:

Single phase and three phase, 60 Hertz, at available secondary voltage.

MONTHLY RATE:

Consumer Facility Charge:		
Single Phase Service	\$	13.03
Three Phase Service	\$	33.88
Energy Charge per kWh	\$	0.09020 0.08773

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

TERMS OF PAYMENT:

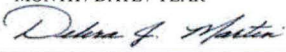
The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE

COMMISSION IN CASE NO. _____ DATE _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 305

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

2nd Revised SHEET NO. 105

RESIDENTIAL SERVICE – RATE 12

AVAILABILITY:

Available for residential homes for loads below 50 kW, subject to the established Rules and Regulations.

TYPE OF SERVICE:

Single phase service for residential dwellings.

MONTHLY RATE:

Consumer Facility Charge	\$	10.14
Energy Charge per kWh	\$	0.08861 0.08614

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

TERMS OF PAYMENT:

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 300

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

9th Revised SHEET NO. 5

LARGE POWER SERVICE – RATE 2

AVAILABILITY:

Available to all consumers whose kW demand shall be greater than 50 kW including residential and farm consumers who do not qualify under availability of service under Rate 12 or Rate 11 respectively, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.

TYPES OF SERVICE:

Three Phase, 60 Hertz, available at Seller's standard voltage.

MONTHLY RATE:

Consumer Charge per Month	\$	52.18
Demand Charge per kW of billing demand	\$	5.17
Energy Charge per kWh for all kWh	\$	0.06435 0.06188

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016

MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*
SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 307

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

11th Revised SHEET NO. 39

OPTIONAL T-O-D DEMAND – RATE 22

AVAILABILITY:

Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 11 or Rate 12, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.

TYPES OF SERVICE:

Three-phase, 60 Hertz, available at Seller's standard voltage.

RATE:

Consumer Charge

\$ 45.92

Demand Charge

\$ 5.17 per month per KW of billing demand

Energy Charge

First	100 kWh per KW demand	\$	0.07322 0.07075	per kWh
Next	100 kWh per KW demand	\$	0.06682 0.06435	per kWh
All over	200 kWh per KW demand	\$	0.06044 0.05797	per kWh

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016

MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 301

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

10th Revised SHEET NO. 9

OUTDOOR AND STREET LIGHTING – RATE 3

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.

RATES:

Type of Fixtures:			
A.	HPS (High Pressure Sodium) 100 Watt Security Light	\$	9.43 9.33
B.	HPS (High Pressure Sodium) 100 Watt Decorative Colonial Light	\$	12.68 12.58
C.	HPS (High Pressure Sodium) 400 Watt Directional Flood and Security and Street Light	\$	19.19 18.80
D.	HPS (High Pressure Sodium) 250 Watt Directional Flood and Security and Street Light	\$	13.88 13.67
E.	HPS (High Pressure Sodium) 150 Watt Decorative Acorn Light	\$	15.15 15.01

DATE OF ISSUE January 5, 2016

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ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 322

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

LED Outdoor Lighting Facilities – RATE 3L

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a light-emitting diode (LED) lighting unit, in accordance with the rate schedule and conditions of service below. The lighting unit shall be controlled by a photocell to energize the unit from dusk to dawn.

RATES PER MONTH:

<u>TYPE</u>	<u>LUMENS</u>	<u>RATE</u>
Standard	Approximate Lumens 4,800-6,800	\$10.02 9.96
Decorative Colonial	Approximate Lumens 4,800-6,800	\$12.46 12.40
Cobra Head	Approximate Lumens 7,200-10,000	\$13.63 13.54
Directional Flood Light	Approximate Lumens 15,000-18,000	\$18.64 18.47

Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.

*All new lights will be LED. High Pressure Sodium lights will be phased out upon failure and replaced with LED.

DATE OF ISSUE December 1, 2015
MONTH / DATE / YEAR

DATE EFFECTIVE January 1, 2016
MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*
SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 303

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

11th Revised SHEET NO. 15

OFF-PEAK RETAIL MARKETING RATE (ETS)

AVAILABILITY OF SERVICE:

The special marketing rate is made as an attachment to Rate GS-11 & Rate 12 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.

The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-11 & Rate 12. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.

Months

Hours Applicable – EST

May through September

10:00 P.M. to 10:00 A.M.

October through April

12:00 Noon to 5:00 P.M.
10:00 P.M. to 7:00 A.M.

Rates

The energy rate for this program is as listed below:

All kWh ~~0.06118~~ per kWh
 0.05871

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

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MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 310

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 17

LARGE INDUSTRIAL RATE – SCHEDULE B1

AVAILABILITY:

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

MONTHLY RATE:

Consumer Charge	\$	614.28
Demand Charge per KW of Contract Demand	\$	6.18
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$	8.98
Energy Charge per kWh	\$	0.05236 0.04989

BILLING DEMAND:

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

DATE OF ISSUE January 5, 2016

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MONTH / DATE / YEAR

ISSUED BY *Debra J. Abstein*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 311

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 20

LARGE INDUSTRIAL RATE – SCHEDULE B2

AVAILABILITY:

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

MONTHLY RATE:

Consumer Charge	\$	1,227.41
Demand Charge per KW of Contract Demand	\$	6.18
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$	8.98
Energy Charge per kWh	\$	0.04662
		0.04415

BILLING DEMAND:

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

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ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 312

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 23

LARGE INDUSTRIAL RATE – SCHEDULE B3

AVAILABILITY:

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

MONTHLY RATE:

Consumer Charge		
Transformer Size of 10,000 – 14,999 kVa	\$	3,421.59
Transformer Size of 15,000 kVa and greater	\$	5,430.92
Demand Charges per kW		
Contract Demand	\$	6.18
Billing Demand in Excess of Contract Demand	\$	8.98
Energy Charge per kWh	\$	0.04546
		0.04299

BILLING DEMAND:

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

DATE OF ISSUE January 5, 2016

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ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 313

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 26

LARGE INDUSTRIAL RATE – SCHEDULE C1

AVAILABILITY:

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

MONTHLY RATE:

Consumer Charge	\$	614.28
Demand Charge per KW of Billing Demand	\$	6.18
Energy Charge per kWh	\$	0.05236
		0.04989

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

DATE OF ISSUE January 5, 2016

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ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 314

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 29

LARGE INDUSTRIAL RATE – SCHEDULE C2

AVAILABILITY:

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

MONTHLY RATE:

Consumer Charge	\$	1,227.41
Demand Charge per KW of Billing Demand	\$	6.18
Energy Charge per kWh	\$	0.04662 0.04415

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE January 5, 2016

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ISSUED BY *Dobson J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 315

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

8th Revised SHEET NO. 32

LARGE INDUSTRIAL RATE – SCHEDULE C3

AVAILABILITY:

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

MONTHLY RATE:

Consumer Charge		
Transformer Size of 10,000 – 14,999 kVa	\$	3,421.59
Transformer Size of 15,000 kVa and greater	\$	5,430.92
Demand Charge per kW	\$	6.18
Energy Charge per kWh	\$	0.04546
		0.04299

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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May through September	10:00 A.M. to 10:00 P.M.

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ISSUED BY *Debra J. Martin*

SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territory Served

PSC KY NO. 9

Original SHEET NO. 309

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5

5th Revised SHEET NO. 60

SPECIAL OUTDOOR LIGHTING SERVICE – RATE 33

AVAILABILITY OF SERVICE:

This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.

TYPE OF SERVICE:

The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.

RATES

The monthly charge will be the sum of items (1) and (2) below.

- 1. The Energy Rate for each type of lamp shall be as determined by the following formula: \$ ~~0.06036~~ per kWh
0.05789

Monthly Rated kWh = (4100 hours per year X Manufacturer's total input rating in watts) divided by (12 X 1000)

- 2. Facilities Charge – The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each individual agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities.

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE January 5, 2016

MONTH / DATE / YEAR

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SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

6. Provide and explain the internal procedures in place to ensure the timely filing of:

a. FAC filings made pursuant to 807 KAR 5:056, Sections 1(7) and (9);

Upon receipt of the monthly Rate Register Report, typically received on the 16th of each month along with the EKPC monthly invoice for the same month, a form used to calculate fuel cost is completed and dually verified before submitting to the PSC on or before the 25th of each month.

6. Provide and explain the internal procedures in place to ensure the timely filing of:

b. The affidavit certifying compliance or non compliance pursuant with 807 KAR 5:056 as required by Commission Order in initiating FAC reviews; and,

Once an order for the Examination of the Application of the Fuel Adjustment Clause has been received by the Billing and Customer Service Manager of Shelby Energy Cooperative (SEC), a signed and notarized affidavit is drafted indicating SEC has operated in compliance with the provisions of the uniform fuel adjustment clause, as prescribed in 807 KAR 5:056, Section 1 (11) and indicates if any complaints regarding the fuel adjustment clause have been received during said period.

6. Provide and explain the internal procedures in place to ensure the timely filing of:
- c. The affidavit of publication of hearing notice as required by Commission Order in initiating FAC reviews.

Kentucky Association of Electric Cooperatives/Kentucky Living confirms FAC orders via the PSC.ky.gov website. Two months prior to the hearing, Kentucky Living confirms with the co-op the publication issue that will carry the hearing notice. One month prior, Shelby Energy Cooperative, Inc (Shelby Energy) receives a copy of the hearing notice that will be published. Shelby Energy then mails a copy to the PSC within the required time, confirming compliance to the order. On publication mail day, upon USPS postal confirmation, an electronic copy and a hardcopy affidavit are sent to Shelby Energy by Kentucky Living.