

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

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JUN 2 2017

PUBLIC SERVICE
COMMISSION

**In the Matter of Adjustment of Rates)
of Big Sandy Rural Electric Cooperative)
Corporation)**

Case No. 2017-00171

APPLICATION

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

1. Big Sandy is a non-profit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin, and Morgan.
2. The street address for Big Sandy Cooperative, Inc., is 504 11th Street, Paintsville, Kentucky, 41240. Big Sandy's email address is bfrasure@bigsandyrecc.com.
3. The current Articles of Incorporation for Big Sandy were previously filed in Case No. 2011-00408. Big Sandy is incorporated in the Commonwealth of Kentucky and states that it is in good standing. [807 KAR 5:001, Section 14(2)]. Big Sandy requests an adjustment of its existing rates that will result in additional annual revenues in the amount of \$863,043, pursuant to KRS 278.280 and 807 KAR 5:001, Section 16. This will be a 4.0% increase in total annual revenues and will result in a times interest earned ratio ("TIER") of approximately 2.25x. Big Sandy requires this adjustment of its rates to offset the increased costs in the cost of power, materials, equipment, labor and other fixed and variable costs. Big Sandy last received a rate adjustment in Case No. 2012-00030, and all of the aforementioned costs have increased since that time.

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

4. This application is supported by a twelve-month historical test period ending July 31, 2016 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 16(1)(a)1].
5. The annual reports of Big Sandy are on file with the Commission in accordance with 807 KAR 5:006, Section 4(1).
6. A Certificate of Good Standing is attached as Exhibit A. 807 KAR 5:001, Section 14(2).
7. Big Sandy has not filed a Certificate of Assumed Name [807 KAR 5:001, Section 16(1)(b)2].
8. Big Sandy filed with the Commission a written Notice of Intent to file a rate application at least thirty (30) days prior to filing this application. Said Notice of Intent, stated that the rate application would be supported by a historical test period and was served upon the Office of the Attorney General, utility intervention and rate division, as shown on Exhibit E. 807 KAR 5:001, Section 16(2) and 807 KAR 5:001, Section 16(2)(a) and Section 16(2)(c).
9. All affected member/customers will be notified of the filing of this application by publishing a notice as required under 807 KAR 5:01, Section 16(1)(b)(9). This notice includes the information required under 807 KAR 5:001, Section 17 and the subparts thereof. A copy of said notice is attached as Exhibit D. Affidavits from the publisher verifying that the notice has been published will be filed with the Commission no later than forty-five (45) days of the filing date thereof.
10. The Board of Directors of Big Sandy has reviewed the current financial condition of the Cooperative and the need for a rate adjustment to maintain the financial stability and integrity of the Cooperative. The Board of Directors adopted a Motion directing the administrative staff and consultants to proceed with the necessary application and filings with the Public Service Commission to adjust the rates of the Cooperative. A copy of the motion is attached hereto as Exhibit F.
11. Big Sandy is neither a limited partnership nor a limited liability company [807 KAR 5:001, Section 14(3) and Section 14(4)].
12. The proposed tariff in a form that complies with 807 KAR 5:001 is attached as Exhibit B. See 807 KAR 5:001, Section 16(1)(b)(3).
13. The proposed tariff changes, identified in compliance with 807 KAR 5:011, are shown by providing the present and proposed tariffs in comparative form on the same sheet,

side by side, or on facing sheets, side by side, as Exhibit C. 807 KAR 5:001, Section 16(1)(b)4a.

14. A complete description and explanation for all proposed adjustments with proper support thereof for any proposed changes in price or activity levels, and any other factors which may affect the adjustment, including a Revenue Analysis is filed herewith as Exhibit J. 807 KAR 5:001, Section (16)(4)(a).

15. The prepared testimony of each witness supporting the application are attached as Exhibits H. 807 KAR 5:001, Section 16(4)(b).

16. A statement estimating the effect the new rates will have upon the revenues of Big Sandy, including, at a minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease is shown by Exhibit G. 807 KAR 5:001, Section 16(4)(d). The effect upon the average bill for each customer classification to which the proposed rate change will apply is shown by Exhibit I. 807 KAR 5:001, Section 16(4)(e).

17. An analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class is shown by Exhibit J. 807 KAR 5:001, Section 16(4)(g).

18. A summary of Big Sandy's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage or operating ratio, with supporting schedules is shown by Exhibit K. 807 KAR 5:001, Section 16(4)(h).

19. A reconciliation of the rate base and capital used to determine its revenue requirements is shown by Exhibit L. 807 KAR 5:001, Section 16(4)(i).

20. A current chart of accounts is shown by Exhibit M. 807 KAR 5:001, Section 16(4)(j).

21. The independent auditor's report is attached as Exhibit N. 807 KAR 5:001, Section 16(4)(k).

22. The Federal Energy Regulatory Commission or Federal Communications Commission have not audited Big Sandy and no audit reports exist. 807 KAR 5:001, Section 16(4)(l).

23. No Federal Energy Regulatory Commission Form 1 exists for Big Sandy. 807 KAR 5:001, Section 16(4)(m).

24. Big Sandy had a depreciation study performed as of December 31, 2007 and was approved in Case No. 2008-00401. 807 KAR 5:001, Section 16(4)(n).

25. A list of commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of this application are attached as Exhibit O. 807 KAR 5:001, Section 16(4)(o).
26. No stock or bond offerings have been made by Big Sandy. 807 KAR 5:001, Section 16(4)(p).
27. Annual Reports to members for 2015 and 2014 are attached as Exhibit P. 807 KAR 5:001, Section 16(4)(q).
28. The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period are attached as Exhibit Q. 807 KAR 5:001, Section 16(4)(r).
29. No Securities and Exchange Commission Annual Reports exist as for Big Sandy because it is not regulated by that regulated body. 807 KAR 5:001, Section 16(4)(s).
30. Big Sandy had no amounts charged or allocated to it by an affiliate or general or home office and did not pay monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years. 807 KAR 5:001, Section 16(4)(t).
31. A cost of service study based on a methodology generally accepted within the electric industry and based on current and reliable data for the test period is attached as Exhibit R. 807 KAR 5:001, Section 16(4)(u).
32. Big Sandy is not a Local Exchange Carrier or Company as set forth in 807 KAR 5:001, Section 16(4)(v).
33. A detailed income statement and balance sheet reflecting the impact of all proposed adjustments is attached as Exhibit S. 807 KAR 5:001, Section 16(5)(a).
34. No “proposed pro forma adjustments reflecting plant additions” exist or apply to Big Sandy. 807 KAR 5:001, Section 16(5)(b) and Section 16(5)(c).
35. The operating budget for each month of the period encompassing the pro forma adjustments is attached as Exhibit T. 807 KAR 5:001, Section (16)(8)(d).
36. Additional financial exhibits required by 807 KAR 5:001, Section 16, financial information covering twelve (12) month historical test period ending July 31, 2016, and other information required to be filed is attached by exhibits, as follows:

Exhibit U By-Laws

Exhibit V	Detailed comparative income statement, statement of cash flows and balance sheet
Exhibit W	Schedule showing monthly comparison of balance sheet accounts from test year to preceding year.
Exhibit X	Monthly comparison on income statement accounts from test year to proceeding year
Exhibit Y	Trial Balance at end of test year
Exhibit Z	Capital structure
Exhibit 1	Adjustments for salaries and wages
Exhibit 2	Adjustments for payroll taxes
Exhibit 3	Adjustment for depreciation
Exhibit 4	Adjustment for property taxes
Exhibit 5	Adjustment for long term and short term interest
Exhibit 6	Adjustment for pension cost
Exhibit 7	Adjustment for donations
Exhibit 8	Adjustment for professional fees
Exhibit 9	Adjustment for director fees and expenses
Exhibit 10	Adjustment for miscellaneous and annual meeting costs
Exhibit 11	Adjustment for rate case expenses
Exhibit 12	Adjustment for FEMA reimbursements
Exhibit 13	Adjustment for G&T capital credits
Exhibit 14	Adjustment for non-recurring charges
Exhibit 15	Adjustment for purchase power
Exhibit 16	Adjustment for normalized revenue

Exhibit 17 End of year customer adjustment

Exhibit 18 KAEC Statistical Comparison

Exhibit 19 Union contract

Exhibit 20 Equity Management Plan

Exhibit 21 Capitalization policies

37. Big Sandy requests that the rate adjustments proposed herein be allowed to become effective as contemplated by this filing.

38. Big Sandy requests that a copy of any documents served in this matter be served upon each of the following persons:

Billy O'Brian Frasure, Accounting & Finance Manager

bfrasure@bigsandyrecc.com

504 11th Street

Paintsville, KY 41240

Lance Daniels, Attorney at Law

225 Main Street

Paintsville, KY 41240

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

Dated: May 31, 2017

I, Billy O'Brian Frasure, Accounting & Finance Manager of Big Sandy Rural Electric Cooperative Corporation, state that the statements contained in the foregoing application are true to the best of my information and belief.

Big Sandy Rural Electric Cooperative Corporation

Billy O'Brian Frasure
Billy O'Brian Frasure, Accounting & Finance Manager

STATE OF KENTUCKY
COUNTY OF JOHNSON

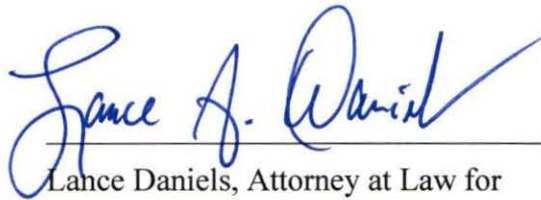
I, the undersigned, a Notary Public, do hereby certify that on this 31st day of May, 2017, personally appeared before me BILLY O'BRIAN FRASURE, who being by me first duly sworn, subscribed to and acknowledged that he is the Accounting & Finance Manager of Big Sandy Rural Electric Cooperative Corporation, a Kentucky corporation, that she signed the foregoing document as Accounting & Finance Manager of the corporation, and that the statements therein contained are true.

Robin Stone
NOTARY PUBLIC, State of Kentucky, At Large

My commission expires July 12, 2019

COUNSEL:

I hereby certify that the foregoing and its attachments, exhibits, and testimony has been submitted to the Commission along with ten (10) copies with the paper originals hand-delivered and further that the Attorney General of Kentucky, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601 has been also mailed a copy this 31st day of May, 2017.

A handwritten signature in blue ink, reading "Lance A. Daniels", is written over a horizontal line.

Lance Daniels, Attorney at Law for

Big Sandy Rural Electric Cooperative Corporation

225 Main Street

Paintsville, KY 41240

(606) 264-7004

Commonwealth of Kentucky
Alison Lundergan Grimes, Secretary of State

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

Certificate of Existence

Authentication number: 189822

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

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


BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 272, whose date of incorporation is September 5, 1940 and whose period of duration is perpetual.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 23rd day of May, 2017, in the 225th year of the Commonwealth.




Alison Lundergan Grimes
Secretary of State
Commonwealth of Kentucky
189822/0004187

Big Sandy RECC

ORIGINAL

PSC KY NO. 2004-00468

CANCELS PSC KY NO. 2002-00436

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

OF

PAINTSVILLE, KENTUCKY 41240

RATES, RULES AND REGULATIONS FOR FURNISHING

ELECTRICITY

AT

**Johnson, Floyd, Martin, Lawrence, Morgan, Magoffin, Knott and Breathitt Counties in
Kentucky**

Filed with

PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED: MAY 24, 2005 EFFECTIVE: JUNE 1, 2005

**Issued By: Big Sandy Rural Electric
Cooperative Corporation**

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/1/2005**

**PURSUANT TO 807 KAR 5:011
SECTION 9 (1)**

By 
Executive Director

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2017-00171****2nd REVISED SHEET NO. 1****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2012-00030****1st REVISED SHEET NO. 1**

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	\$ 18.00	per month	(I)
Energy charge	0.09077	per KWH	(I)
Off peak energy charge	0.05446		(I)

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months**Off-Peak Hours (EST)**

October through April

12:00 noon to 5:00 PM

10:00 PM to 7:00 AM

May through September

10:00 PM to 10:00 AM

DATE OF ISSUE: June 2, 2017**DATE EFFECTIVE:** July 5, 2017**ISSUED BY:** _____**TITLE:** PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2017-00171

3rd REVISED SHEET NO. 2

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2012-00030

2nd REVISED SHEET NO. 2

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

MINIMUM CHARGES:

The minimum monthly charge under the above rate is \$18.00. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required. (I)

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

DATE OF ISSUE: June 2, 2017

DATE EFFECTIVE: July 05, 2017

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. 2017-00171, dated July 5, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO.

1ST REVISED SHEET NO. 3**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO.

ORIGINAL SHEET NO. 3

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME**RATE PER UNIT**

(T) 20. LEVELIZED BUDGET BILLING PLAN

OBJECTIVE: To establish a procedure whereby members may pay their electric bill in monthly installments.

AVAILABILITY: Availability to all Big Sandy Rural Electric Cooperative residential members who have received service at their present location for (1) year, and a zero account balance when the request is made.

TERMS OF LEVELIZED BUDGET BILLING:

1. A member who qualifies may be placed on or removed from levelized budget billing in any month of the year. However any member's electric bill must be current to be enrolled in the plan.
2. This is a continuous plan with no catch up month. As stated by 807 KAR 5:006 Section 13, the member's account will be adjusted through a series of levelized adjustments on a monthly basis to bring the member's account current once each (12) month period. Upon disconnection or removal from levelized budget billing, all accumulated debits shall become due and payable at this time. Upon disconnection of service, any credits shall be refunded to the member. Upon removal from the plan, any credits shall be applied to the member's active account.
3. The levelized budget billing must be paid by the normal due date each month.
4. The cooperative may cancel the levelized budget plan for accounts delinquent more than two (2) times in a twelve (12) month period and for any non-payments.
5. A member must sign a levelized budget billing plan agreement.

CALCULATIONS FOR MONTHLY BILLING

1. Each billing will be based on the past eleven (11) months kilowatt hour usage, and the current month kilowatt hours usage shall be added to provide a moving average based on twelve months kilowatt hour usage. In addition, a series of monthly levelized adjustments will be calculated and added to the average amount. The monthly adjustment will be one-twelfth (1/12) of the unpaid balance. No adjustment will be calculated for a credit balance.
2. Each succeeding month the oldest month's usage shall be dropped and the current month's usage added.

DATE OF ISSUE: Feb. 7, 2013**DATE EFFECTIVE:** April 1, 2013**ISSUED BY:** _____**TITLE:** President /General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____,
dated _____.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC COOPERATIVE
CORPORATION

PSC NO.

ORIGINAL SHEET NO. 3.1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

(T)

3. Since the averages shall be based on kilowatt hour usage, any taxes, security lights, fuel adjustments costs, and other monthly charges will be added.
4. Therefore, each month's electric bill will not be exactly the same, and the electric bill will vary from month to month.
5. Each monthly bill will reflect the actual amount of electricity used and the status of the member's account, including the current amount to be paid.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE: Feb. 7, 2013

DATE EFFECTIVE: April 1, 2013

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____,
dated _____.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED**

PSC NO. 2017-00171

1st REVISED SHEET NO. 4**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2012-00030

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:Available to commercial loads having a required transformer
capacity not to exceed 25 KVA**TYPE OF SERVICE:**

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	\$ 29.00	per month	I
Energy charge	0.07925	per KWH	I
Demand charge	5.50	per KW	

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be \$29.00 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: June 2, 2017**DATE EFFECTIVE: July 5, 2017****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2017-00171

ORIGINAL SHEET NO. 5

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 5

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

TEMPORARY SERVICE:

Temporary service shall be supplied in accordance with the foregoing rate except that there shall be an additional charge of one dollar and twenty-five cents (\$1.25) for each kilowatt or fraction thereof of connected load for each month or fraction thereof that service is connected. Bills will not be prorated for a fractional part of a month. The customer shall in addition, pay the total cost of connecting and disconnecting service less the value of materials returned to stock. The cooperative may require a deposit, in advance, of two-twelfth (2/12) of the estimated annual bill.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2017-00171

ORIGINAL SHEET NO. 6

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 6

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten Horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) Must be three-phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 25 KVA. Customers requiring more than 25 KVA shall be served under an appropriate schedule for large power service.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2017-00171****1st REVISED SHEET NO. 7****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2012-00030****ORIGINAL SHEET NO. 7**

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	\$ 6.25	per KW of billing	
Secondary Meter Energy Charge	0.06300	per KWH	I
Primary Meter Energy Charge	0.05670	per KWH	I
Customer Charge Per Delivery Point	110.00	per Month	I

DETERMINATION OF BILLING DEMAND:

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

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

DATE OF ISSUE: June 02, 2017**DATE EFFECTIVE: July 05, 2017****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2017-00171

1st REVISED SHEET NO. 8

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2012-00030

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall be the highest one of the following charges as determined for the customer in question.

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of one hundred and ten dollars (\$110.00) I

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

TYPE OF SERVICE:

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

DATE OF ISSUE: June 2, 2017

DATE EFFECTIVE: July 05, 2017

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 9

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 9

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

CONDITIONS OF SERVICE:

1. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three-phase.
2. Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, it shall be a kilowatt-hour meter only (not a demand meter). The registration of the two kilowatt-hour meters shall be added to obtain the total kilowatt hours used and the registration of the one demand meter shall determine the kilowatt demand for billing purposes.
3. All wiring, pole lines, and other electrical equipment beyond the metering point, shall be considered the distribution system of the customer and shall be furnished and maintained by the customer.
4. If service is furnished at primary distribution voltage, the primary meter energy charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher, In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, date October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2017-00171****1st REVISED SHEET NO. 10****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2012-00030****ORIGINAL SHEET NO. 10**

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE**RATE PER UNIT**

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$ 6.25	per KW of billing demand	
Secondary Meter Energy Charge:	0.06100	per KWH	I
Primary Meter Energy Charge:	0.05500	per KWH	I
Customer Charge Per Delivery Point:	\$ 125.00	per month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

DATE OF ISSUE: June 02, 2017**DATE EFFECTIVE: July 05, 2017****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER****Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated
July 05, 2017.**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 11

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 11

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

MINIMUM CHARGES:

The minimum monthly charge shall be the highest one of the following charges:

- (a) The minimum monthly charge as specified in the contract for service.
- (b) A charge of seventy-five cents (\$.75) per KVA per month of contract capacity.

FUEL COST ADJUSTMENT:

All rates are applicable to the Fuel Adjustment Clause and 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.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 12

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 12

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. Lighting – Both power and lighting shall be billed at the foregoing rate.
3. Primary Service – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2017-00171****1st REVISED SHEET NO. 13****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2012-00030****ORIGINAL SHEET NO. 13**

CLASSIFICATION OF SERVICE

SCHEDULE YL-1**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

RATES:

Flat rate per light per month as follows:

175	Watt	@	\$ 9.68	per month	I
400	Watt	@	14.56	per month	I
500	Watt	@	17.16	per month	I
1,500	Watt	@	39.91	per month	I
400	Watt Flood	@	19.67	per month	I
60	Watt LED	@	9.68	per month	N
65	Watt LED	@	9.68	per month	N
70	Watt LED	@	9.68	per month	N
145	Watt LED	@	14.56	per month	N

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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%

DATE OF ISSUE: June 2, 2017**DATE EFFECTIVE: July 05, 2017****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 14

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 14

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL RULES:

Those members having primary metering or receiving service at a voltage other than approximately 120 volts shall not be eligible for service under this rate schedule except for special agreement.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

PSC NO. 2012-00030

ORIGINAL SHEET NO. 15

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 15

CLASSIFICATION OF SERVICE

SCHEDULE IND 1**RATE PER UNIT**

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand
Secondary Meter Energy Charge	0.05701	per KWH
Primary Meter Energy Charge:	0.05638	per KWH
Customer Charge:	\$ 165.06	

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer's highest demand during the current month or the preceding eleven months coincident with the load center's peak 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 for each month and adjusted for power factor as provided herein:

Months:

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

DATE OF ISSUE: Oct. 31, 2012**DATE EFFECTIVE: Oct. 31, 2012****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 16

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 16

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

MINIMUM MONTHLY CHARGE:

The Minimum monthly charge shall not be less than the sum of (A), (B) & (C) below:

- A. The product of the billing demand multiplies by the demand charge, plus
- B. The product of the billing demand multiplies by 425 hours and the energy charge per KWH,
plus
- C. Consumer Charge

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and dividing this product by the actual power factor at the time of the monthly maximum demand.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated
October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****PSC NO. 2012-00030****ORIGINAL SHEET NO. 17****CANCELLING PSC NO. 2010-00496****ORIGINAL SHEET NO. 17**

CLASSIFICATION OF SERVICE

SCHEDULE IND 1**RATE PER UNIT**

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 12-month moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. Lighting – Both power and lighting shall be billed at the foregoing rate.

DATE OF ISSUE: Oct. 31, 2012**DATE EFFECTIVE: Oct. 31, 2012****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 18

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 18

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

3. **Primary Service** – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2012-00030****ORIGINAL SHEET NO. 19****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2010-00496****ORIGINAL SHEET NO. 19**

CLASSIFICATION OF SERVICE

SCHEDULE IND 2**RATE PER UNIT**

APPLICABLE:

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand
Secondary Meter Energy Charge	0.05151	per KWH
Primary Meter Energy Charge	0.05102	per KWH
Customer Charge	\$ 1,176.33	

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer's highest demand during the current month or the preceding eleven months coincident with the load center's peak 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 for each month and adjusted for power factor as provided herein.

DATE OF ISSUE: Oct. 31, 2012**DATE EFFECTIVE: Oct. 31, 2012****ISSUED BY: _____****TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 20

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 20

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

Months:

October through April

7:00 AM to 12:00 Noon

5:00 PM to 10:00 PM

May through September

10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (A), (B) & (C) below:

- A. The product of the billing demand multiplies by the demand charge, plus
- B. The product of the billing demand multiplies by 425 hours and the energy charge per KWH,
plus
- C. Consumer charge.

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and dividing this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 12-month

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

**Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated
October 31, 2012.**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 21

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 21

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. Lighting – Both power and lighting shall be billed at the foregoing rate.
3. Primary Service – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Oct. 31, 2012

DATE EFFECTIVE: Oct. 31, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.

FOR All Territory Se ved

PSC KY NO. _____

2nd Revised SHEET NO. 22
CANCELLING PSC KY NO. _____

1st Revised SHEET NO. 22

Big Sandy Rural Electric Cooperative
(NAME OF UTILITY)

Renewable Energy Program – Rate 24

STANDARD RIDER

This “Renewable Energy Program” is a rider to all current rate schedules. The purpose of this program is to provide retail customers with a source of renewable energy or renewable energy attributes called Renewable Energy Certificates (“REC”), whereby Big Sandy RECC, via its participation in East Kentucky Power Cooperative’s (EKPC) Renewable Energy Program (Envirowatts), will aggregate the contributions provided by the retail customers to develop renewable energy, purchase renewable energy, or purchase Renewable Energy Certificates.

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DEFINITIONS

- a) Renewable energy is that electricity which is generated from renewable sources including: solar, wind, hydroelectric, landfill gas, and other renewable resources deemed to be Green-E certified.
- b) A REC is the tradable renewable energy attribute which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of renewable energy from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one MWh of renewable energy.

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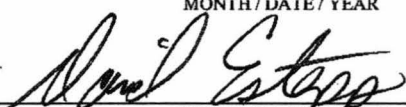
AVAILABILITY OF SERVICE

This rider is available to any customer on any rate schedule. Customers may participate in the program by contributing monthly as much as they like in \$2.75 increments (e.g., \$2.75, \$5.50, \$8.25, or more per month). The Customer may allocate their “Renewable Energy Program” contribution to a type or types of renewable energy offered by the Envirowatts program (solar, wind, hydroelectric, or landfill gas). Funds provided by the customer are not refundable.

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DATE OF ISSUE January 14, 2015
MONTH / DATE / YEAR

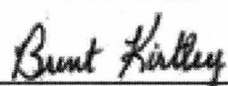
DATE EFFECTIVE February 14, 2015
MONTH / DATE / YEAR

ISSUED BY 
SIGNATURE OF OFFICER

TITLE President & General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <u></u>
EFFECTIVE 2/14/2015 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territory Served

PSC KY NO. _____

2nd Revised SHEET NO. 23

CANCELLING PSC KY NO. _____

1st Revised SHEET NO. 23

Big Sandy Rural Electric Cooperative
(NAME OF UTILITY)

Renewable Energy Program- Rate 24 (con't.)

ELIGIBILITY

A "Pledge to Purchase Renewable Energy" must be signed by the customer prior to service under this rider. Customers may not owe any arrearage prior to participating in the Renewable Energy Program.

N

RATE

Voluntary monthly contributions of any amount in \$2.75 increments.

N

BILLING AND MINIMUM CHARGE

The customer will be billed monthly for the amount the customer pledged to contribute in their "Pledge to Purchase Renewable Energy". Existing Envirowatts retail participants will be billed at their existing rate of \$2.75 per their existing agreement or pledge.

N



TERMS OF SERVICE AND PAYMENT

This schedule shall be subject to all other terms of service and payment of the applicable tariffs and adjustment clauses to which it is applied to each customer. The fuel adjustment clause and the environmental surcharge are not applicable to the Renewable Energy Program contributions.

N



DATE OF ISSUE January 14, 2015
MONTH / DATE / YEAR

DATE EFFECTIVE February 14, 2015
MONTH / DATE / YEAR

ISSUED BY 
SIGNATURE OF OFFICER

TITLE President & General Manager

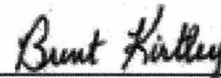
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



EFFECTIVE

2/14/2015

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES**FOR TERRITORIES SERVED****PSC NO. 2017-00171****2nd REVISED SHEET NO. 25****CANCELLING PSC NO. 2010-00496****1st REVISED SHEET NO. 25****BIG SANDY RURAL ELECTRIC COOPERATIVE
CORPORATION****CLASSIFICATION OF SERVICE****SCHEDULE IND 1-B****RATE PER UNIT****APPLICABLE**

Applicable to contracts with contract demands of 500 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY

Available to all members

MONTHLY RATE

Demand Charge			
Contract Demand	\$	6.16 per kW of Billing Demand	
Excess Demand		8.93 per kW of Billing Demand	
Secondary Meter Energy Charge		0.05400 per kWh	I
Primary Meter Energy Charge		0.05250 per kWh	I
Customer Charge	\$	185.00	I

BILLING DEMAND

The monthly 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) for each month, and adjusted for power factor as provided herein.

Months – All hours are Eastern Standard Time

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: June 02, 2017

Date Effective: July 05, 2017

Issued By: _____

Title: President & General Manager

FORM FOR FILING RATE SCHEDULES

FOR TERRITORIES SERVED
PSC NO. 20 SCHEDULE IND 1-B
ORIGINAL SHEET NO. 26

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CLASSIFICATION OF SERVICE

SCHEDULE IND 1-B

RATE PER UNIT

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (A), (B), & © below:

- A. The product of the billing demand multiplied by the demand charge, plus
- B. The product of the contract demand multiplied by 400 hours and the energy charge per kWh, plus
- C. The Customer Charge

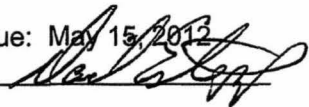
(N)

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and dividing this product by the actual power factor at the time of monthly maximum demand.

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Supplier, plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on 12-month moving average of such losses. This fuel %:056.

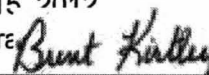
Date of Issue: May 15, 2012
Issued By: 

Date Effective: June 15, 2012
Title: President/General Manager

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



EFFECTIVE

6/15/2012

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR TERRITORIES SERVED
PSC NO. 20 SCHEDULE IND 1-B
ORIGINAL SHEET NO. 27

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CLASSIFICATION OF SERVICE

SCHEDULE IND 1-B

RATE PER UNIT

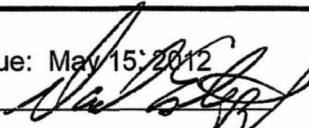
SPECIAL PROVISIONS:

- 1 Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the low side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer. (N)
- 2 Lighting - Both power and lighting shall be billed at the foregoing rate.
- 3 Primary service - If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

Date of Issue: May 15, 2012

Issued By: 

Date Effective: June 15, 2012

Title: President/General Manager

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

EFFECTIVE

6/15/2012

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

I N D E X

BIG SANDY RECC

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 28 1992

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Charles H. Miller
PUBLIC SERVICE COMMISSION MANAGER

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 1
Cancelling PSC No. _____
Original Sheet No. _____

GENERAL

1. SCOPE

This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from the Cooperative and applied to all service received from the Cooperative whether the service received is based upon a contract, agreement, signed application, or otherwise. No employee or individual director of the Cooperative is permitted to make an exception to rates or Rules and Regulations. Rates and service information can be obtained from the Cooperative's office or Cooperative personnel.

2. REVISIONS

These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time after approval of Big Sandy RECC's Board of Directors and the Public Service Commission. Such changes when effective shall have the same force as the present Rules and Regulations. The Consumers shall be informed of any changes as soon as possible, after adoption by the Board of Directors, through the Cooperative's monthly newsletter or direct mailing.

3. CONTINUITY OF SERVICE

The Cooperative shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy, but if such a supply should fail or be interrupted or become defective through an act of God, or the public enemy, or by accident, strikes, labor troubles, or by action of the elements, or by inability to secure right(s)-of-way or other permits needed, or for any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable.

4. RIGHT OF ACCESS

Each consumer shall give and grant right of access to the Cooperative without paid compensation to his, hers, or its lands and premises for the purpose of placing, locating, building, constructing, operating, replacing, rebuilding, relocating, repairing, improving, enlarging, extending and maintaining on, over, or under such lands and premises, or anchors and other necessary or

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
MAY - 1 1996

PURSUANT TO 807 KAR 5.011
SECTION 9(1)

DATE OF ISSUE: APRIL 24, 1996

DATE EFFECTIVE: MAY 1, 1996

ISSUED BY: *Bruce A. Davis*

TITLE: President/General Manager

Issued by authority of an Order of the Public Service Commission
Case No. 95-383

Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 2
Cancelling PSC No. _____
Original Sheet No. _____

appurtenant parts.

5. CONSUMER'S RESPONSIBILITY FOR COOPERATIVE'S PROPERTY

All meters, service connections, and other equipment furnished by the Cooperative shall be, and remain, the property of the Cooperative. The consumers shall exercise proper care to protect the property of the Cooperative on its premises; and in the event of loss or damage to the Cooperative's property arising from neglect of the consumer to care for same, the cost of necessary repairs or replacement shall be paid by the consumer.

6. CONSUMER EQUIPMENT

Point of Delivery - The point of delivery is the point as designated by the Cooperative on consumer's premises where current is to be delivered to building or premises; namely the point of attachment shall be the meter. A consumer requesting a delivery point different from the one designated by the Cooperative will be required to pay the additional cost of providing the service at such delivery point. All wiring and equipment beyond this point of delivery shall be supplied and maintained by the consumer.

7. CONSUMER'S WIRING STANDARDS

All wiring of consumer's buildings and premises must conform to Distributor requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electric Code.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY -1 1996

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE: APRIL 24, 1996

ISSUED BY: Bruce A. Davis
Issued by authority of an Order of
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President/General Manager

the Public Service Commission of KY in
Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 3
Cancelling PSC No. _____
Original Sheet No. _____

8. INSPECTIONS

The Cooperative shall have the right, but shall not be obligated to inspect any installation before electricity is introduced, or at any later time, and reserves the right to reject any wiring or appliances not in accordance with the National Electric Code or other governing bodies, but such inspection or failure to inspect or reject shall not render the Cooperative liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of the Cooperative rules, or from accidents which may occur upon consumer's premises. Further, if it is required, it shall be the responsibility of the consumer to present to the Cooperative a certificate of inspection covering all State and Local ordinances in effect at the time, before such connections are to be made.

9. RELOCATION OF LINES

The Cooperative will cooperate with all political subdivisions in the construction, improvement or rehabilitation of public streets and highways. It is expected that these political subdivisions will give reasonable notice to permit the cooperative to relocate its lines to permit the necessary road construction. If the Cooperative's poles, anchors and other appurtenances are located within the confines of the public right(s)-of-way, the Cooperative shall make the necessary relocation at its own expense. If the Cooperative's poles, anchors or other facilities are located on private property, the political subdivision then shall agree to reimburse the Cooperative. Upon request by consumer-property owner, where facilities are to be relocated, relocation will be considered provided adequate right-of-way can be obtained for relocation requested. The consumer owner will be required to pay the cost of materials necessary to make the requested change unless one or more of the following conditions are met:

- (a) The relocation is made for the convenience of the Cooperative
- (b) The relocation will result in a substantial improvement in the Cooperative's facilities or their location

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE: APRIL 24, 1996

ISSUED BY: Bruce A. Davis

Issued by authority of an Order of the Public Service Commission of KY in
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President/General Manager

Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 4
Cancelling PSC No. _____
Original Sheet No. _____

- (c) That the relocation is associated with other regularly scheduled conversion or construction work and can be done at the same time.
- (d) Per consumer-owner request when right-of-way is provided. In such instance consumer-owner will be required to pay for making requested changes.

10. SERVICES PERFORMED FOR CONSUMERS

The Cooperative's personnel shall not while on duty make repairs or perform service to the consumer's equipment or property except in cases of emergency or to protect the public or consumer's person or property. When such emergency services are performed, the consumer may be charged for such service(s) at the rate of time and material(s) used.

11. RESALE OF POWER BY CONSUMERS

All purchased electric service used on the premises of the member shall be supplied exclusively by the Cooperative, and the consumer shall not directly or indirectly sell, sublet, or otherwise dispose of the electric service or any part thereof, except by written contract approved by the Board of Directors.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY - 1 1996

PURSUANT TO 807 KAR 5011.
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE: APRIL 24, 1996
ISSUED BY: Bruce A. Davis
Issued by authority of an Order of the Public Service Commission of KY in
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996
TITLE: President/General Manager
Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For All Territories Served

P.S.C. No. _____

Second Revised Sheet No. 5

Canceling First Revised Sheet No. 5

Original Sheet No. _____

SERVICE EXTENTIONS

12. TEMPORARY COMMERCIAL SERVICE

Facilities that are temporary in nature for commercial ventures such as mines, tipples, oil wells, sawmills, etc., will be provided if the applicant pays an advance fee equal to the reasonable cost of construction of the facilities.

13. DISTRIBUTION LINE EXTENSIONS TO MOBILE HOMES

- (a) All extensions of up to 150 feet from the nearest distribution line shall be made without charge. Extensions of greater than 150 feet from the nearest distribution line up to 500 feet shall be made if the customer pays a "customer advance for construction" of fifty (\$50) dollars in addition to any other charges required by the utility for all customers. This advance shall be refunded at the end of one (1) year, if service to the mobile home continues for that length of time. For extensions greater than 500 feet up to 1,000 feet from the nearest distribution line, Big Sandy will charge an advance equal to the reasonable costs incurred by it for that portion of service beyond 500 feet plus \$50. This advance shall be refunded to the customer over a four (4) year period in equal amounts for each year service is continued. The customer advance for construction of \$50 shall be added to the first of four (4) refunds. N
- (b) For extensions greater than 1,000 feet from the nearest facility, the Cooperative may charge an advance equal to the reasonable costs incurred by it for that portion of the service beyond 1,000 feet. T
- (c) This advance shall be refunded to the consumer over a ten (10) year period in equal amounts for each year the service is continued. T
- (d) If the Service is discontinued for a period of sixty days, or should the mobile home be removed and another not take its place within sixty (60) days, or be replaced by a permanent structure, the remainder of the advance shall be forfeited. T
- (e) No refunds shall be made to any consumer who did not make the advance originally. T
- (f) Extensions made under this section above shall be made on an "Estimated Average Cost" per foot of line. This cost may be reviewed and updated at six-month intervals. T
- (g) Nothing herein shall be constructed as to prohibit the Cooperative from making at its expense greater extensions than herein prescribed, should its judgement so dictate, provided like free extensions are made to other consumers under similar conditions. T
- (h) The prospective member shall apply for and contract to use the service for one (1) year or more and provide guarantees for such service. T

DATE OF ISSUE June 30, 2006 DATE EFFECTIVE: _____

ISSUED BY: Bobby D. Sexton TITLE President/General Manager

Issued by authority of an Order of the Public Service Commission

Case No. _____ Dated _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
11/1/2006
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By 
Executive Director

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 6
Cancelling PSC No. _____
Original Sheet No. _____

14. DISTRIBUTION LINE EXTENSION FOR RESIDENTIAL CONSUMERS
ONLY - PERMANENT STRUCTURES

- (1) Normal extensions. An extension of 1,000 feet or less shall be made by the Cooperative to its existing distribution line without charge for a prospective consumer who shall apply for and contract to use the service for one (1) year or more and provides guarantee for such service. The "service drop" to the point of attachment from the distribution line at the last pole shall not be included in the foregoing measurements.
- (2) Other Extensions.
 - (a) When an extension of the Cooperative's line to serve an applicant or group of applicants amounts to more than 1,000 feet per consumer, the Cooperative may, (if not inconsistent with its filed tariff), require the total cost of the excessive footage over 1,000 feet per consumer to be deposited with the Cooperative by the applicant or applicants based on the average estimated cost per foot of the total extension.
 - (b) Each year for a period of not less than ten (10) years, (which for the purpose of this rule shall be the refund period), the Cooperative shall refund to the consumer or consumers who paid for the excessive footage the cost of 1,000 feet of the extension in place for each additional consumer connected during the year whose service line is directly connected to the extension installed and not to extensions or laterals therefrom. In no case shall the total amount refunded exceed the amount paid the Cooperative. After the end of the refund period, no refund will be required to be made.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY - 1 1996

PURSUANT TO 807 KAR 5011.
SECTION 9 (1)

BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE, APRIL 24, 1996

ISSUED BY: Bruce A. Davis

Issued by authority of an Order of the Public Service Commission of KY in
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President/General Manager

Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 7
Cancelling PSC No. _____
Original Sheet No. _____

- (c) An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of not less than ten (10) years the Cooperative shall refund to the applicant who paid for the extension a sum equivalent to the cost of 1,000 feet of the extension installed for each additional consumer connected during the year, but in no case shall the total amount refunded exceed the amount paid to the Cooperative. After the end of the refund period from the completion of the extension, no refund will be required to be made.
- (d) Nothing contained herein shall be constructed as to prohibit the Cooperative from making extensions under different arrangements provided such arrangements have been approved by the Commission.
- (e) Nothing herein shall be constructed as to prohibit the Cooperative from making at its expense greater extensions than herein prescribed, should its judgement so dictate, provided like free extensions are made to other consumers under similar conditions.

15. ELECTRIC UNDERGROUND EXTENSIONS

Members will comply with the provisions of KAR 807 5:041, Sec.21, with the exception and addition to the following.

- All underground cable will be put in conduit.
- Member will perform trenching, conduit and backfilling according to National Safety Electric Code specifications.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Individual Services

MAY -1 1996

- Cooperative will provide the 1st 100 feet of underground cable at no cost. All footage in excess of 100 feet will require an advance fee equivalent to the cost of the cable. This fee will be reviewed and updated annually.

PURSUANT TO KAR 5011,
SECTION 9(1)
BY John C. Neal
FOR THE PUBLIC SERVICE COMMISSION

Subdivisions

- The Cooperative will provide all underground cable at no cost.

DATE OF ISSUE: APRIL 24, 1996

ISSUED BY: Bruce A. Davis
Issued by authority of an Order of
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President/General Manager

the Public Service Commission of KY in
Dated June 17, 1996.

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR ALL TERRITORIES SERVED

PSC NO

1st REVISED SHEET NO. 8

CANCELLING PSC NO

ORIGINAL SHEET NO. 8

SERVICE PROCESS

16. APPLICATION FOR SERVICE

Each prospective consumer desiring electric service will be required to sign the Cooperative's Membership Application, and sign a contract when necessary, before service is supplied by the Cooperative and provide the Cooperative with necessary easements or right (s)-of-way permits.

17. REFUSAL OF SERVICE

The Cooperative may refuse service to an applicant when the following situations exist.

- A. Dangerous condition exists.**
- B. Fraudulent or illegal use of service.**
- C. Non-compliance with Cooperative Rules & Regulations.**
- D. When applicant refuses to provide reasonable access to premises.**
- E. Non-compliance with State, local or other codes, rules and regulations that are applicable to providing service.**
- F. When an applicant or consumer is indebted to the Cooperative for services furnished, until indebtedness is paid.**

DATE OF ISSUE: 01/03/2013

ISSUED BY:

ISSUED BY AUTHORITY OF AN ORDER OF THE PUBLIC SERVICE COMMISSION OF KY

DATED:

DATE EFFECTIVE: 12/24/2012

TITLE: PRESIDENT & GENERAL MANAGER

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

12/24/2012

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR ALL TERRITORIES SERVED

PSC NO.

1st REVISED SHEET NO. 9

CANCELLING PSC NO.

ORIGINAL SHEET NO. 9

18. DEPOSITS

The Cooperative may require a cash deposit or guaranty, equaling (2/12) of an estimated annual bill of the applicant's service or a similar service if no history is available, to secure payment of bills except reconnections under the Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit.

A. Interest

Interest will accrue on all deposits at the rate prescribed by law beginning on the date of the deposit and will be paid annually, in January, by credit to the customer's bill.

B. Waiver

The deposit may be waived for a residential service upon customer's showing of satisfactory credit and payment history at the Cooperative or the most current previous electric utility. They shall have been delinquent no more than two (2) times and no returned checks nor on cut off list in a twelve (12) months period.

C. Refunds

Required deposits may be refunded to residential customers who establish a satisfactory payment record for a period of two (2) years. They shall have been delinquent no more than two (2) times in the last twenty-four (24) months with no returned checks and not on the cut-off list. Upon termination of service, the deposit and any interest earned will be credited to the final bill and any remainder refunded to the customer.

D. Additional Deposit Required

If a deposit has been waived or returned and the customer becomes delinquent more than three (3) times in a twelve (12) months period a deposit be required. The Cooperative may require a deposit in addition to the initial deposit if the customer's classification of service changes or if there is a substantial change in usage.

DATE OF ISSUE: 01/03/2013

ISSUED BY: 

ISSUED BY AUTHORITY OF AN ORDER OF THE PUBLIC SERVICE COMMISSION OF KY

DATED: _____

DATE EFFECTIVE: 12/4/2012

TITLE: PRESIDENT & GENERAL MANAGER

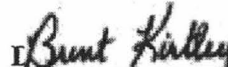
12/4/2012

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH



**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR ALL TERRITORIES SERVED
PSC NO.
3RD REVISED SHEET NO. 10
CANCELLING PSC NO.
2ND REVISED SHEET NO. 10

E. Recalculation

The deposit will be recalculated every eighteen (18) months at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten dollars (\$10.00) for a residential customer or ten percent (10%) for a non-residential customer, the Cooperative may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

F. Forfeiture of Deposit

If new service is requested and built and not connected to weatherhead within six (6) months, the member will forfeit the deposit and it will be applied toward the cost of constructing the line.

19. BILLING SCHEDULE

1ST of Month – bills are sent electronically or by mail to members and are due immediately, net amount due.

21ST of Month- bills are delinquent and gross amount due.

If the bill is not paid within 10 days of the date of the written or electronic termination notice, the customer's service is subject to be disconnected.

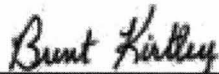
DATE OF ISSUE: MARCH 7, 2016

ISSUED BY: 

ISSUED BY AUTHORITY OF AN ORDER OF THE PUBLIC SERVICE COMMISSION OF KY
IN CASE NO.

DATED: _____

KENTUCKY
DATE EFFECTIVE: APRIL 7, 2016
TITLE: PRESIDENT/GENERAL MANAGER
ACTING EXECUTIVE DIRECTOR
TARIFF BRANCH



EFFECTIVE

4/7/2016

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

FOR ALL TERRITORIES SERVED
PSC NO.
2nd REVISED SHEET NO. 11
CANCELLING PSC NO.
1 "REVISED SHEET NO. 11

(D)

(N) 20. LEVELIZED BUDGET BILLING PLAN

A member who qualifies may be placed on or removed from levelized budget billing in any month of the year. However any member's electric bill must be current to be enrolled in the plan.

This is a continuous plan with no catch up month. As stated by 807 KAR 5:006 Section 14, the member's account will be adjusted through a series of levelized adjustments on a monthly basis to bring the member's account current once each twelve (12) month period. Upon disconnection or removal from levelized budget billing, all accumulated debits shall become due and payable at this time. Upon disconnection of service, any credits shall be refunded to the member. Upon removal from the plan, any credits shall be applied to the member's active account. The levelized budget billing must be paid by the normal due date each month. The cooperative may cancel the levelized budget plan for accounts delinquent more than two (2) times in a twelve (12) month period and non-payments. A member must sign a levelized budget billing plan agreement. Each billing will be based on the past eleven (11) months kilowatt hour usage, and the current month kilowatt hours usage shall be added to provide a moving average based on twelve months kilowatt hour usage. In addition, a series of monthly levelized adjustments will be calculated and added to the average amount. The monthly adjustment will be one-twelfth (1/12) of the unpaid balance. No adjustment will be calculated for a credit balance. Each succeeding month the oldest month's usage shall be dropped and the current month's usage added. Since the averages shall be based on kilowatt hour usage, any taxes, security lights, fuel adjustments costs, and other monthly charges will be added. Therefore, each month's electric bill will not be exactly the same, and the electric bill will vary from month to month. Each monthly bill will reflect the actual amount of electricity used and the status of the member's account, including the current amount to be paid.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

21. CONSUMERS DESIRING SERVICE OR DISCONTINUANCE OF SERVICE

Any consumer desiring service, discontinuance of service or changed from one location to another, shall give the cooperative three (3) days' notice in person, in writing, or by telephone provided such notice does not violate contractual obligation.

DATE OF ISSUE 01/03/13

ISSUED BY:

ISSUED BY AUTHORITY OF AN ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO.

DATE EFFECTIVE: April 1, 2013

TITLE: PRESIDENT & GENERAL MANAGER

DATED:

EFFECTIVE

4/1/2013

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH GENERAL MANAGER
Brent Kirtley
EFFECTIVE 4/1/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 12
Cancelling PSC No. _____
Original Sheet No. _____

22. DISCONTINUANCE OF SERVICE

The Cooperative may discontinue service of all classifications under the following conditions:

1. No Advance Notice Required -
 - (a) A dangerous condition exists in accordance with 5:006, Section 14b.
 - (b) For illegal use or theft of service in accordance with 5:006, Section 14g.
2. A 10-Day Notice Will Be Provided -
 - (a) Non compliance with the Cooperative's Tarriffs, Rules & Regulations.
 - (b) Non compliance with state, local and other codes that are applicable to providing service.
 - (c) When a member refuses reasonable access to the premises.
 - (d) Non payment of monthly bill:
 1. The latter of 10 days after delinquent notice is mailed or 27 days after original bill mailed.
 2. Checks for payment that are returned unpaid by bank will be treated as no payment was ever received.
 3. (a) Medical certificates as described in 807 KAR 5:006 Sec. 2(c) and will be honored for one (1) 30 day period only, unless the medical certificate is accompanied by an agreed partial payment plan.
 - (b) A current limiting device may be installed for an additional 30 day period.
 4. Additional deposits required, which are not paid within billing period in which it is added.

23. FAILURE OF METER TO REGISTER

In the event a consumer's meter should fail to register, the consumer shall be billed from the date of such failure at the average consumption of the consumer based on the twelve (12) month period immediately preceding the failure, or some other equitable basis.

MAY - 1 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

DATE OF ISSUE: APRIL 24, 1996

ISSUED BY: Bruce A. [Signature]

Issued by authority of an Order of the Public Service Commission of KY in
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President, General Manager

Dated June 17, 1996.

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

For all territories served
PSC No. _____
Revised Sheet No. 13
Cancelling PSC No. _____
Original Sheet No. _____

24. MONITORING USAGE

The Cooperative, in order to determine unusual deviations in its member's power usage, will monitor its accounts using the following criteria and subsequent procedures.

On a monthly basis, it will identify accounts which have the following characteristics:

- No charges
- Demand usage but no KWH
- KWH greater than twice projected and greater than 999
- KWH less than half projected and greater than 500
- Demand greater than 130% of last months
- Demand less than 80% of last months
- KVAR greater than 150% of last months
- KVAR less than 50% of last months

These steps will be taken:

- These accounts will be investigated internally.
- If still unexplainable, notice will be given to consumer in writing to further investigate.
- If still unexplainable, a comparison meter will be installed.
- If a deviation exists between two meters, the meter will be tested and consumer notified of results.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY - 1 1996

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE: APRIL 24, 1996

ISSUED BY: Bruce A. Smith
Issued by authority of an Order of
Case No. 95-383

DATE EFFECTIVE: MAY 1, 1996

TITLE: President/General Manager
of the Public Service Commission of KY in
Dated June 17, 1996.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2017-000171

1st REVISED SHEET NO. 14

CANCELLING PSC NO. 2005-00125

ORIGINAL SHEET NO. 14

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

MISCELLANEOUS SERVICE CHARGES

25. MEMBERSHIP FEE - \$25.00

The membership fee will be refunded, if all bills are paid, or applied against any unpaid bills of the consumer at the time service is disconnected, which will automatically terminate the membership.

26. SECOND SERVICE CONNECT FEE - \$40.00 (I)

This fee will be charged for any service connections made in addition to the initial service connection.

27. TEMPORARY DISCONNECT/RECONNECT FEE - \$35.00 (I)

- Seasonal (extended vacation)
- Repair to service entrance – no charge
- Upgrade service entrance – no charge

28. BLANK

29. METER TEST FEE - \$40.00 (I)

A member may request that their meter be tested at a time other than the Cooperative's regular testing schedule by paying this fee in advance in accordance with 807 KAR 5:006 Sec. 18.

30. RETURNED CHECK FEE - \$25.00 (I)

A service charge shall be charged for all checks returned by the bank due to insufficient funds or a closed account.

DATE OF ISSUE: June 2, 2017

DATE EFFECTIVE: July 05, 2017

ISSUED BY: _____

TITLE: President/General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2017-00171, dated July 05, 2017.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED
PSC NO. 2017-00171
1st REVISED SHEET NO. 15
CANCELLING PSC NO. 2005-00125
ORIGINAL SHEET NO. 15

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

31. COLLECTION FEE - \$35.00

(I)

**When a Cooperative representative calls at a members premises
For the purpose of collecting a delinquent bill, it will be assessed
When:**

- The service is terminated.**
- Member pays the delinquent bill.**
- Member agrees to a payment schedule.**

**A maximum of one (1) collection fees will be assessed a member
Within a single thirty (30) day period.**

**32. RECONNECTION FEE - \$35.00 DURING REGULAR OFFICE HOURS
\$65.00 OUTSIDE REGULAR OFFICE HOURS (I)**

**Applicable to services which have been disconnected due to non-payment. Due
and payable at the time of reconnection.**

33. LATE PAYMENT PENALTY - 7% OF NET AMOUNT

**7% of net amount due will be assessed if member fails to pay the net amount
by the 15th of the month. A penalty may be assessed only once on any bill for
service rendered.**

34. TAMPERING

**If the meter or other property belonging to the Cooperative is tampered or
interfered with, the customer being supplied through such equipment shall pay
the amount which the Cooperative may estimate is due for service rendered
but not registered on the Cooperative's meter and for such testing,
replacements, and repairs as are necessary, as well as for costs of inspections,
investigation, and protective installation.**

DATE OF ISSUE: June 02, 2017

ISSUED BY: _____

**Issued by authority of an Order of the Public Service Commission of Kentucky in Case No.
017-00171, dated July 05, 2017.**

DATE EFFECTIVE: July 05, 2017

TITLE: President/General Manager

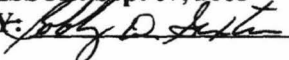
FORM FOR FILING RATE SCHEDULES**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****FOR ALL TERRITORIES SERVED
PSC NO. 2005-00125
ORIGINAL SHEET NO. 16
CANCELLING PSC NO. 95-383
ORIGINAL SHEET NO. 16****34. TAMPERING (continued)**

"Tampered and Interfeared with" refers to any activity that would prohibit a meter or any other electrical equipment for accurately recording electric consumption at any given metering point. Examples of this would include, but not limited to, drilling holes and inserting objects into meter to "slow down" the meter. Other examples are turning the meter upside down, bypassing the meter and changing/destroying settings or components of a meter.

The process and factors used to estimate the amount due for services not registering on a meter would include determination of the last accurate reading on the consumer's meter, review and analysis of consumer's usage history and any other pertinent information. These factors would be used to apply a method of averaging to determine estimated usage.

The rates for such procedures are as follows:

Testing meter for accuracy:	\$30.00
Replacements:	Actual Cost
Repairs:	Actual Cost
Inspections:	\$30.00
Investigations:	\$30.00
Protective Installation (installation of specialized tamper-resistant security band and meter base lock):	\$30.00 labor plus actual cost of equipment

DATE OF ISSUE: Sept 07, 2005**ISSUED BY:** **DATE EFFECTIVE: October 01, 2005****TITLE: President/General Manager****Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2005-125 dated 9-29-05.****PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
10/1/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)****By** 
Executive Director

FORM FOR FILING RATE SCHEDULES

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

FOR ALL TERRITORIES SERVED
PSC NO.
ORIGINAL SHEET NO. 17
CANCELLING PSC NO.
ORIGINAL SHEET NO.

35. BILLING FORM

Actual size of Billing Statement is 8 1/2" x 11"



BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

504 11TH Street
Paintsville, KY 41240
(606) 789-4095

Box 8, Glyn View Plaza
Prestonburg, KY 41653
(606) 886-2987

Office Hours: 7:30 A.M. - 4:00 P.M., Monday - Friday
Closed Saturday



A Touchstone Energy Cooperative

ACCOUNT NUMBER	NAME	RATE	CLASS	TYPE	LOCATION NUMBER	METER NUMBER	
		1	11	0			
SERVICE FROM 1 TO	NO DAYS	READ TYPE	READING PREVIOUS	READING PRESENT	METER MULTIPLIER	KWH USAGE	CHARGES
03 01 04 04 01 04	31	1	33428	33961	1	603	28.00
0.004392 FUEL COST						603	2.64
CUSTOMER CHARGE							7.00
1 175 WATT LIGHT(S)						70	5.66
SCHOOL TAX							1.30
TOTAL CURRENT BILL DUE 05 15 04							44.60
PREVIOUS AMOUNT DUE							44.08
THANK YOU FOR YOUR PAYMENT 04 07 04							44.08
TOTAL AMOUNT DUE							44.60
FUEL FACTOR	0.004392						
POWER FACTOR							
TOTAL DUE NOW							44.60
COMPARISONS	DAYS SERVICE	TOTAL KWH	AVG. KWH DAY	COST PER DAY	DUE DATE	05 15 04	BILL IS DELINQUENT AFTER DUE DATE
CURRENT BILLING PERIOD	31	533	17	1.21			
PREVIOUS BILLING PERIOD	29	498	17	1.28			
SAME PERIOD LAST YEAR	31	486	15	1.09			
Your Electricity Use Over The Last 13 Months						<p>Failure to pay the amount due by the 15th of the month will result in a ten percent (10%) penalty charge.</p> <p>State sales tax and/or school tax included when applicable.</p> <p>Please read meter on the 1st of each month. Failure to read meter for two consecutive months will result in a service charge. Failure to receive bill does not exempt you from payment or late fees.</p>	

CODE	TYPE BILL	ABBREVIATIONS
Energy	0 Regular Bill	KWH Kilowatt-Hours
1 Security Lights	1 Estimated	KW DEMAND Kilowatt Demand
2 State Tax	2 Minimum Estimated	(-) Denotes Credit or Overpayment
3 Local Tax	3 Minimum	
4 Fuel Cost Adj	4 Final Bill	
5 Misc		
6 Other Charges	5 Prorated	
7 Contracts Weatherization	6 Prorated Minimum	
8 Memb. and Meter Deposit	7 Budget Plan	
9 Interest	8 Contracts Weatherization	
10 Penalty		
40 General Retirement Credit		

DATE OF ISSUE: 8/26/04
ISSUED BY: Andy D. Sexton
Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2004-00188
No. _____ dated August 17, 2004.

DATE EFFECTIVE: 9/1/2004
TITLE: PRESIDENT/GENERAL MANAGER

PURSUANT TO 807 KAR 5:011
SECTION 9(4)

By [Signature]
Executive Director

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Proposed Tariffs

The existing tariffs are included with the present and proposed tariffs in comparative form. There are no other changes proposed to any of the rates or wording, other than those that are attached.

Official Notice

Big Sandy Rural Electric Cooperative Corporation, with its principal office at Paintsville, Kentucky and its address at 504 Eleventh Street, Paintsville Kentucky 41240, intends to file with the Kentucky Public Service Commission in Case No. 2017-00171 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Big Sandy Rural Electric Cooperative Corporation. The proposed effective date of these new rates is July 5, 2016 and these rates are to be filed with the Commission on June 2, 2016.

The present and proposed rates for each customer classification are provided below:

	Rates	
	Present	Proposed
Schedule A-1, Farm & Home		
Customer charge	\$15.00	\$18.00
Energy charge	\$0.08900	\$0.09077
Energy charge per ETS	\$0.05441	\$0.05446
Schedule A-1, Prepay Metering		
Customer charge	\$15.00	\$18.00
Energy charge	\$0.08900	\$0.09077
Prepay daily service fee	\$0.23000	\$0.23000
Schedule A-2, Commercial and Small Power		
Customer charge	\$24.64	\$29.00
Demand charge	\$5.50	\$5.50
Energy charge	\$0.07880	\$0.07925
Schedule LP - Large Power Service		
Customer charge	\$93.28	\$110.00
Demand charge	\$6.25	\$6.25
Secondary meter energy charge	\$0.06119	\$0.06300
Primary meter energy charge	\$0.05507	\$0.05670
Schedule LPR - Large Power Service		
Customer charge	\$107.68	\$125.00
Demand charge	\$6.25	\$6.25
Secondary meter energy charge	\$0.06030	\$0.06100
Primary meter energy charge	\$0.05427	\$0.05500
Schedule IND - 1, Large Industrial Service		
Customer charge	\$173.33	\$185.00
Demand charge	\$6.16	\$6.16
Secondary meter energy charge	\$0.05244	\$0.05400
Primary meter energy charge	\$0.05178	\$0.05250
Schedule YL-1, Outdoor Lighting Service		
175 Watt MV	\$9.49	\$9.68
150 Watt HPS	\$9.49	\$9.68
100 Watt MH	\$9.49	\$9.68
400 Watt Reg	\$14.27	\$14.56
250 Watt MH	\$14.27	\$14.56
250 Watt HPS	\$14.27	\$14.56
400 Watt Flood	\$19.28	\$19.67
250 Watt MH	\$19.28	\$19.67
500 Watt	\$16.82	\$17.16
1,500 Watt	\$39.13	\$39.91

IND 85	\$9.49	\$9.68
LED 60	\$9.49	\$9.68
LED 65	\$9.49	\$9.68
LED 70	\$9.49	\$9.68
LED 145	\$14.27	\$14.56
Nonrecurring Charges		
Second Service Connect	\$30.00	\$40.00
Temporary Disconnect/Reconnect	\$30.00	\$35.00
Meter Test	\$30.00	\$40.00
Returned Check	\$20.00	\$25.00
Collection	\$30.00	\$35.00
Reconnect	\$35.00	\$35.00
Reconnect - After Hours	\$52.50	\$65.00

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

	Increase	
	Dollar	Percent
Schedule A-1, Farm & Home	\$691,697	4.4%
Schedule A-1, Prepay Metering	\$12,069	4.1%
Schedule A-2, Commercial & Small Power	\$53,448	3.9%
Schedule LP, Large Power Service	\$83,182	3.4%
Schedule LPR, Large Power Service	\$7,680	1.2%
Schedule IND - 1, Large Industrial Service	\$4,618	1.2%
Schedule YL-1, Outdoor Lighting Service	\$10,384	1.2%
Nonrecurring charges	\$5,370	10.6%

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

	Ave Monthly kWh Usage	Increase	
		Dollar	Percent
Schedule A-1, Farm & Home	1,097	\$4.94	4.4%
Schedule A-1, Prepay Metering	1,101	\$4.95	4.1%
Schedule A-2, Commercial & Small Power	940	\$4.78	3.9%
Schedule LP, Large Power Service	15,209	\$44.89	3.4%
Schedule LPR, Large Power Service	98,606	\$89.30	1.2%
Schedule IND - 1, Large Industrial Service	518,275	\$384.83	1.2%
Schedule YL-1, Outdoor Lighting Service	70	\$0.12	1.2%

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-001712nd 1ST REVISED SHEET NO. 1BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2012-00030

1ST REVISED
ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	18.00	\$15.00 per month	(I)
Energy charge	0.09077	0.08900 per KWH	(R) I
Off peak energy charge	.05446	0.05441	I

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months

Off-Peak Hours (EST)

October through April

12:00 noon to 5:00 PM

10:00 PM to 7:00 AM

May through September

10:00 PM to 10:00 AM

DATE OF ISSUE: ~~Sept. 24, 2013~~ June 02, 2017
 DATE EFFECTIVE: ~~November 1, 2013~~ July 05, 2017
 ISSUED BY: _____
 TITLE: PRESIDENT/GENERAL MANAGER
 sued by authority of an Order of the Public Service Commission
 Kentucky in Case No. ~~2012-00030~~, dated ~~October 31, 2012~~.
 2017-00171 July 05, 2017

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-00171

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

3rd 2nd REVISED SHEET NO. 2

CANCELLING PSC NO. 2012-00030

2nd 1st REVISED SHEET NO. 2

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

MINIMUM CHARGES:

18.00
The minimum monthly charge under the above rate is \$15.00. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

(P) I

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

DATE OF ISSUE: ~~Sept. 24, 2013~~ June 02, 2017
DATE EFFECTIVE: ~~November 1, 2013~~ July 05, 2017
ISSUED BY: _____
TITLE: PRESIDENT/GENERAL MANAGER
Issued by authority of an Order of the Public Service Commission
Kentucky in Case No. ~~2012-00030~~, dated ~~October 31, 2012~~.
2017-00171 July 05, 2017

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030 *2017-00171**1st REVISED* - ORIGINAL SHEET NO. 4BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATIONCANCELLING PSC NO. 2010-00496 *2012-00030*

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to commercial loads having a required transformer
capacity not to exceed 25 KVA

TYPE OF SERVICE:

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	<i>29.00</i>	\$ 24.64	per month	I
Energy charge	<i>0.07925</i>	0.07880	per KWH	I
Demand charge		5.50	per KW	X

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be *29.00* ~~\$24.64~~ where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required. I

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: *June 02, 2017* Oct. 31, 2012

ISSUED BY: _____

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated October 31, 2012.DATE EFFECTIVE: *July 05, 2017* Oct. 31, 2012

TITLE: PRESIDENT/GENERAL MANAGER

*2017-00171**July 05, 2017*

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-00171BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION1ST REVISED ORIGINAL SHEET NO. 7CANCELLING PSC NO. ~~2010-00496~~ 2017-00030

ORIGINAL SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge		\$ 6.25	per KW of billing	I
Secondary Meter Energy Charge	0.00300	0.06119	per KWH	I
Primary Meter Energy Charge	0.05670	0.05507	per KWH	DI
Customer Charge Per Delivery Point	110.00	93.28	per Month	I

DETERMINATION OF BILLING DEMAND:

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

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

June 02, 2017
DATE OF ISSUE: ~~Oct. 31, 2012~~

ISSUED BY: _____

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. ~~2012-00030~~, dated October 31, 2012.July 05, 2017
DATE EFFECTIVE: ~~Oct. 31, 2012~~

TITLE: PRESIDENT/GENERAL MANAGER

2017-00171

July 05, 2017

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-00171BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION1ST REVISED ORIGINAL SHEET NO. 8CANCELLING PSC NO. ~~2010-00496~~ 2012-00030

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall be the highest one of the following charges as determined for the customer in question.

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of ninety-three dollars and twenty-eight cents (~~93.28~~). I

One hundred and ten dollars 110.00

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

TYPE OF SERVICE:

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

DATE OF ISSUE: ~~Oct. 31, 2012~~

ISSUED BY: _____

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. ~~2012-00030~~, dated ~~October 31, 2012~~DATE EFFECTIVE: ~~Oct. 31, 2012~~

TITLE: PRESIDENT/GENERAL MANAGER

2017-00171

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-00171BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION1ST REVISED ~~ORIGINAL~~ SHEET NO. 10CANCELLING PSC NO. ~~2010-00496~~ 2012-00030

ORIGINAL SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$ 6.25	per KW of billing demand	T
Secondary Meter Energy Charge: 0.06100	0.06030	per KWH	I
Primary Meter Energy Charge: 0.05500	0.05427	per KWH	DI
Customer Charge Per Delivery Point: 125.00	107.68	per month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

June 02, 2017
DATE OF ISSUE: ~~Oct. 31, 2012~~

ISSUED BY: _____

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. ~~2012-00030~~, dated ~~October 31, 2012~~

July 05, 2017

July 05, 2017
DATE EFFECTIVE: ~~Oct. 31, 2012~~

TITLE: PRESIDENT/GENERAL MANAGER

2017-00171

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2012-00030~~ 2017-00171BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION1ST REVISED~~ORIGINAL SHEET NO. 13~~CANCELLING PSC NO. ~~2010-00496~~ 2012-00030

ORIGINAL SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

RATES:

Flat rate per light per month as follows:

175	Watt	@ 9.68	\$-9.49	per month	I
400	Watt	@ 14.56	14.27	per month	I
500	Watt	@ 17.16	16.82	per month	I
1,500	Watt	@ 39.91	39.13	per month	I
400	Watt Flood	@ 19.28	19.67	per month	I

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and 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%

60 Watt LED	\$9.68	per month	N
65 Watt LED	9.68	per month	N
70 Watt LED	9.68	per month	N
145 Watt LED	14.56	per month	N

DATE OF ISSUE: ~~Oct. 31, 2012~~

ISSUED BY: _____

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030; dated October 31, 2012.DATE EFFECTIVE: ~~Oct. 31, 2012~~

TITLE: PRESIDENT/GENERAL MANAGER

2017-00171

Jul 05, 2017

FORM FOR FILING RATE SCHEDULES

FOR TERRITORIES SERVED

PSC NO. ~~2010-000496~~ 2017-00171

~~1ST~~ ^{2ND} REVISED SHEET NO. 25

CANCELLING PSC NO. 2010-00496

~~ORIGINAL~~ SHEET NO. 25

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

^{1ST} REVISED

CLASSIFICATION OF SERVICE

SCHEDULE IND 1-B

RATE PER UNIT

APPLICABLE

Applicable to contracts with contract demands of 500 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY

Available to all members

MONTHLY RATE

Demand Charge

Contract Demand

\$ 6.16 per kW of Billing Demand

Excess Demand

8.93 per kW of Billing Demand

Secondary Meter Energy Charge

0.05400 0.05244 per kWh

Primary Meter Energy Charge

0.05250 0.05178 per kWh

Customer Charge

\$185.00 173.35

I
I
I

BILLING DEMAND

The monthly 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) for each month, and adjusted for power factor as provided herein.

Months – All hours are Eastern Standard Time

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.

(P)
(P)
(P)
(P)
(P)

Date of Issue:

June 02, 2017

Date Effective:

July 05, 2017

Issued By:

Title: President & General Manager

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2005-00125~~ 2017-00171

1ST REVISED

~~ORIGINAL SHEET NO. 14~~

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. ~~95-383~~ 2005-00125

ORIGINAL SHEET NO. 14

MISCELLANEOUS SERVICE CHARGES

25. MEMBERSHIP FEE - \$25.00

The membership fee will be refunded, if all bills are paid, or applied against Any unpaid bills of the consumer at the time service is disconnected, which Will automatically terminate the membership.

26. SECOND SERVICE CONNECT FEE - ~~\$30.00~~ 40.00 (I)

This fee will be charged for any service connections made in addition to the Initial service connection.

27. TEMPORARY DISCONNECT/RECONNECT FEE - ~~\$30.00~~ 35.00 (I)

- Seasonal (extended vacation)
- Repair to service entrance – no charge
- Upgrade service entrance – no charge

28. ~~METER READING FEE~~ ~~\$30.00~~ BLANK

~~In the event that the consumer fails to read the meter as outlined or Fails to notify the Cooperative office for two (2) successive months, The Cooperative will read same meter and bill the consumer for this Service.~~

(D)
(D)
(D)
(D)

29. METER TEST FEE - ~~\$30.00~~ 40.00 (I)

A member may request that their meter be tested at a time other than The Cooperative's regular testing schedule by paying this fee in advance In accordance with 807 KAR 5:006 Sec. 18.

30. RETURNED CHECK FEE - ~~\$20.00~~ 25.00 (I)

A service charge shall be charged for all checks returned by the bank due To insufficient funds or a closed account.

June 02, 2017
DATE OF ISSUE: ~~Sept 07, 2005~~
ISSUED BY: _____

July 05, 2017
DATE EFFECTIVE: ~~October 01, 2005~~
TITLE: President/General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. ~~2005-00125~~, dated _____.

2017-00171 July 05, 2017

FORM FOR FILING RATE SCHEDULES

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

FOR ALL TERRITORIES SERVED

PSC NO. ~~2005-00125~~ 2017-00171

ORIGINAL SHEET NO. 15

CANCELLING PSC NO. ~~95-383~~ 2005-00125

ORIGINAL SHEET NO. 15

31. COLLECTION FEE - ~~\$30.00~~ 35.00

(I)

When a Cooperative representative calls at a members premises
For the purpose of collecting a delinquent bill, it will be assessed
When:

- The service is terminated.
- Member pays the delinquent bill.
- Member agrees to a payment schedule.

A maximum of one (1) collection fees will be assessed a member
Within a single thirty (30) day period.

32. RECONNECTION FEE - \$35.00 DURING REGULAR OFFICE HOURS
\$52.50 OUTSIDE REGULAR OFFICE HOURS
65.00

(I)

Applicable to services which have been disconnected due to non-
payment. Due and payable at the time of reconnection.

33. LATE PAYMENT PENALTY - 7% OF NET AMOUNT

7% of net amount due will be assessed if member fails to pay the net amount
by the 15th of the month. A penalty may be assessed only once on any bill for
service rendered.

34. TAMPERING

If the meter or other property belonging to the Cooperative is tampered or
interfered with, the customer being supplied through such equipment shall
pay the amount which the Cooperative may estimate is due for service
rendered but not registered on the Cooperative's meter and for such testing,
replacements, and repairs as are necessary, as well as for costs of
inspections, investigation, and protective installation.

June 02, 2017
DATE OF ISSUE: ~~Sept 07, 2005~~
ISSUED BY: _____

July 05, 2017
DATE EFFECTIVE: ~~October 01, 2005~~
TITLE: President/General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No.

~~2005-00125~~ dated _____.

2017-00171 July 05, 2017

Ex 4 D
1 of 3

Official Notice

Big Sandy Rural Electric Cooperative Corporation, with its principal office at Paintsville, Kentucky and its address at 504 Eleventh Street, Paintsville Kentucky 41240, intends to file with the Kentucky Public Service Commission in Case No. 2017-00171 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Big Sandy Rural Electric Cooperative Corporation. The proposed effective date of these new rates is July 5, 2016 and these rates are to be filed with the Commission on June 2, 2016.

The present and proposed rates for each customer classification are provided below:

	Rates	
	Present	Proposed
Schedule A-1, Farm & Home		
Customer charge	\$15.00	\$18.00
Energy charge	\$0.08900	\$0.09077
Energy charge per ETS	\$0.05441	\$0.05446
Schedule A-1, Prepay Metering		
Customer charge	\$15.00	\$18.00
Energy charge	\$0.08900	\$0.09077
Prepay daily service fee	\$0.23000	\$0.23000
Schedule A-2, Commercial and Small Power		
Customer charge	\$24.64	\$29.00
Demand charge	\$5.50	\$5.50
Energy charge	\$0.07880	\$0.07925
Schedule LP - Large Power Service		
Customer charge	\$93.28	\$110.00
Demand charge	\$6.25	\$6.25
Secondary meter energy charge	\$0.06119	\$0.06300
Primary meter energy charge	\$0.05507	\$0.05670
Schedule LPR - Large Power Service		
Customer charge	\$107.68	\$125.00
Demand charge	\$6.25	\$6.25
Secondary meter energy charge	\$0.06030	\$0.06100
Primary meter energy charge	\$0.05427	\$0.05500
Schedule IND - 1, Large Industrial Service		
Customer charge	\$173.33	\$185.00
Demand charge	\$6.16	\$6.16
Secondary meter energy charge	\$0.05244	\$0.05400
Primary meter energy charge	\$0.05178	\$0.05250
Schedule YL-1, Outdoor Lighting Service		
175 Watt MV	\$9.49	\$9.68
150 Watt HPS	\$9.49	\$9.68
100 Watt MH	\$9.49	\$9.68
400 Watt Reg	\$14.27	\$14.56
250 Watt MH	\$14.27	\$14.56
250 Watt HPS	\$14.27	\$14.56
400 Watt Flood	\$19.28	\$19.67
250 Watt MH	\$19.28	\$19.67
500 Watt	\$16.82	\$17.16
1,500 Watt	\$39.13	\$39.91

IND 85	\$9.49	\$9.68
LED 60	\$9.49	\$9.68
LED 65	\$9.49	\$9.68
LED 70	\$9.49	\$9.68
LED 145	\$14.27	\$14.56
Nonrecurring Charges		
Second Service Connect	\$30.00	\$40.00
Temporary Disconnect/Reconnect	\$30.00	\$35.00
Meter Test	\$30.00	\$40.00
Returned Check	\$20.00	\$25.00
Collection	\$30.00	\$35.00
Reconnect	\$35.00	\$35.00
Reconnect - After Hours	\$52.50	\$65.00

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

	Increase	
	Dollar	Percent
Schedule A-1, Farm & Home	\$691,697	4.4%
Schedule A-1, Prepay Metering	\$12,069	4.1%
Schedule A-2, Commercial & Small Power	\$53,448	3.9%
Schedule LP, Large Power Service	\$83,182	3.4%
Schedule LPR, Large Power Service	\$7,680	1.2%
Schedule IND - 1, Large Industrial Service	\$4,618	1.2%
Schedule YL-1, Outdoor Lighting Service	\$10,384	1.2%
Nonrecurring charges	\$5,370	10.6%

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

	Ave Monthly kWh Usage	Increase	
		Dollar	Percent
Schedule A-1, Farm & Home	1,097	\$4.94	4.4%
Schedule A-1, Prepay Metering	1,101	\$4.95	4.1%
Schedule A-2, Commercial & Small Power	940	\$4.78	3.9%
Schedule LP, Large Power Service	15,209	\$44.89	3.4%
Schedule LPR, Large Power Service	98,606	\$89.30	1.2%
Schedule IND - 1, Large Industrial Service	518,275	\$384.83	1.2%
Schedule YL-1, Outdoor Lighting Service	70	\$0.12	1.2%

A person may examine this application at the offices of Big Sandy Rural Electric Cooperative Corporation located at 504 Eleventh Street, Paintsville, Kentucky, 41240. A person may examine the application at the Commission's office located at 211 Sower Boulevard, Frankfort, KY, Monday through Friday at 8:00 a.m. to 4:30 p.m., or through the Commission's Web site at <http://psc.ky.gov>.

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

The rates contained in this notice are the rates proposed by Big Sandy Rural Electric Cooperative Corporation but, that Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

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

En E
1 of 3

Matthew G. Bevin
Governor

Charles G. Snaveley
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

211 Sower Blvd.
P.O. Box 615
Frankfort Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

April 20, 2017

PARTIES OF RECORD

RE: Case No. **2017-00171**

Big Sandy R.E.C.C.
(General Rates)

This letter is to acknowledge receipt of notice of intent to file an application in the above case. The notice was date-stamped received April 20, 2017 and has been assigned Case No. 2017-00171. In all future correspondence or filings in connection with this case, please reference the above case number.

All documents submitted to the Commission in this proceeding must comply with the rules of procedure adopted by the Commission found in 807 KAR 5:001. Any deviation from these rules must be submitted in writing to the Commission for consideration as required by 807 KAR 5:001 (22). Additionally, confidential treatment of any material submitted must follow the requirements found in 807 KAR 5:001 (13).

Pursuant to the 2014 revisions to KRS 278.380, beginning on July 16, 2014, the Commission shall use electronic means to deliver orders. Please ensure a proper email address is included for each person to be included on the Commission's official service list.

Materials submitted to the Commission which do not comply with the rules of procedure, or that do not have an approved deviation, are subject to rejection by Commission pursuant to 807 KAR 5:001 (3). In order to insure cases are processed in a timely manner and accurate reliable records are created, please make sure that the rules of procedure are followed. Should you have any questions contact Renee Smith in the Filings Branch at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Talina R. Mathews".

Talina R. Mathews
Executive Director

TM/rs

*Mr. David Estepp
President & General Manager
Paints R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

*Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

E4 E
3 & 3

Case No. 2017-00171



Big Sandy Rural Electric Cooperative Corporation

504 11th Street
Paintsville, Kentucky 41240-1422
(606) 789-4095 • Fax (606) 789-5454
Toll Free (888) 789-RECC (7322)

RECEIVED

APR 20 2017

Public Service
Commission

April 17, 2017

Ms. Talina Matthews, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Dear Ms. Matthews:

This is to advise, in accordance with the Commission's Administrative Regulation 807 KAR 5:001, Section 16(2), that, after 30 days from April 17, 2016, Big Sandy Rural Electric Cooperative Corporation intends to file an application for an increase in its retail rates based on a historical test year ending July 31, 2016.

If there are any questions concerning this matter, please contact me at your convenience.

Respectfully submitted,

A handwritten signature in cursive script, reading "David Estep".

David Estep, President & General Manager

Copy to:

Attorney General
Utility Intervention and Rate Division
1024 Capital Center Drive
Frankfort, Kentucky 40601

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Board Resolution

"General Manager David Estepp addressed the board regarding the intent to file a Rate Increase. First, informing the board that we have to give the PSC a 30 day notice of our intent to file. Our CPA Alan Zumstein thinks we should aim for a 2.25 TIER for all classes. Mr. Estepp provided an estimate of what this rate increase would look like.

Per Residential using 1000 kWh: Cost now: \$15 Customer Charge & kWh \$ 8.9	Bill=\$104.00
With increase: \$18 Customer Charge & kWh \$ 9.03	Bill=\$108.34

Discussion was held regarding another option which would bump up our ROW with a \$200K cushion, but Mr. Estepp would prefer to stick with the 2.25 TIER increase. Velma May approved the intent to file for a rate increase with a 2.25 TIER. Greg Davis seconded the motion and all votes were favorable."

The above is an exact exert from the Board of Directors minutes dated October 27, 2016.

Big Sandy Rural Electric
Case No. 2017-00171
Revenue Analysis
July 31, 2016

Exhibit G
page 1 of 1
Witness: James Adkins

Rate Schedule	Kwh Useage	Test Year Revenue	Percent of Total	Normalized Case No. 2012-0030	Percent of Total	Proposed Revenue	Percent of Total	<u>Increase</u> Amount Percent	
A-1, Farm and Home	153,566,711	\$15,767,885	72%	\$15,767,885	72%	\$16,459,582	75%	\$691,697	4.4%
A-1, Prepay Metering	2,684,641	\$295,306	1%	\$295,306	1%	\$307,375	1%	\$12,069	4.1%
A-2, Commercial and Small Power	10,498,917	1,364,664	6%	1,364,664	6%	1,418,111	6%	53,448	3.9%
LP, Large Power Service	28,183,005	2,471,001	11%	2,471,001	11%	2,554,183	12%	83,182	3.4%
LPR, Large Power Service	8,480,093	660,811	3%	660,811	3%	668,491	3%	7,680	1.2%
Industrial 1	6,219,300	394,422	2%	394,422	2%	399,040	2%	4,618	1.2%
Schedule 6, Security Lights	5,966,892	892,342	4%	892,342	4%	902,725	4%	10,384	1.2%
Envirowatts	69,600	1,966	0%	1,966	0%	1,966	0%	0	0.0%
Rounding differences								0	
Total from base rates	<u>215,669,159</u>	21,848,397	100%	<u>\$21,848,397</u>	100%	<u>\$22,711,474</u>	104%	<u>\$863,077</u>	4.0%
Fuel adjustment billed		(1,006,816)							
Environmental surcharge billed		<u>2,263,819</u>							
Net Fuel/Environmental surcharge		1,257,003							
		<u>\$23,105,400</u>							
Increase				<u>\$0</u>		<u>\$863,077</u>			

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RURAL
ELECTRIC COOPERATIVE CORPORATION
FOR AN INCREASE IN RETAIL RATES

CASE NO. 2017-00171

DIRECT TESTIMONY OF BILLY O'BRIAN FRASURE

Q1. Name and business address?

A1. My name is Billy O'Brian ("Brian") Frasure. My business address is Big Sandy Rural Electric Cooperative Corporation ("Big Sandy"), 504 11th Street, Paintsville, Kentucky 41240.

Q2. What is your occupation?

A2. I am the Accounting & Finance Manager.

Q3. How long have you been employed at Big Sandy and what are your responsibilities?

A3. I began my employment at Big Sandy in July 2012. I am responsible for the management of all finance and accounting activities of the Cooperative. I oversee the daily operations including preparation of financial reports, payroll, accounts payable, consumer billing, inventory, and distribution plant. I also prepare the annual budget and manage our debt portfolio.

Q4. What is your education and work experience?

A4. I received my Bachelor of Business Administration in Accounting from Morehead State University during 2010 and became a Licensed Certified Public Accountant during 2012. I began my career in December 2007 as a Financial Assistant with a local non-profit healthcare agency in Prestonsburg, Kentucky where I worked for approximately three years. I was hired as a Staff Accountant in 2010 at a local CPA firm in Salyersville, Kentucky where I worked for approximately two years. I was hired at Big Sandy in 2012 as Financial Accountant, and assumed my current role in 2016.

Q5. Are you familiar with the contents of the Application and the Exhibits of Big Sandy RECC which have been filed with this Commission to commence this Case?

A5. Yes, I worked with our rate consultant, James R. Adkins.

Q6. In your opinion, are the adjusted rates requested in the Case by Big Sandy necessary to maintain the financial integrity of the Cooperative?

A6. Yes.

Q7. What considerations were given to increase the rates and charges of Big Sandy?

A7. Big Sandy RECC needs the requested rate relief to continue to properly maintain and operate the distribution system and provide reliable service to our member-owners. Costs have increased since Big Sandy's last rate increase and to maintain operations in a prudent manner, rates have to cover the increases. In addition to increased costs, our growth has become negative and revenue has decreased significantly over the last few years. Big Sandy is currently a borrower with Rural Utilities Service (RUS) and filed this application in order to meet the mortgage agreements with our lender. We are required to maintain an Average Operating Times Interest Earned Ratio (OTIER) of not less than 1.10, determined by averaging the two highest annual ratios during the most recent three calendar years. Big Sandy experienced an OTIER ratio of .84 for the fiscal year 2015 and 1.24 for the fiscal year 2016. Current financials project that Big Sandy's OTIER will be near .89 for the current fiscal year. When averaging the two highest year's ratios, Big Sandy will struggle to meet and may fall short of this mortgage requirement.

Q8. Why did Big Sandy decide upon a TIER of 2.25 in this application?

A8. As reflected in Exhibit S to the application, the TIER without G&T capital credits was 1.15 and an OTIER of 0.83. Giving effect to proposed adjustments to the test year, the TIER was 1.00 and the OTIER 0.69. Big Sandy's last rate increase was in Case No. 2012-00030. The increase allowed in that case was \$911,007. The rates went into effect as of October 31, 2012. That increase was only in effect for approximately 3 ½ years before we needed to file another application. The increase proposed in this application is \$863,043, which is less than the last application. Based on the last several years, this increase may not last as long as the last rate increase. We did not request a larger increase since this request is for approximately 4% and our board did not wish to increase rates any more than what was proposed in this application.

Q9. What has been Big Sandy's policy in regards to long term financing and interest rates?

A9. Big Sandy now maintains a debt ratio of approximately 52% variable and 48% fixed with a blended interest rate of 2.76%. Big Sandy continues to take advantage of low variable interest rates offered through Federal Financing Bank and refinances existing debt to obtain lower interest rates when opportunities arise.

Since we are approximately 52% variable interest rate loans, we have controlled our interest expense on long-term debt, and thus, generated more in margins by the difference between the long term interest rates and variable term interest rates. The result is that a TIER of 2.0x will generate less in margins with the lower long-term variable interest rates.

Q10. What adjustments has Big Sandy made to payroll-related items?

A10. Big Sandy has discontinued its R&S plan for new employees who were hired on or after January 01, 2011. Big Sandy now contributes to a 401k plan for all new employees.

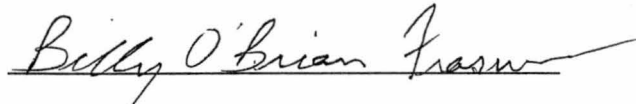
Q11. Are there any events subsequent to the test year to consider?

A11. Yes. First, it should be considered that Big Sandy's President & General Manager resigned during the month of April 2017. Second, Big Sandy advanced loan funds in the amount of \$1 million during October, 2016 and \$2 million during April, 2017 and for the twelve (12) months ended April, 2017, our revenues are approximately \$681,000 less than the prior twelve months. In addition, the net loss without G&T capital credits is in excess of (\$83,000). As you can see, our financial condition continues to deteriorate.

Q12. Does this conclude your testimony?

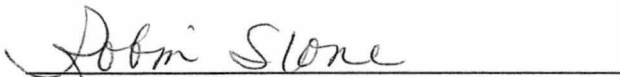
A12. Yes, it does.

Affiant, Billy O'Brian Frasure, states that the answers given by him in the foregoing questions are true and correct to the best of his knowledge and belief.



Billy O'Brian Frasure

Subscribed and sworn to before me by the affiant, Billy O'Brian Frasure, this 31st day of May 2017.



Notary Public, Kentucky State at Large

My Commission expires July 12, 2019

**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
APPLICATION FOR AN INCREASE IN ELECTRIC UTILITY RATES
CASE NO. 2017-00171**

DIRECT TESTIMONY OF JAMES R. ADKINS

Q1. State your name and business address.

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

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

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

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

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

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

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

Q5. What is your education background?

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

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

A6. My role in this application has been to provide guidance, assistance and oversight in the development of revenue requirements including the preparation of the test year adjustments and determination of margin levels, the completion of the cost of service study presented in this Application, and in the development of the proposals on the appropriate rate design,

Q7. Please explain what provides the basis for the revenue requirements in this application and what is the basis for the amount of increase in rates that is being requested by Big Sandy Rural Electric Cooperative Corporation ("Big Sandy")?

A7. The amount of increase requested in this case is based on an adjusted test year expenses plus margin requirements minus the actual revenues for the test year from base rates. The adjustment clauses for the fuel adjustment clause ("FAC") and the environmental surcharge clause ("ESC") are not a part of the request in this application and the revenues and expenses associated with these clauses have been removed for rate-making purposes from the financial statements presented in this case. The adjusted test year presented in this case indicates that Licking Valley needs an increase in electric rate revenue of \$863,043. The results for the test year indicate an actual margin of \$1,501,975 including the annual allocation of capital credits ("GTCCs") from its wholesale power supplier, East Kentucky Power Cooperative ("EKPC"). When the allocation of GTCCs received during the test year of \$ 1,400,000 are removed from the actual financial statements for the test year, Big Sandy had a margin of \$101,975. With

the other test year adjustments included, Big Sandy has an adjusted test year with margins of \$2,577

Q8. Why were the GTCCs removed from the actual test year financial statements which changes the actual results from a positive margin to a loss for this period?

A8 It has been the normal policy of the Kentucky Public Service Commission ("Commission") to remove these EKPC capital credits from Big Sandy's financial statements for rate-making purposes. These capital credits are only a book entry at the current time since EKPC has never paid any of its capital credits.

Q9. What are other adjustments has been make to the financial statements Bog Sandy and what are these test year adjustments?

A9. The other test year adjustments have been completed in a similar manner as the test year adjustments have been made in the rate applications of other distribution cooperatives in the state of Kentucky. The test year adjustments dealing with revenues consist of the following ones:

- Removal of the FAC and ESC revenues received during the test year in the amount of \$1,257,003;
- The adjustment for the end of test year number of customers in the amount of (\$27,989); and
- A Non-recurring charge proposed increase of \$5,370.

The test year adjustment for expenses include the following ones:

- Normalization of wages and salaries for \$5,223;

- Normalization of payroll taxes for \$1,224;
- Normalization of depreciation expenses for \$19,452;
- Normalization of interest expenses for (\$16,537);
- Normalization of 401k expenses of \$6,679;
- Normalization of property taxes of \$4,565;
- Removal of donations for (\$19,500);
- Removal of specific expenses for directors that not acceptable for rate-making purposes in the amount of (\$16,302);
- Removal of professional fees in the amount of (\$1,442);
- Inclusion of expenses for rate application of \$30,000 based on a three year amortization of total fees of \$90,000;
- Removal of annual meeting and miscellaneous expenses of (\$1,307);
- Normalization of purchased power expenses and the removal of the FAC and ESC expenses from the test year in the amount of \$\$1,278,321; and
- Exclusion from the test year the GTCCs form EKPC as mentioned earlier in this testimony in the amount of \$1,400,000.

Q10. What does the term normalization mean as used above in your description of the test year adjustments?

A10. The term normalization as used in the above adjustments basically means that test year end data and test year end rates have been used to determine what the annual expense or annual revenue would be under these specific conditions.

Depreciation expense is a good example. Throughout the test year, Big Sandy added new plant to its general plant and distribution plant accounts for a variety of reasons. Since depreciation expense is calculated on a monthly basis, the test year expense for depreciation is not representative of what the year-end depreciable plant balances would provide as annual depreciation expense. To determine the amount of the adjustment, the test year end depreciable plant balances are multiplied by their proper depreciation rates to determine the annual depreciation expense would be. The actual depreciation expense for the test year would then be subtracted from the above calculated annual depreciation to determine the amount of this adjustment for depreciation expense. The other normalized expenses would follow a very similar pattern.

Q11. What is Big Sandy proposing for margins and what is the basis for the proposal?

A11. Big Sandy is proposing a margin amount of \$865,620 and is based on a Times Interest Earned Ratio ("TIER") of 2.25X and Operating Times Interest Earned Ratio (OTIER) of 1.93. A TIER of 2.25X has been used in this application because of the deteriorating equity capitalization ratio of Big Sandy. The normal rate-making that has been authorized by this Commission in recent times is a TIER of 2.0X but this Commission authorized a TIER of 2.10X in the most recent rate application of South Kentucky RECC. Big Sandy has the need for a larger TIER amount because of its extremely low interest expense.

Q12. When did Big Sandy file its last application?

A12. Big Sandy filed its last rate application in early 2012 with a final order issued in 2012.

Q13. What percentage of Big Sandy's long term debt has a fixed interest rate and what percent has a variable interest rate?

A13. Forty eight percent of Big Sandy's long term debt has a fixed interest rate and the remaining fifty two percent has a variable interest rate.

Q14. When the Commission grants the full amount of increase that is requested in this application, how long would it be before Big Sandy would need to file an application for another increase?

A14. I would expect Big Sandy would not have the need to file another application for an increase in base rates until sometime after 2020. It is heavily dependent upon two occurrences over which Big Sandy has no control. The first item is weather and extremely mild weather may cause Big Sandy to come in sooner than stated above. Weather worse than normal could postpone the need for a longer period of time. The other factor beyond the control of Licking Valley is the economy. Any further speculation about the need of increase requests in the future is a very subjective estimate.

Q15. Are you responsible for the Cost of Service Study ("COSS") in this rate application?

A15. I am responsible for the COSS in this case as I completed this study for Licking Valley.

Q16. Please explain the purpose of the COSS.

A16. The COSS was completed based on the methods and guidance provided in the National Association of Regulatory Utility Commission ("NARUC") Electric Utility Cost Allocation Manual (1992). The purpose of this study is to determine the costs and revenue requirements to provide service to each rate class. The revenue requirements for each rate class is then compared with the current revenue from rates for each rate class to determine an increase amount for a rate class if needed. The COSS provides a breakdown into the various cost components for each rate class including the demand related costs, the energy related costs and the customer/member related components. This breakdown of costs may be used by Big Sandy in determining the appropriate rate design for each rate class.

Q17. What is the process used in the COSS?

A17. The process used is the normal three step process of the functionalization of expenses, the classification of expenses and the allocation of expenses to the rate classes of CVE. Before this part of the study begins, the actual test year expenses and all test year adjustments are integrated into an adjusted statement of operations. Additionally, the margin requirements are also included and these margin requirements are based on a TIER of 2.25X as previously discussed. These total adjusted expenses are functionalized into categories based on types of plant in place on Big Sandy's system. These types of plants include the following ones:

- 1) Purchased Power demand and energy components plus distribution substations;

- 2) Stations;
- 3) Lines which includes poles, overhead conductor and underground conductor,
- 4) Transformers;
- 5) Services;
- 6) Meters;
- 7) Customer and accounting service; and,
- 8) Outdoor lighting.

The next step in the COSS is the classification of expenses into the demand, energy and consumer components. Listed below is a breakdown of the functions into the normal components:

Category	Demand Related	Energy Related	Cons./Member Related	Outdoor Lighting
Purchased Power	XX	XX		
Distribution Lines	XX		XX	
Distribution Transformers	XX		XX	
Services			XX	
Meters			XX	
Customer Service & Account.			XX	
Outdoor Lighting				XX

The final step in the COSS is the allocation of the expenses/revenue requirements to each rate classes. A different allocator is normally used for each type of expense to be allocated. Provided below is the allocators used to allocate the demand and energy related expenses/revenue requirements to the appropriate rate class.

- a) Purchased power demand related costs are allocated proportionally on the basis of each rate class's contribution to EKPC's coincident peak during

the EKPC's on-peak hours for each season. EKPC bills its demand on the basis of its coincident peak.

- b) Purchased power substation costs are allocated proportionally on the basis of the sum of the monthly peak demands of each rate class.
- c) Purchased power energy costs are allocated proportionally on the basis of each rate class's retails energy sales for the test year.
- d) Distribution station and line demand related costs are allocated proportionally on the basis of the sum of the monthly peak demands for each rate class.
- e) Distribution transformer demand related costs are allocated proportionally on the sum of the monthly peak demand for each consumer by rate class.

The peak demand data is based on the load research information and data collected and analyzed by East Kentucky Power Cooperative ("EKPC") which is Big Sandy' wholesale power supplier.

The consumer related components are allocated on the following basis:

- a) Consumer related line costs are allocated proportionally on the number of individual accounts in each rate class.
- b) Consumer related transformer costs are allocated proportionally on the basis of the minimum size transformer cost for each class weighted by the number of accounts in rate class.
- c) Consumer related services costs are allocated proportionally on the cost of the minimum service and the number accounts within each rate class.

- d) Meter costs are all consumer related and are allocated proportionally on the basis of the cost of the standard meter for each rate class and the number of accounts within each rate class.
- e) Consumer and accounting services are allocated proportionally on the basis of the number of accounts weighted by the complexity of the bills, meter reading data and an estimate of the time that may be spent dealing with a consumer matter. The more complex the bill and the size of the bill have entered into the development of this allocation.

Q18. How is revenue from other sources other than from electric rates handled in the COSS?

A18. These revenues have been allocated to Schedules A-1, Farm and Home, Schedule A-1, Prepay Metering. And Schedule A-2, Commercial and Small Power. This allocation has been made proportional on the basis of the revenue from rates for these rate classes. These revenues have the effect of reducing the need of revenue requirements from rates for these rate classes and the lessening of the increase amount needed for these rate classes.

Q19. Provide a summary of the results of the COSS.

A19. The results of the COSS indicate that two rate classes do not provide enough revenue from rates to cover their revenue requirements. These rate classes are Schedule A-I – Farm and Home, and Schedule LP – Large Power Service..

All other rate classes are providing rate revenue that does recover the costs to serve.

Q20. Are these the rate classes that you are proposing to have increases in their electric rates?

A20. I am proposing an increase in rates for all rate classes with most of the increase being placed on the customer charges for all rate classes that have a customer charge plus increases in the rates for all lights. The energy rates for some classes are also being proposed for an increase in rates. The rationale for this approach is to keep the overall increase in Schedule I – Residential, Schools, and Churches to a reasonable amount. More importantly, it should be noted that the customer charges for most rate classes do not recover in full the consumer related costs. The above stated reasons are the primary ones for the proposals that are presented in this application.

Q21. What are the proposed increase amounts for each rate class in this application?

A21. The increase amounts and important ratios for each rate class are presented below:

RATE CLASS	Increase	TIER		OTIER	
	Amount	Before	After	Before	After
Schedule A-1, Farm & Home	691,697	0.87	2.23	0.54	1.90
Schedule A-1, Prepaid Metering	12,069	1.62	2.90	1.28	2.56
Schedule A-2, Commercial & Small Power	53,448	1.00	2.08	0.70	1.79
Schedule LP, Large Power Service	83,182	0.64	1.89	0.64	1.89
Schedule LPR, Large Power Rate	7,680	3.66	4.45	3.66	4.45
Industrial 1, Large Industrial Rate	4,618	4.40	5.46	4.40	5.56
Schedule 6, Security Lights	10,384	2.02	2.41	2.02	2.41

Q22. Provide a comparison of the present and the proposed rate designs and the consumer related cost for each rate class that has a customer charge.

A22. Listed below is the requested comparison.

RATE CLASS	Customer Charge		Consumer
	Current	Proposed	Costs
Schedule A-1, Farm & Home	\$ 15.00	\$ 18.00	\$ 32.92
Schedule A-1, Prepaid Metering	\$ 15.00	\$ 18.00	\$ 32.37
Schedule A-2, Commercial & Small Power	\$ 24.64	\$ 29.00	\$ 47.48
Schedule LP, Large Power Service	\$ 93.28	\$ 110.00	\$ 190.84
Schedule LPR, Large Power Rate	\$ 107.68	\$ 125.00	\$ 174.75
Industrial 1, Large Industrial Rate	\$ 173.33	\$ 185.00	\$ 188.90

Q23. Does Big Sandy need to receive the complete amount of increase that it is requesting?

A23. Big Sandy most certainly does need the complete amount requested in this case with one major reason being that it needs to meet its mortgage requirements. Another significant reason is to keep from having the need to come back before this Commission after a very short periods of time. Big Sandy needs the complete increase amount.

Q24. Does this conclude your testimony?

A24. Yes, this concludes my testimony.

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

James R. Adkins
James R. Adkins

Subscribed and sworn to before me by the affiant, James R. Adkins, this

31ST day of May, 2017.

Robin Stone
Notary Public, Kentucky State at Large.

My Commission Expires July 12, 2019

Witness: James Adkins

Big Sandy Rural Electric

Case No. 2017-00171

Average Bill for Residential Rate Class**Schedule A1 - Farm and Home**

	<u>Present</u>	<u>Proposed</u>
Customer charge	\$15.00	\$18.00
Energy charge	\$0.08900	\$0.09077

<u>kwh Useage</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Increase Amount</u>	<u>Percent</u>
0	\$15.00	\$18.00	\$3.00	16.7%
25	17.23	20.27	3.04	15.0%
50	19.45	22.54	3.09	13.7%
100	23.90	27.08	3.18	11.7%
150	28.35	31.62	3.27	10.3%
200	32.80	36.15	3.35	9.3%
250	37.25	40.69	3.44	8.5%
300	41.70	45.23	3.53	7.8%
350	46.15	49.77	3.62	7.3%
400	50.60	54.31	3.71	6.8%
450	55.05	58.85	3.80	6.5%
500	59.50	63.39	3.89	6.1%
600	68.40	72.46	4.06	5.6%
700	77.30	81.54	4.24	5.2%
800	86.20	90.62	4.42	4.9%
900	95.10	99.69	4.59	4.6%
1,000	104.00	108.77	4.77	4.4%
1,100	112.90	117.85	4.95	4.2%
1,200	121.80	126.92	5.12	4.0%
1,300	130.70	136.00	5.30	3.9%
1,400	139.60	145.08	5.48	3.8%
1,500	148.50	154.16	5.66	3.7%
1,600	157.40	163.23	5.83	3.6%
1,700	166.30	172.31	6.01	3.5%
1,800	175.20	181.39	6.19	3.4%
1,900	184.10	190.46	6.36	3.3%
2,000	193.00	199.54	6.54	3.3%
The average monthly usage				
1,097	112.65	117.59	4.94	4.2%

Big Sandy Rural Electric
Case No. 2017-00171
Revenue Analysis
July 31, 2016

Exhibit J
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Witness: James Adkins

Rate Schedule	Kwh Useage	Test Year Revenue	Percent of Total	Normalized Case No. 2012-0030	Percent of Total	Proposed Revenue	Percent of Total	<u>Increase</u> Amount Percent	
A-1, Farm and Home	153,566,711	\$15,767,885	72%	\$15,767,885	72%	\$16,459,582	75%	\$691,697	4.4%
A-1, Prepay Metering	2,684,641	\$295,306	1%	\$295,306	1%	\$307,375	1%	\$12,069	4.1%
A-2, Commercial and Small Power	10,498,917	1,364,664	6%	1,364,664	6%	1,418,111	6%	53,448	3.9%
LP, Large Power Service	28,183,005	2,471,001	11%	2,471,001	11%	2,554,183	12%	83,182	3.4%
LPR, Large Power Service	8,480,093	660,811	3%	660,811	3%	668,491	3%	7,680	1.2%
Industrial 1	6,219,300	394,422	2%	394,422	2%	399,040	2%	4,618	1.2%
Schedule 6, Security Lights	5,966,892	892,342	4%	892,342	4%	902,725	4%	10,384	1.2%
Envirowatts	69,600	1,966	0%	1,966	0%	1,966	0%	0	0.0%
Rounding differences								0	
Total from base rates	<u>215,669,159</u>	21,848,397	100%	<u>\$21,848,397</u>	100%	<u>\$22,711,474</u>	104%	<u>\$863,077</u>	4.0%
Fuel adjustment billed		(1,006,816)							
Environmental surcharge billed		<u>2,263,819</u>							
Net Fuel/Environmental surcharge		1,257,003							
		<u>\$23,105,400</u>							
Increase				<u>\$0</u>		<u>\$863,077</u>			

Big Sandy Rural Electric
Case No. 2017-00171
Billing Analysis
July 31, 2016

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Witness: James Adkins

Schedule A1 - Farm and Home

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	139,961	\$2,099,415	\$15.00	\$2,099,415	\$18.00	\$2,519,298
Energy charge per kWh	153,566,711	13,667,437	\$0.08900	13,667,437	\$0.09077	13,939,250
Off peak energy charge	18,989	1,033	\$0.05441	1,033	\$0.05446	1,034
Total from base rates		15,767,885		<u>\$15,767,885</u>		<u>\$16,459,582</u>
Fuel adjustment		(745,112)				
Environmental surcharge		<u>1,745,794</u>				
Total revenues		<u>\$16,768,567</u>				
Amount				\$0		\$691,697
Percent				0.0%		4.4%
Average monthly usage						1,097
Average monthly bill		\$112.66		\$112.66		\$117.60
Amount				\$0.00		\$4.94
Percent				0.0%		4.4%

Big Sandy Rural Electric
Case No. 2017-00171
Billing Analysis
July 31, 2016

Exhibit J
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Witness: James Adkins

Schedule A1 - Prepay Metering

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	2,439	\$36,585	\$15.00	\$36,585	\$18.00	\$43,902
Energy charge per kWh	2,684,641	238,933	\$0.08900	238,933	\$0.09077	243,685
Prepay daily service fee	86,035	19,788	\$0.23000	19,788	\$0.23000	19,788
Total from base rates		295,306		<u>\$295,306</u>		<u>\$307,375</u>
Fuel adjustment						
Environmental surcharge						
Total revenues		<u>\$295,306</u>				
Amount				\$0		\$12,069
Percent				0.0%		4.1%
Average monthly usage						1,101
Average monthly bill		\$121.08		\$121.08		\$126.02
Amount				\$0.00		\$4.95
Percent				0.0%		4.1%

Big Sandy Rural Electric
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Billing Analysis
July 31, 2016

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Witness: James Adkins

Schedule A-2, Commercial and Small Power

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	11,175	\$275,352	\$24.64	\$275,352	\$29.00	\$324,075
Demand charge	47,636	261,997	\$5.50	261,997	\$5.50	261,997
Energy charge per kWh	10,498,917	827,315	\$0.07880	827,315	\$0.07925	832,039
Total from base rates		1,364,664		<u>\$1,364,664</u>		<u>\$1,418,111</u>
Fuel adjustment		(52,132)				
Environmental surcharge		148,735				
Total revenues		<u>\$1,461,267</u>				
Amount				\$0		\$53,448
Percent				0.0%		3.9%
Average monthly usage						940
Average monthly bill		\$122.12		\$122.12		\$126.90
Amount				\$0.00		\$4.78
Percent				0.0%		3.9%

Big Sandy Rural Electric
Case No. 2017-00171
Billing Analysis
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Witness: James Adkins

Schedule LP, Large Power Rate

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	1,853	\$172,848	\$93.28	\$172,848	\$110.00	\$203,830
Demand Charge	98,627	616,420	\$6.25	616,420	\$6.25	616,420
Secondary meter charge per kwh	25,538,370	1,562,693	\$0.06119	1,562,693	\$0.06306	1,610,450
Primary meter charge per kwh	2,644,635	145,640	\$0.05507	145,640	\$0.05675	150,083
Total kwh	<u>28,183,005</u>					
Billing discounts		<u>(26,599)</u>		<u>(26,599)</u>		<u>(26,599)</u>
Total from base rates		2,471,001		<u>\$2,471,001</u>		<u>\$2,554,183</u>
Fuel adjustment		(137,250)				
Environmental surcharge		<u>259,307</u>				
Total revenues		<u>\$2,593,058</u>				
Amount				\$0		\$83,182
Percent				0.0%		3.4%
Average monthly usage						15,209
Average monthly bill		\$1,333.51		\$1,333.51		\$1,378.40
Amount				\$0.00		\$44.89
Percent				0.0%		3.4%

Big Sandy Rural Electric
Case No. 2017-00171
Billing Analysis
July 31, 2016

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Witness: James Adkins

Schedule LPR - Large Power Service

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	86	\$9,260	\$107.68	\$9,260	\$125.00	\$10,750
Demand Charge	30,613.700	191,336	\$6.25	191,336	\$6.25	191,336
Secondary meter charge per kwh	0	0	\$0.06030	0	\$0.06100	0
Primary meter charge per kwh	8,480,093	460,215	\$0.05427	460,215	\$0.05500	466,405
Total kwh	<u>8,480,093</u>					<u>0</u>
Total from base rates		660,811		<u>\$660,811</u>		<u>\$668,491</u>
Fuel adjustment		(40,754)				
Environmental surcharge		<u>67,459</u>				
Total revenues		<u>\$687,516</u>				
Amount				\$0		\$7,680
Percent				0.0%		1.2%
Average monthly usage						98,606
Average monthly bill		\$7,683.85		\$7,683.85		\$7,773.15
Amount				\$0.00		\$89.30
Percent				0.0%		1.2%

Big Sandy Rural Electric
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Witness: James Adkins

Schedule IND 1 - Industrial Rate

Description	Billing Determinants	Test Year Revenues	Normalized Rates		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	12	\$2,080	\$173.33	\$2,080	\$185.00	\$2,220
Contract Demand	10,200	62,832	\$6.16	62,832	\$6.16	62,832
Excess Demand	837	7,474	\$8.93	7,474	\$8.93	7,474
Secondary meter charge per kwh	0	0	\$0.05244	0	\$0.05400	0
Primary meter charge per kwh	6,219,300	322,035	\$0.05178	322,035	\$0.05250	326,513
Total kwh	<u>6,219,300</u>					0
Total from base rates		394,422		<u>\$394,422</u>		<u>\$399,040</u>
Fuel adjustment		(30,500)				
Environmental surcharge		<u>39,546</u>				
Total revenues		<u>\$403,468</u>				
Amount				\$0		\$4,618
Percent				0.0%		1.2%
Average monthly usage						518,275
Average monthly bill		\$32,868.48		\$32,868.48		\$33,253.31
Amount				\$0.00		\$384.83
Percent				0.0%		1.2%

Big Sandy Rural Electric
Case No. 2017-00171
Billing Analysis
July 31, 2016

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Witness: James Adkins

Schedule YL-1, Security Lights

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
175 Watt MV	45,449	431,311	\$9.49	431,311	\$9.60	436,310
150 Watt HPS	96	911	\$9.49	911	\$9.60	922
100 Watt MH	4,715	44,745	\$9.49	44,745	\$9.60	45,264
400 Watt Reg	7,585	108,238	\$14.27	108,238	\$14.44	109,527
250 Watt MH	2,202	31,423	\$14.27	31,423	\$14.44	31,797
250 Watt HPS	144	2,055	\$14.27	2,055	\$14.44	2,079
400 Watt Flood	1,313	25,315	\$19.28	25,315	\$19.50	25,604
250 Watt MH	1,189	22,924	\$19.28	22,924	\$19.50	23,186
500 Watt	0	0	\$16.82	0	\$17.02	0
1,500 Watt	0	0	\$39.13	0	\$39.58	0
IND 85	3,667	34,800	\$9.49	34,800	\$9.60	35,203
LED 60	2,478	23,516	\$9.49	23,516	\$9.60	23,789
LED 65	8,943	84,869	\$9.49	84,869	\$9.60	85,853
LED 70	4,384	41,604	\$9.49	41,604	\$9.60	42,086
LED 145	2,790	39,813	\$14.27	39,813	\$14.44	40,288
	84,955					
kWh	<u>5,966,892</u>					
Billing adjustments		<u>818</u>		<u>818</u>		<u>818</u>
Total from base rates		892,342		<u>\$892,342</u>		<u>\$902,725</u>
Fuel adjustment		(1,069)				
Environmental surcharge		2,978				
Total revenues		<u>\$894,251</u>				
Amount				\$0		\$10,384
Percent				0.00%		1.16%
Average monthly usage						70
Average monthly bill		\$10.50		\$10.50		\$10.63
Amount				\$0.00		\$0.12
Percent				0.0%		1.2%

Envirowatts

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2012-00030		Proposed	
			Rates	Revenues	Rates	Revenues
Envirowatts	<u>69,600</u>	1,966	\$0.02825	1,966	\$0.02825	1,966
Billing adjustments				<u>0</u>		<u>0</u>
Total from base rates		1,966		<u>\$1,966</u>		<u>\$1,966</u>
Fuel adjustment						
Environmental surcharge						
Total revenues		<u>\$1,966</u>				
Amount				\$0		\$0
Percent				0.0%		0.0%

Witness: James Adkins

Big Sandy Rural Electric
Case No. 2017-00171
Computation of Rate of Return
July 31, 2016

	<u>Actual Test Year</u>	<u>Adjusted Test Year</u>
Net margins	\$ 1,501,975	\$ 868,413
G&T capital credits	(1,400,000)	-
Interest on long-term debt	<u>701,164</u>	<u>695,289</u>
Total	<u>\$ 803,139</u>	<u>\$ 1,563,702</u>
Net rate base	<u>\$ 33,965,065</u>	<u>\$ 33,960,720</u>
Rate of return	<u>2.36%</u>	<u>4.60%</u>
Equity Capitalization	<u>\$ 31,145,720</u>	<u>\$ 49,621,167</u>
Rate of return	<u>2.58%</u>	<u>3.15%</u>

Witness: James Adkins

Big Sandy Rural Electric
Case No. 2017-00171
Determination of Rate Base
July 31, 2016

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Gross rate base:		
Total electric plant	\$ 52,228,678	\$ 52,228,678
Material and supplies (13 months average for test year)	298,301	298,301
Prepayments (13 months average for test year)	77,834	77,834
Working capital:		
12.5% of operating expense		
less cost of power	<u>612,200</u>	<u>627,308</u>
	53,217,014	53,232,121
Deductions from rate base:		
Accumulated depreciation	19,234,040	19,253,492
Consumer advances	<u>17,909</u>	<u>17,909</u>
Net rate base	<u>\$ 33,965,065</u>	<u>\$ 33,960,720</u>

	<u>Material</u>	<u>Prepayments</u>
July	292,041	46,498
August	273,944	30,784
September	294,494	60,862
October	294,121	44,155
November	284,680	42,542
December	274,598	26,211
January	312,049	133,066
February	305,231	124,291
March	278,491	110,457
April	307,572	118,679
May	328,944	95,918
June	321,238	101,400
July	310,509	76,984
Average	298,301	77,834

Big Sandy Rural Electric
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Computation of Rate of Return
July 31, 2016

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Witness: James Adkins

		Calendar Years				
	Test Year	1st	2nd	3rd	4th	5th
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net margins	\$1,501,975	\$1,710,588	\$2,137,905	\$2,295,210	\$1,574,763	\$1,764,428
Interest on long-term debt	701,164	705,710	749,189	792,314	822,866	926,623
Total	<u>2,203,139</u>	<u>2,416,298</u>	<u>2,887,094</u>	<u>3,087,524</u>	<u>2,397,629</u>	<u>2,691,051</u>
Net rate base	<u>33,965,065</u>	<u>33,786,531</u>	<u>33,710,745</u>	<u>33,819,904</u>	<u>34,042,997</u>	<u>32,110,453</u>
Rate of return	<u>6.49%</u>	<u>7.15%</u>	<u>8.56%</u>	<u>9.13%</u>	<u>7.04%</u>	<u>8.38%</u>
Return excluding G & T patronage dividends:						
Net margins	\$1,501,975	\$1,710,588	\$2,137,905	\$2,295,210	\$1,574,763	\$1,764,428
G & T patronage dividends	1,400,000	1,573,030	1,404,945	1,360,924	1,237,204	1,367,588
Interest on long-term debt	701,164	705,710	749,189	792,314	822,866	926,623
Total	<u>803,139</u>	<u>843,268</u>	<u>1,482,149</u>	<u>1,726,600</u>	<u>1,160,425</u>	<u>1,323,463</u>
Net rate base	<u>33,965,065</u>	<u>33,786,531</u>	<u>33,710,745</u>	<u>33,819,904</u>	<u>34,042,997</u>	<u>32,110,453</u>
Rate of return, excluding G & T	<u>2.36%</u>	<u>2.50%</u>	<u>4.40%</u>	<u>5.11%</u>	<u>3.41%</u>	<u>4.12%</u>

Big Sandy Rural Electric
Case No. 2017-00171
Determination of Rate Base
July 31, 2016

		Calendar Years				
	Test Year	1st	2nd	3rd	4th	5th
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gross rate base:						
Total electric plant	\$52,228,678	\$51,715,039	\$50,297,829	\$49,099,462	\$48,038,274	\$44,649,264
Material and supplies (13 mo. ave test year)	298,301	274,598	290,358	316,100	337,879	391,186
Prepayments (13 mo. ave test year)	77,834	26,211	19,365	18,464	13,221	13,463
Working capital:						
12.5% of operating expense						
less cost of power	612,200	611,733	608,121	597,776	556,824	536,652
	53,217,014	52,627,581	51,215,673	50,031,802	48,946,198	45,590,565
Deductions from rate base:						
Accumulated depreciation	19,234,040	18,821,124	17,480,497	16,181,873	14,873,816	13,453,190
Consumer advances	17,909	19,926	24,431	30,025	29,385	26,922
Net rate base	\$33,965,065	\$33,786,531	\$33,710,745	\$33,819,904	\$34,042,997	\$32,110,453

Witness: James Adkins

Big Sandy Rural Electric
Case No. 2017-00171
TIER and DSC Calculations
July 31, 2016

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
TIER:		
Margins, excluding G&T capital credits	\$101,975	\$868,413
Interest on long term debt	701,164	695,289
TIER	1.15	2.25
(Margins +Interest) / Interest		
DSC:		
Margins, excluding G&T capital credits	\$101,975	\$868,413
Depreciation expense	2,272,704	2,285,975
Interest on long term debt	701,164	695,289
Principal payment on long term debt	1,343,678	1,343,678
DSC	1.50	1.89

$$\text{DSC} = \frac{(\text{Margins} + \text{depreciation} + \text{interest})}{(\text{interest} + \text{principal payments})}$$

Big Sandy Rural Electric
Case No. 2017-00171
TIER and DSC Calculations
July 31, 2016

Exhibit K
page 6 of 7
Witness: James Adkins

	Calendar Years					
Test Year	1st	2nd	3rd	4th	5th	
<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	
<u>TIER calculations:</u>						
Margins, excluding G&T capital credits	101,975	137,558	732,960	934,286	337,559	396,840
Interest on long term debt	701,164	705,710	749,189	792,314	822,866	926,623
TIER, excluding G&T capital credits	1.15	1.19	1.98	2.18	1.41	1.43
Margins, including G&T capital credits	1,501,975	1,710,588	2,137,905	2,295,210	1,574,763	1,764,428
Interest on long term debt	701,164	705,710	749,189	792,314	822,866	926,623
TIER	3.14	3.42	3.85	3.90	2.91	2.90
<u>DSC calculations:</u>						
DSC = ((Margins + depreciation + interest) / (interest + principal payments))						
Margins, excluding G&T capital credits	101,975	137,558	732,960	934,286	337,559	396,840
Depreciation expense	2,272,704	2,245,342	2,173,975	2,103,987	2,016,944	1,939,171
Interest on long term debt	701,164	705,710	749,189	792,314	822,866	926,623
Principal payment on long term debt	1,333,964	1,356,578	1,350,327	1,213,472	1,887,959	1,730,279
DSC, excluding G&T capital credits	<u>1.51</u>	<u>1.50</u>	<u>1.74</u>	<u>1.91</u>	<u>1.17</u>	<u>1.23</u>
Margins, including G&T capital credits	1,501,975	1,710,588	2,137,905	2,295,210	1,574,763	1,764,428
Depreciation expense	2,272,704	2,245,342	2,173,975	2,103,987	2,016,944	1,939,171
Interest on long term debt	701,164	705,710	749,189	792,314	822,866	926,623
Principal payment on long term debt	1,333,964	1,356,578	1,350,327	1,213,472	1,887,959	1,730,279
DSC	<u>2.20</u>	<u>2.26</u>	<u>2.41</u>	<u>2.59</u>	<u>1.63</u>	<u>1.74</u>

Big Sandy Rural Electric
Case No. 2017-00171
Equity Capitalization
July 31, 2016

Exhibit K
page 7 of 7
Witness: James Adkins

		Test Year	Calendar Years				
	<u>Proposed</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Equity Capitalization:</u>							
<u>without G&T patronage capital</u>							
Total margins and equities	41,849,579	23,374,132	23,068,054	21,262,611	19,023,729	16,620,524	17,282,677
Less G&T Patronage capital	13,707,417	13,707,417	12,134,387	10,729,442	9,368,518	8,131,314	6,763,726
	28,142,162	9,666,715	10,933,667	10,533,169	9,655,211	8,489,210	10,518,951
Long-term debt	21,479,005	21,479,005	22,467,522	23,809,859	25,126,175	24,431,641	22,262,229
Total	49,621,167	31,145,720	33,401,189	34,343,028	34,781,386	32,920,851	32,781,180
Equity capitalization ratio	<u>57%</u>	<u>31%</u>	<u>33%</u>	<u>31%</u>	<u>28%</u>	<u>26%</u>	<u>32%</u>
<u>Equity Capitalization:</u>							
<u>with G&T patronage capital</u>							
Total margins and equities	41,849,579	23,374,132	23,068,054	21,262,611	19,023,729	16,620,524	17,282,677
Long-term debt	21,479,005	21,479,005	22,467,522	23,809,859	25,126,175	24,431,641	22,262,229
Total	63,328,584	44,853,137	45,535,576	45,072,470	44,149,904	41,052,165	39,544,906
Equity capitalization ratio	<u>66%</u>	<u>52%</u>	<u>51%</u>	<u>47%</u>	<u>43%</u>	<u>40%</u>	<u>44%</u>
<u>Equity to Total Assets:</u>							
<u>with G&T patronage capital</u>							
Total margins and equities	41,849,579	23,374,132	23,068,054	21,262,611	19,023,729	16,620,524	17,282,677
Total assets	91,086,437	52,231,871	52,168,418	52,047,929	51,421,588	48,711,774	45,132,367
Equity to total asset ratio	<u>46%</u>	<u>45%</u>	<u>44%</u>	<u>41%</u>	<u>37%</u>	<u>34%</u>	<u>38%</u>

Big Sandy Rural Electric**Case No. 2017-00171****Reconciliation of Rate Base and Capital****July 31, 2016**

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

Equity Capitalization, with G&T capital credits	\$ 44,853,137
G&T capital credits	<u>(13,707,417)</u>
Equity, excluding G&T capital credits	31,145,720
Reconciling items:	
Capital credits from associated organizations	
(Allocated but unpaid)	(1,125,793)
Working capital requirements	612,200
Material and supplies, 13 month average	298,301
Prepayments, 13 month average	77,834
Cash and temporary investments	(628,942)
Accounts receivable	(3,368,594)
Material and supplies	(310,509)
Prepayments	(84,120)
Deferred charges	(11,858)
Accumulated operating provisions	3,714,137
Accounts payable	1,954,938
Short term borrowings	650,000
Consumer deposits	623,357
Accrued expenses	418,393
Net Rate Base	<u><u>\$ 33,965,065</u></u>

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ACCOUNT MA LISTING
ALL ACCOUNTS

PAG. 1 of 12
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ACCOUNT	DESCRIPTION	-----RUS-----	-----TVA-----	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE	ACCT	ABA NBR	BANK ACCOUNT
107.10	CWIP CONTRACTOR	2.00		2.00		107.10		
107.20	CWIP FORCE ACCOUNT	2.00		2.00		107.20		
107.21	CWIP - INDIRECT	2.00		2.00		107.21		
107.30	CWIP SPECIAL EQUIPMENT	2.00		2.00		107.30		
107.31	CWIP-OFFICE REMOBE PROJECT	2.00		2.00		107.31		
107.32	CWIP- IVR	2.00		2.00		107.32		
107.33	CWIP-FEMA GRANT GENERATOR	2.00		2.00		107.33		
107.34	CWIP-CURRENT WORK PLAN	2.00		2.00		107.34		
108.60	ACCUM PROV DEPR DIST PLANT	4.00		4.00		108.60		
108.61	ACCUM.DEPR.DIST.PLANT A/C 364	4.00		4.00		108.61		
108.62	ACCUM DEPR.DIST.PLANT A/C 365	4.00		4.00		108.62		
108.63	ACCUM.DEPR.DIST.PLANT A/C 366	4.00		4.00		108.63		
108.64	ACCUM DEPR.DIST.PLANT. A/C 367	4.00		4.00		108.64		
108.65	ACCUM.DEPR.DIST.PLANT A/C 368	4.00		4.00		108.65		
108.66	ACCUM.DEPR.DIST.PLANT. A/C 369	4.00		4.00		108.66		
108.67	ACCUM.DEPR.DIST.PLANT.A/C 370	4.00		4.00		108.67		
108.68	ACCUM PERP.DIST.PLANT A/C 371	4.00		4.00		108.68		
108.69	ACCUM DEPR.DIST.PLANT A/C 362	4.00		4.00		108.69		
108.70	ACCUM PROV DEPR GENERAL PLANT	4.00		4.00		108.70		
108.71	ACCUM.DEPR.GEN.PLANT A/C 390.10	4.00		4.00		108.71		
108.72	ACCUM.DEPR.GEN.PLANT A/C 391	4.00		4.00		108.72		
108.73	ACCUM.DEPR.GEN.PLANT A/C 394	4.00		4.00		108.73		
108.74	ACCUM.DEPR.GEN.PLANT.A/C 395	4.00		4.00		108.74		
108.75	ACCUM.DEPR.GEN.PLANT A/C 396	4.00		4.00		108.75		
108.76	ACCUM.DEPR.GEN.PLANT A/C 397	4.00		4.00		108.76		
108.77	ACCUM.DEPR.GEN.PLANT A/C 398	4.00		4.00		108.77		

Page To Be Resubmitted

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ACCOUNT MASTER LISTING
ALL ACCOUNTS

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ACCOUNT	DESCRIPTION	---RUS---		---TVA---		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
135.60	WORKING FUND-CHANGE PRESTONSBURG	15.00		15.00		135.60				
135.70	WORKING FUND-CHANGE	15.00		15.00		135.70				
135.80	WORKING FUND-CHANGE PRESTONSBURG	15.00		15.00		135.80				
135.90	WORKING FUND-CHANGE PRESTONSBURG	15.00		15.00		135.90				
136.00	TEMPORARY CASH INVESTMENTS	18.00		18.00		136.00				
136.10	TEMP.CASH INVST.6 MO CD'S	18.00		18.00		136.10				
136.20	TEMP.CASH INVST.MONEY MARKET	18.00		18.00		136.20				
136.30	TEMP CASH INVST CR UNION B.DAVIS	18.00		18.00		136.30				
136.40	TEMP CASH INVS HOMESTEAD/B.DAVIS	18.00		18.00		136.40				
142.10	CONS.ACCTS.RECEIVABLE ELECTRIC	20.00		20.00		142.10				
142.20	CASH PAYMT'S/CAP VOUCHERS	20.00		20.00		142.20				
142.30	CONS RECEIVABLE DEBT MNGMT	20.00		20.00		142.30				
143.00	OTHER ACCOUNTS RECEIVABLE	21.00		21.00		143.00				
143.10	OTHER ACCTS RECIV-EXPENSE ADVANC	21.00		21.00		143.10				
143.20	OTHER ACCTS.REC.WINTER CARE	21.00		21.00		143.20				
143.30	ACCTS.REC.NRECA PERSONAL LOAN	21.00		21.00		143.30				
143.40	AMERICAN FUNDS LOANS	21.00		21.00		143.40				
143.50	RELAY FOR LIFE DONATION	21.00		21.00		143.50				
143.60	OTHER ACCTS.REC.TOOLS DEDUCTIONS	21.00		21.00		143.60				
143.70	ACCOUNTS RECEIVABLE - MACED PROG	21.00		21.00		143.70				
143.80	MACED - NOTES RECEIVABLE	21.00		21.00		143.80				
143.90	CLEARING ACCT.OUTAGE LBR./PAY	21.00		21.00		143.90				
144.10	ACCUM PROV UNCOLLECT ACCTS CR	20.00		20.00		144.10				
144.20	ACCUM.PROV.UNCOLLEC.HOW SMART LO	20.00		20.00		144.20				
144.40	ACCUM PROV OTHER UNCOLLECT CR	21.00		21.00		144.40				
154.00	PLANT MATERIAL & OPERATING SUPPLY	23.00		22.00		154.00				

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ACCOUNT MASTER LISTING
ALL ACCOUNTS

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ACCOUNT	DESCRIPTION	---RUS---	---TVA---	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE	ACCT	ABA NBR	BANK ACCOUNT
155.00	MERCHANDISE	23.00		22.00		155.00		
155.10	OTHR.MERCHANDISE GAS/AUTO PARTS	23.00		22.00		155.10		
163.00	STORES EXPENSE UNDISTRIBUTED	23.00		22.00		163.00		
163.10	MINOR MATERIAL/ STORES EXPENSE	23.00		22.00		163.10		
165.10	PREPAYMENTS-INSURANCE	24.00		23.00		165.10		
165.20	OTHER PREPAYMENTS-LICENSE FEES	24.00		23.00		165.20		
165.30	OTHER PREPAY-REGISTRATIONS	24.00		23.00		165.30		
165.40	OTHR PREPAY/MRG,OFFC,DIRC,INS	24.00		23.00		165.40		
165.50	OTHER PREPAY-DUES	24.00		23.00		165.50		
165.60	PREPAY- IVR SYSTEM SUPPORT	24.00		23.00		165.60		
171.00	INTEREST & DIVIDENDS RECEIVABLE	25.00		24.00		171.00		
171.10	INTEREST & DIVIDENDS REC/OTHER	25.00		24.00		171.10		
183.00	PRELIM SERVAYS & INVESTGAT. CHGE	28.00		27.00		183.00		
184.00	TRANSPOTATION EXP. - INDIRECT	28.00		27.00		184.00		
184.10	TRANSPORTATION EXP CLEARING	28.00		27.00		184.10		
186.00	MISC. DEFERRED DEBITS	28.00		27.00		186.00		
186.10	MISC DEFERRED DEBITS-RATE CASE	28.00		27.00		186.10		
186.60	DEFERRED PAST SERVICE PENSION	28.00		27.00		186.60		
200.10	MEMBERSHIPS	30.00		29.00		200.10		
201.10	PATRONS CAPITAL CREDITS	31.00		30.00		201.10		
201.20	PATRONAGE CAPITAL CR.ASSIGNABLE	31.00		30.00		201.20		
208.00	DONATED CAPITAL	35.00		34.00		208.00		
208.10	DONATED CAPITAL/CAPITAL CREDITS	35.00		34.00		208.10		
215.30	OTHER COMPREHENSIVE INCOME/FASB	35.00		34.00		215.30		
217.00	RETIRED CAPITAL CREDIT-GAIN	35.00		34.00		217.00		
217.10	RETIRED CAP.CR. GAIN-DISCOUNT \$	35.00		34.00		217.10		

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ACCOUNT MASTER LISTING
ALL ACCOUNTS

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ACCOUNT	DESCRIPTION	-----RUS----- B/S INC LINE LINE	-----TVA----- B/S INC LINE LINE	MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
219.10	OPERATING MARGINS	33.00	32.00	219.10				
219.20	NON OPERATING MARGINS	34.00	33.00	219.20				
219.30	OTHER MARGINS	35.00	34.00	219.30				
224.11	OTHER LONG TERM DEBT-SUBSC.	40.00	40.00	224.11				
224.12	OTHER LONG TERM DEBT-CFC	40.00	40.00	224.12				
224.13	CFC NOTES EXUC.-DEBIT/REFINANCED	40.00	40.00	224.13				
224.14	OTH LONG TERM DEBT-PAST SVC COST	40.00	40.00	224.14				
224.15	NOTES EXECUTED-OTHER DEBIT	40.00	40.00	224.15				
224.16	CO-BANK NOTES EXECUTED	40.00	40.00	224.16				
224.20	FFB NOTES EXUC.	40.00	40.00	224.20				
224.21	FFB NOTES EXUC CONST DEBT	40.00	40.00	224.21				
224.30	LONG TERM DEBT-RUS NOTES EXUC	37.00	36.00	224.30				
224.40	RUS NOTES EXUC CONST DEBT	37.00	36.00	224.40				
224.50	INT ACCR DEFERRED RUS CONST	37.00	36.00	224.50				
224.60	ADV PAY UNAPPLYD LONG TERM DEBT	37.00	36.00	224.60				
224.70	MACED - NOTES PAYABLE	40.00	36.00	224.70				
228.30	ACCUM PROV PENSIONS/BENEFITS	45.00	43.00	228.30				
231.00	NOTES PAYABLE	47.00	45.00	231.00				
232.10	ACCOUNTS PAYABLE GENERAL	48.00	46.00	232.10				
232.20	ACCTS PAYABLE OTHER	48.00	46.00	232.20				
232.25	ACCTS.PAYABLE LEASED VEH CO-BANK	48.00	46.00	232.25				
232.26	ACCTS. PAYABLE LEASED VEH ENTERP	48.00	46.00	232.26				
232.30	ACCTS PAYABLE POLE INSPECTION	48.00	46.00	232.30				
232.40	ACCTS PAYABLE-WHOLESALE POWER	48.00	46.00	232.40				
232.50	ACCTS PAYABLE/PSC ASSMT	48.00	46.00	232.50				
232.60	ACCTS PAY/CFC/ZTC 11/03 TO 06/04	48.00	46.00	232.60				

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ACCOUNT MASTER LISTING
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ACCOUNT	DESCRIPTION	----	RUS----	----	TVA----	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S	INC	B/S	INC	ACCT		ABA NBR	BANK ACCOUNT	
		LINE	LINE	LINE	LINE					
232.70	ACCTS PAYABLE/SECURE WORKS IPS	48.00		46.00		232.70				
232.80	ACCTS PAY CHILD SUP/WAGE GARNISH	48.00		46.00		232.80				
232.90	ACCTS PAYBLE TWACS SUPPORT AGRMT	48.00		46.00		232.90				
234.00	ACCTS PAYABLE ASSOC COMPANIES	48.00		46.00		234.00				
235.00	CONSUMER DEPOSITS	49.00		47.00		235.00				
235.10	CONSUMER DEPOSITS-COMMERCIAL	49.00		47.00		235.10				
236.10	ACCURED PROPERTY TAX	53.00		51.00		236.10				
236.20	ACCRD US SOC SECURITY UNEMPLYMEN	53.00		51.00		236.20				
236.30	ACCRD US SOC SECURITY TAX FICA	53.00		51.00		236.30				
236.40	ACCRD STATE SOC SECURITY UNEMP	53.00		51.00		236.40				
236.50	ACCRUED STATE SALES TAX	53.00		51.00		236.50				
237.10	ACCRUED RUS INT CONST OBLIG	53.00		51.00		237.10				
237.20	FFB INTEREST ACCRUED	53.00		51.00		237.20				
237.30	OTHER INTEREST ACCRUED	53.00		51.00		237.30				
237.40	ACCRUED INT.-SHORT TERM LOAN	53.00		51.00		237.40				
237.50	OTHER INT ACCRUED CONSUMER DEP	53.00		51.00		237.50				
237.60	CO-BANK - ACCRUED INTEREST	53.00		51.00		237.60				
238.10	PATRONAGE CAPITAL PAYABLE	53.00		51.00		238.10				
241.00	TAX COLLECTION PAYBLE FEDERAL	53.00		51.00		241.00				
241.10	SCHOOL TAX -MARTIN COUNTY	53.00		51.00		241.10				
241.11	MARTIN COUNTY OCCUPATIONAL TAX	53.00		51.00		242.11				
241.20	TAX COLLECTION PAY-CITY TAX	53.00		51.00		241.20				
241.30	TAX COLLECT PAYBLE ST INCOME TAX	53.00		51.00		241.30				
241.40	SCHOOL TAX-BREATHITT COUNTY	53.00		51.00		241.40				
241.50	SCHOOL TAX-JOHNSON COUNTY	53.00		51.00		241.50				
241.60	SCHOOL TAX LAWRENCE COUNTY	53.00		51.00		241.60				

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ACCOUNT MASTER LISTING
ALL ACCOUNTS

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of 12

ACCOUNT	DESCRIPTION	---RUS---	---TVA---	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE	ACCT	ABA NBR	BANK ACCOUNT
241.70	SCHOOL TAX-MAGOFFIN COUNTY	53.00		51.00		241.70		
241.80	SCHOOL TAX-KNOTT COUNTY	53.00		51.00		241.80		
241.90	JOHNSON COUNTY OCCUPATIONAL TAX	53.00		51.00		241.90		
242.10	BSRECC FLEX-SPENDING PLAN	53.00		51.00		242.10		
242.11	CUR/ACCRUED LIAB-CANCER INS	53.00		51.00		242.11		
242.12	CURR.ACCRD.LIAB-ALLSTATE INS	53.00		51.00		242.12		
242.13	CUR.ACCRD.LIAB/COMMONWEALTH INS	53.00		51.00		242.13		
242.14	CURR.ACCRD.LIAB/DENTAL INS	53.00		51.00		242.14		
242.15	CURR.ACCRD.LIAB/TWACS SUPPORT	53.00		51.00		242.15		
242.16	CURR.ACCRD.LIAB/AUTO USE	53.00		51.00		242.16		
242.17	CURR ACCRD LIAB 401K ALL EMP	53.00		51.00		242.17		
242.18	CURR.ACCR.LIB.401K OTSD/PAY DED.	53.00		51.00		242.18		
242.19	AMERICAN FUNDS 401-K OUTSIDE %	53.00		51.00		242.19		
242.20	ACCRUED PAYROLL	53.00		51.00		242.20		
242.21	EXPENSE DIRECTORS CONFERENCE	53.00		51.00		242.21		
242.22	R/W BIDWORK EXPENSE ACCRUAL	53.00		51.00		242.22		
242.23	ACCRUED R/W SPRAY EXPENSE	53.00		51.00		242.23		
242.30	ACCRUED EMPLOYEE VACATION	53.00		51.00		242.30		
242.31	ACCRUED EMPLOYEE SICK LEAVE	53.00		51.00		242.31		
242.40	EMPLOYEE PAID HEALTH INSURANCE	53.00		51.00		242.40		
242.41	ACCRD C/L- ACLARA AUDIT EXPENSE	53.00				242.41		
242.42	CURR. ACCRD. LIAB/NETWORK TESTIN	53.00				242.42		
242.50	CURR.ACCRD.LIAB.MEETNG/AUDIT	53.00		51.00		242.50		
242.60	CURR.ACCRD.LIAB/DEPENDENT LIFE	53.00		51.00		242.60		
242.80	CURR.ACCRD.LIAB/CREDIT UNION	53.00		51.00		242.80		
242.90	CURR.ACCRD.LIAB/UNION DUES	53.00		51.00		242.90		

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ACCOUNT	DESCRIPTION	----	RUS----	----	TVA----	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S	INC	B/S	INC	ACCT		ABA NBR	BANK ACCOUNT	
		LINE	LINE	LINE	LINE					
252.00	CONSUMER ADVANCE CONSTRUCTION	56.00		55.00		252.00				
253.00	OTHER DEFERRED CREDITS	56.00		55.00		253.00				
360.00	LAND & LAND RIGHTS	1.00		1.00		360.00				
362.00	STATION EQUIPMENT	1.00		1.00		362.00				
364.00	POLES, TOWERS & FIXTURES	1.00		1.00		364.00				
365.00	OVERHEAD CONDUCTORS & DEVICES	1.00		1.00		365.00				
366.00	UNDERGROUND CONDUIT	1.00		1.00		366.00				
367.00	UNDERGROUND COND. & DEVICES	1.00		1.00		367.00				
368.00	LINE TRANSFORMERS	1.00		1.00		368.00				
369.00	SERVICES	1.00		1.00		369.00				
370.00	METERS	1.00		1.00		370.00				
371.00	INST. ON CONSUMER PREMISES	1.00		1.00		371.00				
389.00	LAND & LAND RIGHTS	1.00		1.00		389.00				
390.10	STRUCTURES & IMPROVEMENTS	1.00		1.00		390.10				
391.00	OFFICE FURNITURE & EQUIPMENT	1.00		1.00		391.00				
392.00	TRANSPORTATION EQUIPMENT	1.00		1.00		392.00				
394.00	TOOLS, SHOP, GARAGE EQUIPMENT	1.00		1.00		394.00				
395.00	LABORATORY EQUIPMENT	1.00		1.00		395.00				
396.00	POWER OPERATED EQUIPMENT	1.00		1.00		396.00				
397.00	COMMUNICATIONS EQUIPMENT	1.00		1.00		397.00				
398.00	MISCELLANEOUS EQUIPMENT	1.00		1.00		398.00				
403.60	DEPR EXPENSE DISTRIBUTION PLANT	33.00	13.00	32.00	12.00	219.10				
403.70	DEPR EXPENSE GENERAL PLANT	33.00	13.00	32.00	12.00	219.10				
408.10	TAXES-PROPERTY	33.00	14.00	32.00	13.00	219.10				
408.20	TAXES US SOCIAL SECURITY UMEMP	33.00	15.00	32.00	14.00	219.10				
408.30	TAXES US SOCIAL SECURITY FICA	33.00	15.00	32.00	14.00	219.10				

BIG SANDS SCC
PRG. GLACCTLT (GALA)

ACCOUNT MASTER LISTING
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ACCOUNT	DESCRIPTION	----RUS----	----TVA----	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S INC	B/S INC	ACCT		ABA NBR	BANK ACCOUNT	
		LINE LINE	LINE LINE					
408.40	TAXES STATE SOCIAL SEC.UNEMP	33.00 15.00	32.00 14.00	219.10				
408.70	TAXES OTHER REGULATORY COMMSION.	33.00 15.00	32.00 14.00	219.10				
415.00	REVENUE FROM MERCHANDISING	34.00 25.00	33.00 24.00	219.10				
419.00	INTEREST & DIVIDEND INCOME	34.00 22.00	33.00 21.00	219.20				
421.10	GAIN ON DISPOSITION OF PROPERTY	34.00 25.00	33.00 24.00	219.20				
421.20	LOSS ON DISPOSITION OF PROPERTY	34.00 25.00	33.00 24.00	219.20				
423.00	GENERATION & TRANSM.CAPITAL CR.	33.00 26.00	32.00 25.00	219.10				
424.00	OTHR CAP.CR.& PATR.CAP.ALLOC	33.00 27.00	32.00 26.00	219.10				
426.10	DONATIONS	33.00 19.00	32.00 18.00	219.10				
426.30	PENALTIES	33.00 19.00	32.00 18.00	219.10				
426.40	EXPENDITURE CIVIC & POLITICAL	33.00 19.00	32.00 18.00	219.10				
426.50	OTHER DEDUCTIONS	33.00 19.00	32.00 18.00	219.10				
427.10	INT.ON RUS CONSTRUCTION LOAN	33.00 16.00	32.00 15.00	219.10				
427.20	INT.ON OTHER LONG TERM DEBT	33.00 16.00	32.00 15.00	219.10				
427.30	INTEREST ON PFB NOTES	33.00 16.00	32.00 15.00	219.10				
427.40	INTEREST ON CO-BANK NOTES	33.00 16.00	32.00 15.00	219.10				
428.00	AMORT.OF DEBT DISCOUNT	33.00 19.00	32.00 18.00	219.10				
431.00	OTHER INTEREST EXPENSE	33.00 18.00	32.00 17.00	219.10				
431.10	OTHER INT EXP.SHORT TERM LOAN	33.00 18.00	32.00 17.00	219.10				
431.20	INTEREST EKP INEZ 69KV LINE PROJ	33.00 18.00	32.00 17.00	219.10				
431.30	INT.EXP.FARM CREDIT LEASE/TRUCK	33.00 18.00	32.00 17.00	219.10				
431.40	INTEREST EXP ENTERPRISE LEASE	33.00 18.00	32.00 17.00	219.10				
435.10	CUMULATIVE EFFECTS PRIOR YEARS	33.00 28.00	32.00 27.00	219.20				
440.10	RESIDENTIAL SALES-RURAL	33.00 1.00	32.00 1.00	219.10				
442.10	COMM.& INDUST.SALES-SMALL	33.00 1.00	32.00 1.00	219.10				
442.20	COMM. & INDUST.SALES-LARGE	33.00 1.00	32.00 1.00	219.10				

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ACCOUNT MASTER LISTING
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ACCOUNT	DESCRIPTION	---RUS---		---TVA---		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
442.30	COMM & IND.SALES LARGE IND.1-B	33.00	1.00	32.00	10.00	219.10				
450.00	FORFEITED DISCOUNTS	33.00	1.00	32.00	1.00	219.10				
451.00	MISC.SERVICE REVENUES	33.00	1.00	32.00	1.00	219.10				
454.00	RENT FROM ELECTRIC PROPERTY	33.00	1.00	32.00	1.00	219.10				
456.00	OTHER ELECTRIC REVENUE	33.00	1.00	32.00	1.00	219.10				
457.00	PREPAID METER PROGRAM FEE	33.00	1.00	32.00	1.00	219.10				
555.00	PURCHASED POWER	33.00	3.00	32.00	3.00	219.10				
580.00	OPERATIONS & SUPERVSON ENGR.	33.00	6.00	32.00	5.00	219.10				
582.00	STATION EXPENSE	33.00	6.00	32.00	5.00	219.10				
583.00	OVERHEAD LINE EXPENSE	33.00	6.00	32.00	5.00	219.10				
586.00	METER EXPENSE	33.00	6.00	32.00	5.00	219.10				
586.10	METER EXPENSE TWACS SYSTEM	33.00	6.00	32.00	5.00	219.10				
586.20	PREPAID METERING	33.00	6.00	32.00	5.00	219.10				
587.00	CONSUMER INSTALLATION EXPENSE	33.00	6.00	32.00	5.00	219.10				
588.00	MIS.DISTRIBUTION EXPENSE	33.00	6.00	32.00	5.00	219.10				
588.10	MAPPING EXPENSE/GPS SYSTEM	33.00	6.00	32.00	5.00	219.10				
589.00	RENTS	33.00	6.00	32.00	5.00	219.10				
590.00	MAINT.SUPERVSN.ENGR.	33.00	7.00	32.00	6.00	219.10				
592.00	MAINTENANCE STATION EQUIPMENT	33.00	7.00	32.00	6.00	219.10				
593.00	MAINT.OVERHEAD LINES	33.00	7.00	32.00	6.00	219.10				
593.10	MAINT.OVERHEAD LINES R/W	33.00	7.00	32.00	6.00	219.10				
593.11	BSRECC/ROW SUPPLIES	33.00	7.00	32.00	6.00	219.10				
593.20	OVERHEAD LINES R/W-CONTRACTOR	33.00	7.00	32.00	6.00	219.10				
593.21	BRUSH CONTROL R/W	33.00	7.00	32.00	6.00	219.10				
593.22	TICKET WORK R/W	33.00	7.00	32.00	6.00	219.10				
593.23	HOT SPOTS R/W	33.00	7.00	32.00	6.00	219.10				

BIG SANDS SCC
PRG. GLACCTLT (GALA)

ACCOUNT MASTER LISTING
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ACCOUNT	DESCRIPTION	---RUS---	---TVA---	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE	ACCT	ABA NBR	BANK ACCOUNT
593.24	MID-CYCLE R/W	33.00	7.00	32.00	6.00	219.10		
593.25	TGR/TREE GROWTH R/W	33.00	7.00	32.00	6.00	219.10		
593.26	AERIAL SPRAY R/W	33.00	7.00	32.00	6.00	219.10		
593.27	STORM WORK R/W	33.00	7.00	32.00	6.00	219.10		
593.28	MAINT.OVERHEAD MUTUAL AID WORK	33.00	7.00			219.10		
595.00	MAINT.LINE TRANSFORMERS	33.00	7.00	32.00	6.00	219.10		
597.00	MAINT. OF METERS	33.00	7.00	32.00	6.00	219.10		
598.00	MAINT.MISC.DISTRIBUTION PLANT	33.00	7.00	32.00	6.00	219.10		
777.77	CAGA INTEGRATION					777.77		
901.00	SUPERVISION	33.00	8.00	32.00	7.00	219.10		
902.00	METER READING EXPENSE	33.00	8.00	32.00	7.00	219.10		
903.00	CONSUMER RECD'S COLLECTION EXP	33.00	8.00	32.00	7.00	219.10		
903.10	CONS.RECD'S EXP.OVER/SHORT	33.00	8.00	32.00	7.00	219.10		
904.00	UNCOLLECTIBLE ACCOUNTS	33.00	8.00	32.00	7.00	219.10		
908.00	CONSUMER ASSISTANCE EXPENSE	33.00	9.00	32.00	8.00	219.10		
909.00	INFORMATION & INSTRUCTION EXP	33.00	9.00	32.00	8.00	219.10		
912.00	DEMONSTRATING & SELLING EXP	33.00	10.00	32.00	9.00	219.10		
913.00	ADVERTISING EXPENSE	33.00	10.00	32.00	9.00	219.10		
920.00	ADMINISTRATIVE SALARIES	33.00	11.00	32.00	10.00	219.10		
921.00	OFFICE SUPPLIES & EXPENSE	33.00	11.00	32.00	10.00	219.10		
923.00	OUTSIDE SERVICE EMPLOYED	33.00	11.00	32.00	10.00	219.10		
924.00	PROPERTY INSURANCE	33.00	11.00	32.00	10.00	219.10		
925.00	INJURIES & DAMAGES	33.00	11.00	32.00	10.00	219.10		
926.00	EMPLOYEE PENSIONS & BENEFITS	33.00	11.00	32.00	10.00	219.10		
926.10	EMP.PENSIONS & BENEFITS RETIR IN	33.00	11.00	32.00	10.00	219.10		
926.20	EMP.PENSIONS/BENEFITS PAST SVC	33.00	11.00	32.00	10.00	219.10		

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ACCOUNT MASTER LISTING
ALL ACCOUNTS

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ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
926.30	EMPLOYEE BENEFITS/SAVINGS	33.00	11.00	32.00	10.00	219.10				
928.00	REGULATORY COMMISSION EXP	33.00	11.00	32.00	10.00	219.10				
929.00	DUP.CHGES.CR.(CO-OP USED KWH)	33.00	11.00	32.00	10.00	219.10				
930.10	GENERAL ADVERTISING EXPENSE	33.00	11.00	32.00	10.00	219.10				
930.11	DIRECTORS PER DIEM	33.00	11.00	32.00	10.00	219.10				
930.12	DIRECTORS MILEAGE	33.00	11.00	32.00	10.00	219.10				
930.13	DIRECTORS EXPENSES	33.00	11.00	32.00	10.00	219.10				
930.20	MISC. GENERAL EXPENSE	33.00	11.00	32.00	10.00	219.10				
931.00	RENTS	33.00	11.00	32.00	10.00	219.10				
935.00	MAINT.GENERAL PLANT	33.00	11.00	32.00	10.00	219.10				
935.10	OPERATION CENTER EXPENSES	33.00	11.00	32.00	10.00	219.10				
999.99	ACCOUNT FOR FIXED JOURNAL ENTRIE					999.99				

TOTAL ACCOUNTS 298

INCOME 95
BAL/SHEET 203

Kentucky 58
Big Sandy Rural Electric
Cooperative Corporation
Paintsville, Kentucky
Audited Financial Statements
December 31, 2016 and 2015

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

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ALAN M. ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT

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

Independent Auditor's Report

To the Board of Directors
Big Sandy Rural Electric Cooperative
Paintsville, Kentucky

Report on the Financial Statements

I have audited the accompanying financial statements of Big Sandy Rural Electric Cooperative, which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of revenue and comprehensive income, changes in equities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

To the Board of Directors
Big Sandy Rural Electric Cooperative

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Big Sandy Rural Electric Cooperative as of December 31, 2016 and 2015, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated January 18, 2017, on my consideration of Big Sandy Rural Electric Cooperative's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

Alan Zumstein

Alan M. Zumstein, CPA
January 18, 2017

Big Sandy Rural Electric Cooperative Corporation
Balance Sheets, December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>Assets</u>		
Electric Plant, at original cost:		
In service	\$ 52,612,854	\$ 51,786,741
Under construction	9,702	(71,702)
	<u>52,622,556</u>	<u>51,715,039</u>
Less accumulated depreciation	<u>19,412,457</u>	<u>18,821,124</u>
	<u>33,210,099</u>	<u>32,893,915</u>
Investments in Associated Organizations	<u>15,648,826</u>	<u>14,825,489</u>
Current Assets:		
Cash and cash equivalents	451,012	513,115
Accounts receivable, less allowance for 2016 of \$107,394 and 2015 of \$115,065	3,088,439	2,726,685
Other receivables	612,371	887,046
Material and supplies, at average cost	275,659	274,598
Other current assets	40,431	47,571
	<u>4,467,912</u>	<u>4,449,015</u>
Total	<u>\$ 53,326,837</u>	<u>\$ 52,168,419</u>
<u>Members' Equities and Liabilities</u>		
Members' Equities:		
Memberships	\$ 227,285	\$ 227,660
Patronage capital	25,667,470	24,749,152
Other equities	728,440	492,628
Accumulated other comprehensive income	(2,253,569)	(2,401,385)
	<u>24,369,626</u>	<u>23,068,055</u>
Long Term Debt	<u>20,624,330</u>	<u>21,003,927</u>
Accumulated Postretirement Benefits	<u>3,678,035</u>	<u>3,749,502</u>
Current Liabilities:		
Accounts payable	2,349,375	2,052,808
Current portion of long term debt	1,375,000	1,350,000
Consumer deposits	618,198	640,413
Accrued expenses	300,679	283,788
	<u>4,643,252</u>	<u>4,327,009</u>
Consumer Advances	<u>11,594</u>	<u>19,926</u>
Total	<u>\$ 53,326,837</u>	<u>\$ 52,168,419</u>

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

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Big Sandy Rural Electric Cooperative Corporation
Statements of Revenue and Comprehensive Income
for the years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating Revenues		
Sale of electricity	\$ 23,629,021	\$ 24,229,996
Other electric revenue	<u>786,771</u>	<u>779,757</u>
	<u>24,415,792</u>	<u>25,009,753</u>
Operating Expenses:		
Cost of power	16,239,864	17,190,536
Distribution - operations	996,251	1,081,338
Distribution - maintenance	1,686,356	1,563,328
Consumer accounts	885,558	871,842
Customer services	19,009	50,027
Sales	3,785	2,471
Administrative and general	1,343,115	1,324,858
Depreciation, excluding \$156,128 in 2016 and \$134,522 in 2015 charged to clearing accounts	2,289,840	2,245,342
Taxes, other than income	32,952	34,619
Other interest charges	68,947	52,202
Interest on long-term debt	678,717	705,710
Other deductions	<u>20,775</u>	<u>13,941</u>
Total cost of electric service	<u>24,265,169</u>	<u>25,136,214</u>
Operating Margins	<u>150,623</u>	<u>(126,461)</u>
Nonoperating Margins and Capital Credits		
Interest income	173,286	174,792
Other non operating margins	13,873	19,521
G&T capital credits	800,000	1,573,030
Other Capital Credits	<u>59,673</u>	<u>69,707</u>
	<u>1,046,832</u>	<u>1,837,050</u>
Net Margins	1,197,455	1,710,589
Comprehensive income:		
Accumulated postretirement benefits	<u>147,816</u>	<u>147,816</u>
Net Comprehensive Income	<u><u>\$ 1,345,271</u></u>	<u><u>\$ 1,858,405</u></u>

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

Exhibit
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Big Sandy Rural Electric Cooperative Corporation
Statement of Changes in Members' Equity
for the years ended December 31, 2015 and 2016

	Patronage Capital								
	Memberships	Assigned	Assignable	Prior Deficits	Retirements	Total	Other Equity	Accumulated Other Comprehensive Income	Total Members' Equity
Balance-December 31, 2014	\$ 231,950	\$ 24,043,771	\$ 2,137,905	\$ (483,029)	\$ (2,593,743)	\$ 23,104,904	\$474,957	\$ (2,549,201)	\$ 21,262,610
Allocate margins		1,936,204	(2,137,905)	201,701		-			-
Comprehensive income:									
Net margins			1,710,589			1,710,589			1,710,589
Postretirement benefit obligation									
Amortization								147,816	
Adjustments								-	147,816
Total comprehensive income									1,858,405
Net change in memberships	(4,290)								(4,290)
Refunds to estates					(66,341)	(66,341)			(66,341)
Other equities							17,671		17,671
Balance-December 31, 2015	227,660	25,979,975	1,710,589	(281,328)	(2,660,084)	24,749,152	492,628	(2,401,385)	23,068,055
Allocate margins		1,672,738	(1,710,589)	37,851		-			-
Comprehensive income:									
Net margins			1,197,455			1,197,455			1,197,455
Postretirement benefit obligation									
Amortization								147,816	
Adjustments								-	147,816
Total comprehensive income									1,345,271
Net change in memberships	(375)								(375)
Refunds to estates					(63,421)	(63,421)			(63,421)
Other equities		(215,716)				(215,716)	235,812		20,096
Balance-December 31, 2016	\$ 227,285	\$ 27,436,997	\$ 1,197,455	\$ (243,477)	\$ (2,723,505)	\$ 25,667,470	\$728,440	\$ (2,253,569)	\$ 24,369,626

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

Big Sandy Rural Electric Cooperative Corporation
Statements of Cash Flows
for the years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Net margins (deficit)	\$ 1,197,455	\$ 1,710,589
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation:		
Charged to expense	2,289,840	2,245,342
Charged to clearing accounts	156,128	134,522
Patronage capital credits assigned	(859,673)	(1,642,737)
Accumulated postretirement benefits	76,349	111,166
Change in assets and liabilities:		
Receivables	(87,079)	169,009
Material and supplies	(1,061)	15,760
Other assets	7,140	153
Payables	296,567	(172,515)
Consumer deposits and advances	(30,547)	(42,051)
Accrued expenses	16,891	(95,631)
	<u>3,062,010</u>	<u>2,433,607</u>
Cash Flows from Investing Activities:		
Plant additions	(2,373,867)	(2,172,038)
Plant removal costs	(466,353)	(344,882)
Salvage recovered from retired plant	78,068	60,472
Receipts from other investments, net	36,336	55,534
	<u>(2,725,816)</u>	<u>(2,400,914)</u>
Cash Flows from Financing Activities:		
Net increase in memberships	(375)	(4,290)
Refund of patronage capital to members	(63,421)	(66,341)
Increase in other equities	20,096	17,671
Payments on long term debt	(1,354,597)	(1,188,122)
Advances of long term debt	1,000,000	-
Advance payments	-	(149,985)
	<u>(398,297)</u>	<u>(1,391,067)</u>
Net increase in cash	(62,103)	(1,358,374)
Cash and cash equivalents, beginning of year	513,115	1,871,489
Cash and cash equivalents, end of year	<u>\$ 451,012</u>	<u>\$ 513,115</u>
Supplemental cash flows information:		
Interest paid on long-term debt	\$ 680,749	\$ 707,698

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

Exit N
9 of 18

Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

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

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

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

	<u>2016</u>	<u>2015</u>
Distribution plant	\$46,580,201	\$45,673,125
General plant	<u>6,032,653</u>	<u>6,113,616</u>
Total	<u>\$52,612,854</u>	<u>\$51,786,741</u>

Depreciation Provision has been made for depreciation on the basis of the estimated lives of assets, using the straight-line method. Depreciation rates range from 2.2% to 6.67%, with a composite rate of 4.7% for distribution plant. General plant rates range from 2.5% to 17%.

Cash and Cash Equivalents Big Sandy considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents. Big Sandy maintains its cash balances, which may exceed the federally insured limit, with several financial institutions. Management believes that credit risk related to these accounts is minimal.

Revenue Big Sandy records revenue as billed to its consumers based on monthly meter-readings through the end of the month. All consumers are required to pay a refundable deposit, however, it may be waived under certain circumstances. Big Sandy's sales are concentrated in a six county area of southeastern Kentucky. There were no consumers whose individual account balance exceeded 10% of outstanding accounts receivable at December 31, 2016 or 2015. Consumers must pay their bill within 20 days of billing, then are subject to disconnect after another 10 days. Accounts are written off when they are deemed to be uncollectible. The allowance for uncollectible accounts is based on the aging of receivables.

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

Cost of Power Big Sandy is one of sixteen members of East Kentucky Power Cooperative, Inc. ("East Kentucky"). Under a wholesale power agreement, Big Sandy is committed to purchase its electric power and energy requirements from East Kentucky until 2051. The rates charged by East Kentucky are subject to approval of the PSC. The cost of purchased power is recorded monthly during the period in which the energy is consumed, based upon billings from East Kentucky.

Advertising Big Sandy expenses advertising costs as incurred.

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Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies, continued

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

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

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

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

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

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

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

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

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

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

Contingencies Big Sandy is involved in litigation arising in the normal course of business. While the results of such litigation cannot be predicted with certainty, management, based upon advice of counsel, believes that the final outcome will not have a material adverse effect on the financial statements.

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Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies, continued

Income Tax Status Big Sandy is exempt from federal and state income taxes under provisions of Section 501(c)(12). Accordingly, the financial statements for Big Sandy include no provision for income taxes. Big Sandy's accounting policy provides that a tax expense/benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Management believes Big Sandy has no uncertain tax positions resulting in an accrual of tax expense or benefit. Big Sandy recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. Big Sandy did not recognize any interest or penalties during the years ended December 31, 2016 and 2015. Big Sandy's income tax return is subject to possible examination by taxing authorities until the expiration of related statutes of limitations on the return, which is generally three years.

Subsequent Events Management has evaluated subsequent events through January 18, 2017, the date the financial statements were available to be issued. There were no significant subsequent events to report.

Note 2. Investments in Associated Organizations

Big Sandy records patronage capital assigned by associated organizations in the year in which such assignments are received. The Capital Term Certificates ("CTCs") of CFC are recorded at cost. The CTCs were purchased from CFC as a condition of obtaining long-term financing. The CTCs bear interest at 3% and 5% and are scheduled to mature at varying times from 2020 to 2080.

Investments in associated organizations consist of:

	<u>2016</u>	<u>2015</u>
East Kentucky, patronage capital	\$14,507,417	\$13,707,417
CFC, CTC's	472,200	479,095
CFC, patronage capital	203,107	199,494
Other associated organizations	466,102	439,483
Total	<u>\$15,648,826</u>	<u>\$14,825,489</u>

Note 3. Patronage Capital

Under provisions of the long-term debt agreement, return to patrons of capital contributed by them is limited to amounts which would not allow the total equities and margins to be less than 30% of total assets, except that distributions may be made to estates of deceased patrons. The debt agreement provides, however, that should such distributions to estates not exceed 25% of the net margins for the next preceding year, Big Sandy may distribute the difference between 25% and the payments made to such estates. The equity at December 31, 2016 was 46% of total assets. Prior years' deficits will be offset with future years' non operating margins.

Note 4. Long Term Debt

All assets, except vehicles, are pledged as collateral on the long term debt to RUS, Federal Financing Bank ("FFB"), CFC, and National Bank for Cooperatives ("CoBank") under a joint mortgage agreement.

The long term debt is due in quarterly and monthly installments of varying amounts through 2039. The 3.35% to 6.46% notes due CFC are available for repricing every 7 years to either a variable or fixed rate. RUS assess 12.5 basis points to administer the FFB loans. Big Sandy has loan funds available from FFB in the amount of \$9,000,000. These funds will be used for future plant additions.

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Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 4. Long Term Debt, continued

First mortgage notes consist of:

	<u>2016</u>	<u>2015</u>
RUS, 0.56% to 4.93%	\$7,999,248	\$8,264,518
Advance payments at 5%	<u>(3,012,250)</u>	<u>(3,012,250)</u>
	4,986,998	5,252,268
FFB, 0.274% and 4.472%	<u>15,144,531</u>	<u>14,662,638</u>
CoBank, 3.26%	<u>838,564</u>	<u>1,021,915</u>
CFC:		
3.35% to 6.46% notes	339,726	382,839
Refinance RUS loans 5.65% to 5.70%	<u>689,511</u>	<u>1,034,267</u>
	1,029,237	1,417,106
	21,999,330	22,353,927
Less current portion	<u>1,375,000</u>	<u>1,350,000</u>
Long term portion	<u>\$20,624,330</u>	<u>\$21,003,927</u>

As of December 31, 2016, the annual principal portion of long term debt outstanding for the next five years are as follows: 2017 - \$1,375,000; 2018 - \$1,385,000; 2019 - \$1,050,000; 2020 - \$1,075,000; 2021 - \$950,000.

Note 5. Short Term Borrowings

At December 31, 2016, Big Sandy had short term lines of credit of \$2,500,000 available from CFC and \$2,000,000 from CoBank. Big Sandy has repaid all advances during the audit period.

Note 6. Pension Plan

All eligible non-union employees of Big Sandy participate in the NRECA Retirement and Security Plan ("R&S Plan"), a defined benefit pension plan qualified under section 401 and tax exempt under section 501(a) of the Internal Revenue Code. It is considered a multiemployer plan under the accounting standards. The Plan sponsor's identification number is 53-0116145 and the Plan Number is 333. A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

Big Sandy's contributions to the R&S Plan in 2016 and 2015 represent less than 5 percent of the total contributions made to the plan by all participating employers. Big Sandy made contributions to the plan of \$270,668 in 2016 and \$235,673 in 2015. There have been no significant changes that affect the comparability of 2016 and 2015.

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Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 6. Pension Plans, continued

In the R&S Plan, a “zone status” determination is not required, and therefore not determined, under the Pension Protection Act (“PPA”) of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the R&S Plan was over 80 percent funded at January 1, 2016 and 2015 based on the PPA funding target and PPA actuarial value of assets on those dates. Because the provisions of the PPA do not apply to the R&S Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

All eligible union employees participate in the American Funds Retirement Planning Center’s 401(k) Savings Plan. This plan was converted from NRECA effective January 1, 2010. Big Sandy contributes 6% of base wages to the plan. The Cooperative contributions to the plan totaled \$97,947 in 2016 and \$95,202 in 2015.

Note 7. Postretirement Benefits

Big Sandy sponsors a defined benefit plan that provides medical insurance coverage to retirees and their dependents. Participating retirees and dependents do not contribute to the projected cost of coverage. For measurement purposes, an annual rate of increase of 8% in 2016, then decreasing by 0.5% per year until 5% per year, in the per capita cost of covered health care benefit was assumed. The discount rate used in determining the accumulated postretirement benefit obligation was 4.50%.

The funded status of the plan is as follows:

	<u>2016</u>	<u>2015</u>
Projected benefit obligation	(\$3,678,035)	(\$3,749,502)
Plan assets at fair value	-	-
Funded status	<u>(\$3,678,035)</u>	<u>(\$3,749,502)</u>

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

	<u>2016</u>	<u>2015</u>
Benefit obligation - beginning of period	\$3,749,502	\$3,786,152
Net periodic benefit cost:		
Service cost	20,692	29,978
Interest cost	99,552	90,266
Net period cost	120,244	120,244
Adjust comprehensive income	-	-
Benefit payments to participants	191,711	(156,894)
Benefit obligation - end of period	<u>\$4,061,457</u>	<u>\$3,749,502</u>

Projected retiree benefit payments for the next five years are expected to be as follows: 2017 - \$173,000; 2018 - \$165,000; 2019 - \$167,000; 2020 - \$169,000; 2021 - \$161,000.

Big Sandy Rural Electric Cooperative
Notes to Financial Statements

Note 8. Related Party Transactions

Several of the Directors of Big Sandy and its President & General Manager are on the Boards of Directors of various associated organizations.

Note 9. Commitments

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

Note 10. Environmental Contingency

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

Note 11. Labor Force

Approximately 40% of Big Sandy's labor force is subject to a collective bargaining agreement. A two (2) year agreement was negotiated and approved for the period starting January 1, 2016 between Big Sandy and the International Brotherhood of Electric Workers ("IBEW").

* * * * *

ALAN M. ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT

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zumstein@windstream.net

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• AICPA DIVISION FOR FIRMS

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
Big Sandy Rural Electric Cooperative

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Big Sandy Rural Electric Cooperative, which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of revenue and comprehensive income, members' equities and cash flows for the years then ended, and related notes to the financial statements, and have issued my report thereon dated January 18, 2017.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Big Sandy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Big Sandy's internal control. Accordingly, we do not express an opinion on the effectiveness of Big Sandy's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors
Big Sandy Rural Electric Cooperative

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Big Sandy's financial statements are free of material misstatement, I performed test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alan Zumstein

Alan M. Zumstein, CPA
January 18, 2017

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• INDIANA SOCIETY OF CPA'S
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**Independent Auditor's Report on Compliance with Aspects of Contractual
Agreements and Regulatory Requirements for Electric Borrowers**

Board of Directors
Big Sandy Rural Electric Cooperative

Independent Auditor's Report

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Big Sandy Rural Electric Cooperative ("the Cooperative"), which comprise the balance sheet as of December 31, 2016, and the related statements of revenue and comprehensive income, patronage capital, and changes in cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated January 18, 2017. In accordance with *Government Auditing Standards*, we have also issued my report dated January 18, 2017, on my consideration of the Cooperative's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above and my schedule of findings and recommendations related to my audit have been furnished to management.

In connection with my audit, nothing came to my attention that caused me to believe that the Cooperative failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2013, insofar as they relate to accounting matters as enumerated below. However, my audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had I performed additional procedures, other matters may have come to my attention regarding the Cooperative's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with my audit, I noted no matters regarding the Cooperative's accounting and records to indicate that the Cooperative did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;
- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;

Board of Directors
Big Sandy Rural Electric Cooperative

- Record and properly price the retirement of plant;
- Seek approval of the sale, lease, or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over material and supplies;
- Prepare accurate and timely Financial and Operating Reports;
- Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;
- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Record depreciation in accordance with RUS requirements ("See RUS Bulletin 183-1, Depreciation Rates and Procedures");
- Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and
- Comply with the requirements for the detailed schedule of investments, of which there were none.

The deferred credits are as follows:

Consumer advances for construction	<u>\$11,594</u>
------------------------------------	-----------------

This report is intended solely for the information and use of the board of directors, management, RUS, and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distributions is not limited.

Alan Zumstein

Alan M. Zumstein, CPA
January 18, 2017

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Witness: James Adkins

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Computer Software Programs
July 31, 2016

Big Sandy has used Microsoft Excel, Word, and Adobe in the preparation
of this Application.

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

Annual Meeting Information

July 31, 2016

The most recent Big Sandy annual meeting was held May 15, 2016. The results of the previous annual meeting's are attached.

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

<u>Year</u>	<u>Members Attending</u>	<u>Members Voting</u>	<u>Cost</u>
2016	409	-	\$ 29,772
2015	432	-	\$ 46,663
2014	457	-	\$ 27,030
2013	459	-	\$ 31,419
2012	423	-	\$ 25,014

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2015

Operating Revenue.....	\$25,009,753
Operating Expense	
Purchased Power	\$17,190,536
Operating System	\$4,893,864
Depreciation.....	\$2,245,342
Taxes.....	\$34,619
Interest on Loans.....	\$705,710
Other Deductions	\$66,143
Total Cost of Electric Service.....	\$25,136,214
Operating Margins.....	\$126,461
Non-Operating Margins.....	\$194,312
Other Capital Credits	\$69,708
Total Margins	\$137,559

BALANCE SHEET

For the Year Ending December 31, 2015

ASSETS

Total Utility Plant	\$51,715,039
Less Depreciation	\$18,821,124
Net Utility Plant.....	\$32,893,915

Investment in Assoc.

Organization.....	\$13,252,459
Cash.....	\$513,116
Accounts Receivable	\$3,613,731
Inventory.....	\$274,598
Expenses Paid in Advance	\$26,211
Deferred Debits and	
Other Assets.....	\$21,359
Total Assets	\$50,595,389

LIABILITIES

Consumer Deposits	\$640,413
Membership and Other	
Equities	\$21,495,025
Long-Term Debt	\$26,217,024
Notes and Accounts Payable	\$1,939,213
Other Current and Accrued	
Liabilities	\$303,714
Total Liabilities.....	\$50,595,389

YOUR BOARD OF DIRECTORS



Danny Wallen
Chairman



Greg Davis
Vice Chairman



Kelly Shepherd
Secretary / Treasurer



Robert N. Moore
Director



William Maxey
Director



Velma May
Director



David Estep
President and
General Manager

ACTIVE ACCOUNTS

(as of December 31, 2015)

Johnson	5,487
Floyd	5,013
Martin	851
Lawrence	506
Morgan	22
Magoffin	0
Knott	320
Breathitt	13
Total	13,020

Accounts Billed

2015	13,020
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Average Kilowatt-hour Use

(Residential per month)

2015	1,185
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Miles of Line

2015	1,037
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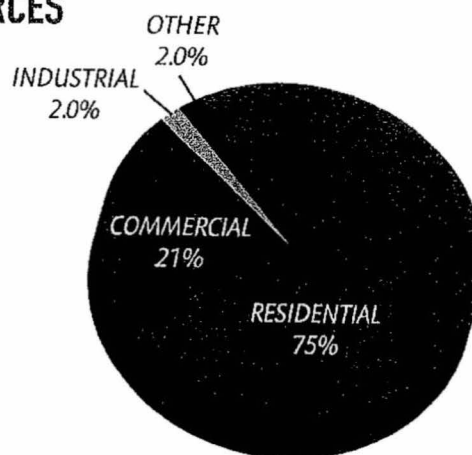
Consumers Per Mile

2015	12.5
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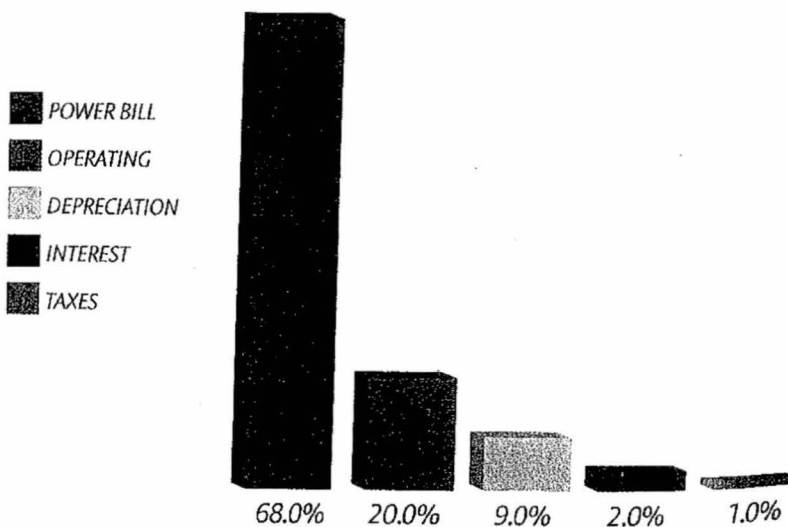
SERVICE AREA



REVENUE SOURCES



MAJOR COSTS



Big Sandy RECC Financial Results

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2014

Operating Revenue	\$27,463,380
Operating Expense	
Purchased Power	\$19,111,224
Operating System	4,864,970
Depreciation	2,173,975
Taxes	36,552
Interest on Loans	749,189
Other Deductions	71,476
Total Cost of Electric Service.....	\$27,007,386

Operating Margins	\$455,994
Non-Operating Margins	201,701
Other Capital Credits	75,264
Patronage Capital and Margins.....	732,959

BALANCE SHEET

For the Year Ending December 31, 2014

ASSETS

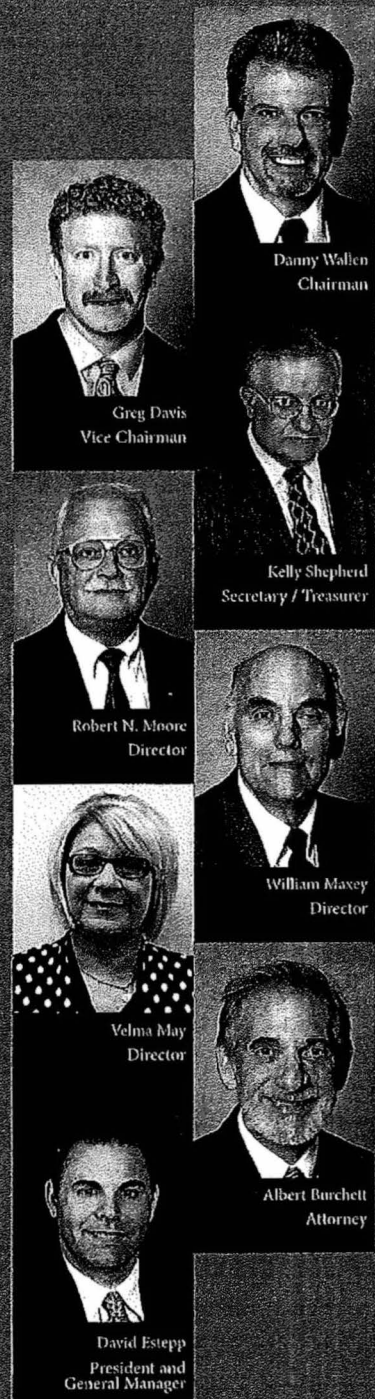
Total Utility Plant	\$50,297,829
Less Depreciation	17,480,498
Net Utility Plant.....	\$32,817,331

Investment in Assoc. Organization	\$11,833,340
Cash	1,871,489
Accounts Receivable	3,782,740
Inventory	290,358
Expenses Paid in Advance.....	19,365
Deferred Debits and Other Assets	28,360
Total Assets	\$50,642,983

LIABILITIES

Consumer Deposits	677,957
Membership and Other Equities	19,857,664
Long-Term Debt	27,596,011
Notes and Accounts Payable.....	2,107,500
Other Current Liabilities.....	403,851
Total Liabilities.....	\$50,642,983

Your Board of Directors

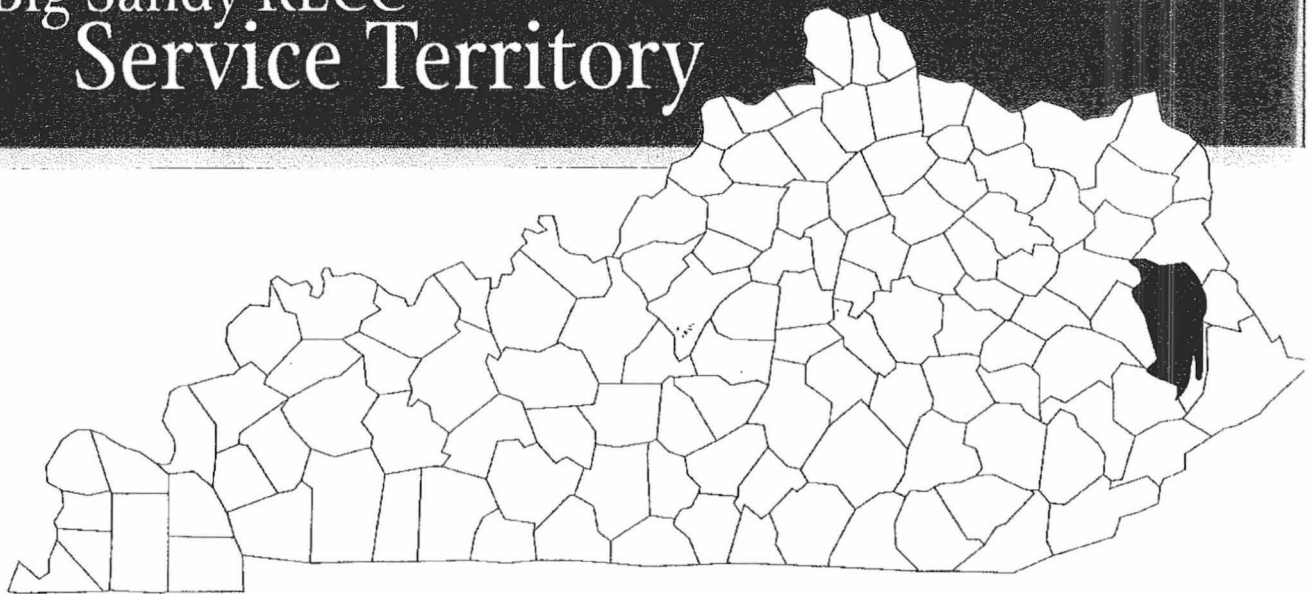


**Big Sandy Rural Electric
Cooperative Corporation**

A Touchstone Energy® Partner



Big Sandy RECC Service Territory



Members served in 2014

Floyd.....	5,819
Johnson	5,575
Martin	851
Lawrence	505
Knott	330
Morgan.....	24
Breathitt	14
Magoffin.....	0
Total	13,118

Accounts billed

2014.....13,118

Average Kilowatt-hour use (Residential per month)

2014.....1,507

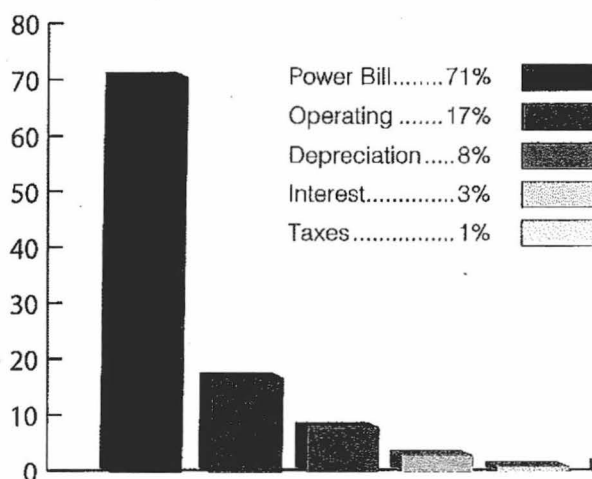
Miles of Line

2014.....1,033.56

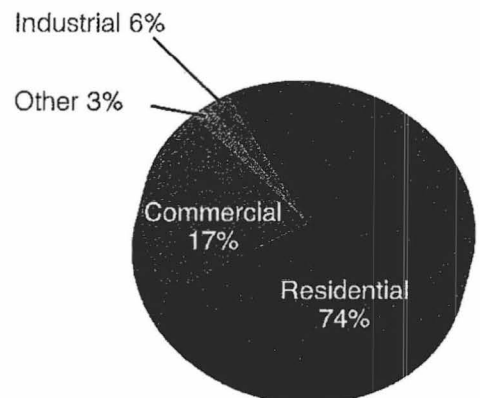
Consumers per Mile

2014.....13

Major costs



Revenue sources



E+H Q
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PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE		BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B				
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	18,780,382.98	17,630,255.99	16,653,712.92	1,985,960.30	5.9	6.1-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	13,213,865.00-	12,133,332.00-	11,046,439.00-	1,324,882.00-	9.8	8.2-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	655,900.34-	716,050.46-	625,850.96-	99,827.29-	14.4	9.2
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,146,187.13-	1,158,145.03-	1,073,208.32-	128,188.54-	7.9	1.0
8.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE.....	585,249.44-	582,910.55-	575,861.60-	72,512.60-	1.2	.4-
9.0	SALES EXPENSE.....	64,056.42-	40,838.55-	79,918.40-	8,319.13-	48.9-	36.2-
10.0	ADMINISTRATIVE & GENERAL EXPENSE.....	9,573.50-	1,003.50-	6,999.92-	150.00-	85.7-	89.5-
11.0		867,265.32-	860,932.85-	841,137.04-	104,605.31-	2.4	.7-
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	16,542,097.15-	15,493,212.94-	14,249,415.24-	1,738,484.87-	8.7	6.3-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,440,338.29-	1,490,681.47-	1,512,200.64-	187,369.25-	1.4-	3.5
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	24,819.66-	23,271.88-	23,333.28-	2,836.89-	.3-	6.2-
16.0	INTEREST ON LONG TERM DEBT.....	504,297.31-	476,070.99-	495,999.92-	58,728.02-	4.0-	5.6-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	37,432.75-	33,750.48-	33,684.56-	4,150.09-	.2	9.8-
19.0	OTHER DEDUCTIONS.....	16,028.29-	12,717.35-	12,440.00-	1,150.00-	2.2	20.7-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	18,565,013.45-	17,529,705.11-	16,327,073.64-	1,992,719.12-	7.4	5.6-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	215,369.53	100,550.88	326,639.28	6,758.82-	69.2-	53.3-
22.0	NON OPERATING MARGINS - INTEREST.....	119,098.19	117,259.68	116,666.64	15,370.96	.5	1.5-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	6,161.85	19,520.25	.00	.00	100.0	216.8
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	31,138.25	230,702.17	.00	.00	100.0	640.9
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	371,767.82	468,032.98	443,305.92	8,612.14	5.6	25.9
RATIOS							
	TIER	1.737	1.983	1.894	1.147		
	MARGINS TO REVENUE	.020	.027	.027	.004		
	POWER COST TO REVENUE	.704	.688	.663	.667		
	INTEREST EXPENSE TO REVENUE	.027	.027	.030	.030		
	CURRENT ASSETS : CURRENT LIABILITIES	1.6683					
	MARGINS & EQUITIES AS % OF ASSETS	.4231					
	LONG TERM DEBT AS % OF PLANT	.4460					
	GENERAL FUNDS TO TOTAL PLANT	2.8599					
	QUICK ASSET RATIO	1.5778					

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS	LIABILITIES AND OTHER CREDITS
1.0	TOTAL UTILITY PLANT IN SERVICE 51,331,135.92	30.0 MEMBERSHIPS 228,290.00-
2.0	CONSTRUCTION WORK IN PROGRESS 5,305.31	31.0 PATRONAGE CAPITAL 23,335,162.62-
3.0	TOTAL UTILITY PLANT 51,336,441.23	32.0 OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT 18,336,061.75-	33.0 OPERATING MARGINS-CURRENT YEAR 331,253.05-
5.0	NET UTILITY PLANT 33,000,379.48	34.0 NON-OPERATING MARGINS 136,779.93-
		35.0 OTHER MARGINS & EQUITIES 2,243,392.53
6.0	NON-UTILITY PROPERTY (NET) .00	36.0 TOTAL MARGINS & EQUITIES 21,788,093.07-
7.0	INVEST IN SUBSIDIARY COMPANIES .00	
8.0	INV IN ASSOC ORG - PAT CAPITAL 12,938,472.14	37.0 LONG TERM DEBT - RUS (NET) 5,349,948.80-
9.0	INV IN ASSOC ORG OTHR GEN FND 3,205.00	(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND 479,095.34	38.0 LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS .00	39.0 LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS 5,500.00	40.0 LONG TERM DEBT - OTHER (NET) 17,544,603.05-
13.0	SPECIAL FUNDS .00	41.0 LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS 13,426,272.48	42.0 PAYMENTS - UNAPPLIED .00
		43.0 TOTAL LONG TERM DEBT 22,894,551.85-
15.0	CASH - GENERAL FUNDS 569,841.12	
16.0	CASH - CONSTRUCTION FUND TRUST 406.50	44.0 OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS 120.00	45.0 ACCUM OPERATING PROVISIONS 3,761,831.23-
18.0	TEMPORARY INVESTMENTS 889,600.78	46.0 TOTAL OTHER NONCURR LIABILITY 3,761,831.23-
19.0	NOTES RECEIVABLE (NET) .00	
20.0	ACCTS RECV - SALES ENERGY (NET) 2,684,939.70	47.0 NOTES PAYABLE .00
21.0	ACCTS RECV - OTHER (NET) 593,012.93	48.0 ACCOUNTS PAYABLE 1,848,148.82-
22.0	RENEWABLE ENERGY CREDITS .00	49.0 CONSUMER DEPOSITS 659,032.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH 273,944.15	50.0 CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS 30,784.33	51.0 CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS 8,960.08	52.0 CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS 5,051,609.59	53.0 OTHER CURRENT & ACCRUED LIAB 520,799.98-
		54.0 TOTAL CURRENT & ACCRUED LIAB 3,027,981.30-
27.0	REGULATORY ASSETS .00	
28.0	OTHER DEFERRED DEBITS 18,640.23	55.0 REGULATORY LIABILITIES .00
		56.0 OTHER DEFERRED CREDITS 24,444.33-
29.0	TOTAL ASSETS & OTHER DEBITS 51,496,901.78	57.0 TOTAL LIABILITIES & OTH CREDIT 51,496,901.78-

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
58.0	BALANCE BEGINNING OF YEAR .00
59.0	AMOUNT RECEIVED THIS YEAR (NET) 122,533.69
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST 122,533.69

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

BIG SANDY RECC
PRG. OPERBSHT (OBSA)

FINANCIAL AND STATISTICAL REPORT
FROM 01/15 THRU 09/15

PAGE 1
RUN DATE 09/07/16 07:54 AM

PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	20,589,850.95	19,341,837.81	18,317,991.91	1,711,581.82	5.6	6.1-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	14,446,484.00-	13,298,593.00-	12,117,992.00-	1,165,261.00-	9.7	7.9-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	695,771.99-	806,244.53-	704,082.33-	90,194.07-	14.5	15.9
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,266,289.68-	1,229,625.62-	1,207,359.36-	71,480.59-	1.8	2.9-
8.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	662,573.54-	646,900.61-	647,844.30-	63,990.06-	.1-	2.4-
9.0	SALES EXPENSE.....	73,302.43-	50,155.84-	89,908.20-	9,317.29-	44.2-	31.6-
10.0	ADMINISTRATIVE & GENERAL EXPENSE.....	7,088.50-	2,471.35-	7,874.91-	1,467.85-	68.6-	65.1-
11.0		957,473.00-	962,549.77-	946,279.17-	101,616.92-	1.7	.5
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	18,108,983.14-	16,996,540.72-	15,721,340.27-	1,503,327.78-	8.1	6.1-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,622,750.66-	1,678,801.03-	1,701,225.72-	188,119.56-	1.3-	3.5
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	27,752.67-	26,108.77-	26,249.94-	2,836.89-	.5-	5.9-
16.0	INTEREST ON LONG TERM DEBT.....	565,917.65-	533,347.46-	557,999.91-	57,276.47-	4.4-	5.8-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	38,208.39-	38,387.82-	37,895.13-	4,637.34-	1.3	.5
19.0	OTHER DEDUCTIONS.....	16,028.29-	13,067.35-	13,995.00-	350.00-	6.6-	18.5-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	20,379,640.80-	19,286,253.15-	18,058,705.97-	1,756,548.04-	6.8	5.4-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	210,210.15	55,584.66	259,285.94	44,966.22-	78.6-	73.6-
22.0	NON OPERATING MARGINS - INTEREST.....	133,473.85	131,519.20	131,249.97	14,259.52	.2	1.5-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	9,663.84	19,520.25	.00	.00	100.0	102.0
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	46,738.82	242,737.33	.00	12,035.16	100.0	419.3
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	400,086.66	449,361.44	390,535.91	18,671.54-	15.1	12.3
RATIOS							
	TIER	1.707	1.843	1.700	.674		
	MARGINS TO REVENUE	.019	.023	.021	.011		
	POWER COST TO REVENUE	.702	.688	.662	.681		
	INTEREST EXPENSE TO REVENUE	.027	.028	.030	.033		
	CURRENT ASSETS : CURRENT LIABILITIES	1.6117					
	MARGINS & EQUITIES AS % OF ASSETS	.4243					
	LONG TERM DEBT AS % OF PLANT	.4417					
	GENERAL FUNDS TO TOTAL PLANT	2.5365					
	QUICK ASSET RATIO	1.5150					

BIG SANDY RECC
PRG. OPERBSHT (OBSA)

FINANCIAL AND STATISTICAL REPORT
FROM 01/15 THRU 09/15

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RUN DATE 09/07/16 07:54 AM

PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	51,496,433.87	30.0	MEMBERSHIPS 227,915.00-
2.0	CONSTRUCTION WORK IN PROGRESS	54,369.41-	31.0	PATRONAGE CAPITAL 23,329,679.93-
3.0	TOTAL UTILITY PLANT	51,442,064.46	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	18,472,764.26-	33.0	OPERATING MARGINS-CURRENT YEAR 298,321.99-
5.0	NET UTILITY PLANT	32,969,300.20	34.0	NON-OPERATING MARGINS 151,039.45-
			35.0	OTHER MARGINS & EQUITIES 2,229,904.98
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES 21,777,051.39-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00		
8.0	INV IN ASSOC ORG - PAT CAPITAL	12,945,429.31	37.0	LONG TERM DEBT - RUS (NET) 5,316,000.23-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET) 17,406,778.17-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	13,433,229.65	42.0	PAYMENTS - UNAPPLIED .00
			43.0	TOTAL LONG TERM DEBT 22,722,778.40-
15.0	CASH - GENERAL FUNDS	357,140.49		
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,758,089.92-
18.0	TEMPORARY INVESTMENTS	938,998.84	46.0	TOTAL OTHER NONCURR LIABILITY 3,758,089.92-
19.0	NOTES RECEIVABLE (NET)	.00		
20.0	ACCTS REC - SALES ENERGY (NET)	2,346,232.04	47.0	NOTES PAYABLE .00
21.0	ACCTS REC - OTHER (NET)	897,356.00	48.0	ACCOUNTS PAYABLE 1,849,410.81-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS 646,357.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	294,493.69	50.0	CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS	60,861.73	51.0	CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS	10,740.42	52.0	CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS	4,906,349.71	53.0	OTHER CURRENT & ACCRUED LIAB 548,368.04-
			54.0	TOTAL CURRENT & ACCRUED LIAB 3,044,136.35-
27.0	REGULATORY ASSETS	.00		
28.0	OTHER DEFERRED DEBITS	16,704.83	55.0	REGULATORY LIABILITIES .00
			56.0	OTHER DEFERRED CREDITS 23,528.33-
29.0	TOTAL ASSETS & OTHER DEBITS	51,325,584.39	57.0	TOTAL LIABILITIES & OTH CREDIT 51,325,584.39-

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	127,353.77
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	127,353.77

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

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BIG SANDY RECC
PRG. OPERBSHT (OBSA)

FINANCIAL AND STATISTICAL REPORT
FROM 01/15 THRU 10/15

PAGE 1
RUN DATE 09/07/16 07:55 AM

PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	22,424,979.11	20,998,856.50	19,984,656.90	1,657,018.69	5.1	6.4-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	15,573,004.00-	14,399,926.00-	13,190,189.00-	1,101,333.00-	9.2	7.5-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	786,434.66-	883,333.58-	782,313.70-	77,089.05-	12.9	12.3
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,433,766.09-	1,352,614.54-	1,341,510.40-	122,988.92-	.8	5.7-
8.0	CONSUMER ACCOUNTS EXPENSE.....	729,478.36-	714,488.60-	719,827.00-	67,587.99-	.7-	2.1-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	77,336.07-	52,098.08-	99,898.00-	1,942.24-	47.8-	32.6-
10.0	SALES EXPENSE.....	7,088.50-	2,471.35-	8,749.90-	.00	71.8-	65.1-
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	1,063,418.58-	1,072,256.58-	1,051,421.30-	109,706.81-	2.0	.8
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	19,670,526.26-	18,477,188.73-	17,193,909.30-	1,480,648.01-	7.5	6.1-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,806,253.28-	1,867,300.72-	1,890,250.80-	188,499.69-	1.2-	3.4
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	30,685.68-	28,945.66-	29,166.60-	2,836.89-	.8-	5.7-
16.0	INTEREST ON LONG TERM DEBT.....	628,291.86-	591,578.88-	619,999.90-	58,231.42-	4.6-	5.8-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	42,446.30-	43,009.07-	42,105.70-	4,621.25-	2.1	1.3
19.0	OTHER DEDUCTIONS.....	16,207.77-	12,567.35-	15,550.00-	500.00	19.2-	22.5-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	22,194,411.15-	21,020,590.41-	19,790,982.30-	1,734,337.26-	6.2	5.3-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	230,567.96	21,733.91-	193,674.60	77,318.57-	111.2-	109.4-
22.0	NON OPERATING MARGINS - INTEREST.....	147,848.55	145,781.42	145,833.30	14,262.22	.0	1.4-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	24,446.04	19,520.25	.00	.00	100.0	20.1-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	46,738.82	242,737.33	.00	.00	100.0	419.3
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	449,601.37	386,305.09	339,507.90	63,056.35-	13.8	14.1-
=====							
RATIOS							
	TIER	1.716	1.653	1.548	.083-		
	MARGINS TO REVENUE	.020	.018	.017	.038		
	POWER COST TO REVENUE	.694	.686	.660	.665		
	INTEREST EXPENSE TO REVENUE	.028	.028	.031	.035		
	CURRENT ASSETS : CURRENT LIABILITIES	1.6313					
	MARGINS & EQUITIES AS % OF ASSETS	.4257					
	LONG TERM DEBT AS % OF PLANT	.4400					
	GENERAL FUNDS TO TOTAL PLANT	2.2884					
	QUICK ASSET RATIO	1.5280					

BIG SANDY RECC
PRG. OPERBSHT (OBSA)

FINANCIAL AND STATISTICAL REPORT
FROM 01/15 THRU 10/15

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	51,597,693.68	30.0	MEMBERSHIPS 228,080.00-
2.0	CONSTRUCTION WORK IN PROGRESS	49,660.35-	31.0	PATRONAGE CAPITAL 23,327,151.84-
3.0	TOTAL UTILITY PLANT	51,548,033.33	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	18,607,402.75-	33.0	OPERATING MARGINS-CURRENT YEAR 221,003.42-
5.0	NET UTILITY PLANT	32,940,630.58	34.0	NON-OPERATING MARGINS 165,301.67-
			35.0	OTHER MARGINS & EQUITIES 2,216,870.96
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES 21,724,665.97-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00		
8.0	INV IN ASSOC ORG - PAT CAPITAL	12,945,429.31	37.0	LONG TERM DEBT - RUS (NET) 5,282,851.99-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET) 17,399,942.05-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	13,433,229.65	42.0	PAYMENTS - UNAPPLIED .00
			43.0	TOTAL LONG TERM DEBT 22,682,794.04-
15.0	CASH - GENERAL FUNDS	587,939.89		
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,758,080.46-
18.0	TEMPORARY INVESTMENTS	582,961.81	46.0	TOTAL OTHER NONCURR LIABILITY 3,758,080.46-
19.0	NOTES RECEIVABLE (NET)	.00		
20.0	ACCTS RECV - SALES ENERGY (NET)	2,208,126.88	47.0	NOTES PAYABLE .00
21.0	ACCTS RECV - OTHER (NET)	927,056.35	48.0	ACCOUNTS PAYABLE 1,791,332.94-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS 647,232.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	294,120.51	50.0	CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS	44,154.74	51.0	CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS	1,829.01	52.0	CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS	4,646,715.69	53.0	OTHER CURRENT & ACCRUED LIAB 409,939.37-
			54.0	TOTAL CURRENT & ACCRUED LIAB 2,848,504.81-
27.0	REGULATORY ASSETS	.00		
28.0	OTHER DEFERRED DEBITS	16,830.92	55.0	REGULATORY LIABILITIES .00
			56.0	OTHER DEFERRED CREDITS 23,361.56-
29.0	TOTAL ASSETS & OTHER DEBITS	51,037,406.84	57.0	TOTAL LIABILITIES & OTH CREDIT 51,037,406.84-

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ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	130,960.27
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	130,960.27

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE		BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B				
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	24,917,977.32	22,906,305.32	22,209,777.89	1,907,448.82	3.1	8.1-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	17,321,716.00-	15,743,269.00-	14,671,029.00-	1,343,343.00-	7.3	9.1-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	873,361.35-	965,236.06-	860,545.07-	81,902.48-	12.2	10.5
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,561,480.32-	1,462,511.64-	1,475,661.44-	109,897.10-	.9-	6.3-
8.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	799,580.91-	793,306.35-	791,809.70-	78,817.75-	.2	.8-
9.0	SALES EXPENSE.....	86,874.09-	55,476.99-	109,887.80-	3,378.91-	49.5-	36.1-
10.0	ADMINISTRATIVE & GENERAL EXPENSE.....	7,088.50-	2,471.35-	9,624.89-	.00	74.3-	65.1-
11.0		1,170,882.06-	1,204,432.88-	1,156,563.43-	132,176.30-	4.1	2.9
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	21,820,983.23-	20,226,704.27-	19,075,121.33-	1,749,515.54-	6.0	7.3-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,989,791.86-	2,056,191.07-	2,079,275.88-	188,890.35-	1.1-	3.3
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	33,618.69-	31,782.55-	32,083.26-	2,836.89-	.9-	5.5-
16.0	INTEREST ON LONG TERM DEBT.....	689,258.64-	648,549.60-	681,999.89-	56,970.72-	4.9-	5.9-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	46,710.27-	47,613.65-	46,316.27-	4,604.58-	2.8	1.9
19.0	OTHER DEDUCTIONS.....	16,307.77-	13,278.67-	17,105.00-	711.32-	22.4-	18.6-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	24,596,670.46-	23,024,119.81-	21,931,901.63-	2,003,529.40-	5.0	6.4-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	321,306.86	117,814.49-	277,876.26	96,080.58-	142.4-	136.7-
22.0	NON OPERATING MARGINS - INTEREST.....	162,854.00	160,621.78	160,416.63	14,840.36	.1	1.4-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	24,446.04	19,520.25	.00	.00	100.0	20.1-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	46,738.82	242,737.33	.00	.00	100.0	419.3
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	555,345.72	305,064.87	438,292.89	81,240.22-	30.4-	45.1-
RATIOS							
	TIER	1.806	1.470	1.643	.426-		
	MARGINS TO REVENUE	.022	.013	.020	.043		
	POWER COST TO REVENUE	.695	.687	.661	.704		
	INTEREST EXPENSE TO REVENUE	.028	.028	.031	.030		
	CURRENT ASSETS : CURRENT LIABILITIES	1.5680					
	MARGINS & EQUITIES AS % OF ASSETS	.4246					
	LONG TERM DEBT AS % OF PLANT	.4382					
	GENERAL FUNDS TO TOTAL PLANT	1.7229					
	QUICK ASSET RATIO	1.4707					

PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	51,717,310.96	30.0	MEMBERSHIPS 227,830.00-
2.0	CONSTRUCTION WORK IN PROGRESS	60,085.51-	31.0	PATRONAGE CAPITAL 23,321,569.09-
3.0	TOTAL UTILITY PLANT	51,657,225.45	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	18,702,109.41-	33.0	OPERATING MARGINS-CURRENT YEAR 124,922.84-
5.0	NET UTILITY PLANT	32,955,116.04	34.0	NON-OPERATING MARGINS 180,142.03-
			35.0	OTHER MARGINS & EQUITIES 2,203,072.59
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES 21,651,391.37-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00		
8.0	INV IN ASSOC ORG - PAT CAPITAL	12,945,429.31	37.0	LONG TERM DEBT - RUS (NET) 5,285,542.53-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-PFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET) 17,352,861.55-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	13,433,229.65	42.0	PAYMENTS - UNAPPLIED .00
			43.0	TOTAL LONG TERM DEBT 22,638,404.08-
15.0	CASH - GENERAL FUNDS	256,163.77		
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,755,008.71-
18.0	TEMPORARY INVESTMENTS	625,109.87	46.0	TOTAL OTHER NONCURR LIABILITY 3,755,008.71-
19.0	NOTES RECEIVABLE (NET)	.00		
20.0	ACCTS RECV - SALES ENERGY (NET)	2,478,782.26	47.0	NOTES PAYABLE .00
21.0	ACCTS RECV - OTHER (NET)	894,165.21	48.0	ACCOUNTS PAYABLE 1,852,186.23-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS 643,062.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	284,680.05	50.0	CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS	42,541.67	51.0	CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS	3,599.61	52.0	CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS	4,585,568.94	53.0	OTHER CURRENT & ACCRUED LIAB 429,182.18-
			54.0	TOTAL CURRENT & ACCRUED LIAB 2,924,430.91-
27.0	REGULATORY ASSETS	.00		
28.0	OTHER DEFERRED DEBITS	15,246.38	55.0	REGULATORY LIABILITIES .00
			56.0	OTHER DEFERRED CREDITS 19,925.94-
29.0	TOTAL ASSETS & OTHER DEBITS	50,989,161.01	57.0	TOTAL LIABILITIES & OTH CREDIT 50,989,161.01-

CERTIFICATION

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ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
58.0	BALANCE BEGINNING OF YEAR .00
59.0	AMOUNT RECEIVED THIS YEAR (NET) 137,320.96
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST 137,320.96

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE		BUDGET	THIS MONTH	% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B				
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	27,463,380.43	25,009,752.58	24,618,083.00	2,103,447.26	1.6	8.9-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	19,111,224.00-	17,190,536.00-	16,254,848.00-	1,447,267.00-	5.8	10.1-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	969,813.06-	1,081,338.21-	938,778.00-	116,102.15-	15.2	11.5
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,640,037.81-	1,563,327.65-	1,609,814.00-	100,816.01-	2.9-	4.7-
8.0	CUSTOMER ACCOUNTS EXPENSE.....	873,672.00-	871,841.53-	863,793.00-	78,535.18-	.9	.2-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	92,822.50-	50,027.09-	119,878.00-	5,449.90	58.3-	46.1-
10.0	SALES EXPENSE.....	7,238.50-	2,471.35-	10,500.00-	.00	76.5-	65.9-
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	1,281,386.07-	1,324,858.38-	1,261,707.00-	120,425.50-	5.0	3.4
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	23,976,193.94-	22,084,400.21-	21,059,318.00-	1,857,695.94-	4.9	7.9-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	2,173,975.33-	2,245,341.54-	2,268,301.00-	189,150.47-	1.0-	3.3
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	36,551.70-	34,619.44-	35,000.00-	2,836.89-	1.1-	5.3-
16.0	INTEREST ON LONG TERM DEBT.....	749,189.31-	705,709.50-	744,000.00-	57,159.90-	5.1-	5.8-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	54,473.71-	52,201.65-	50,527.00-	4,588.00-	3.3	4.2-
19.0	OTHER DEDUCTIONS.....	17,002.45-	13,941.18-	18,660.00-	662.51-	25.3-	18.0-
20.0	TOTAL COST OF ELECTRIC SERVICE.....	27,007,386.44-	25,136,213.52-	24,175,806.00-	2,112,093.71-	4.0	6.9-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	455,993.99	126,460.94-	442,277.00	8,646.45-	128.6-	127.7-
22.0	NON OPERATING MARGINS - INTEREST.....	177,254.77	174,791.81	175,000.00	14,170.03	.1-	1.4-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	24,446.04	19,520.25	.00	.00	100.0	20.1-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	1,480,209.82	1,642,737.33	.00	1,400,000.00	100.0	11.0
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	2,137,904.62	1,710,588.45	617,277.00	1,405,523.58	177.1	20.0-
RATIOS							
	TIER	3.854	3.424	1.830	25.589		
	MARGINS TO REVENUE	.078	.068	.025	.668		
	POWER COST TO REVENUE	.696	.687	.660	.688		
	INTEREST EXPENSE TO REVENUE	.027	.028	.030	.027		
	CURRENT ASSETS : CURRENT LIABILITIES	1.5482					
	MARGINS & EQUITIES AS % OF ASSETS	.4422					
	LONG TERM DEBT AS % OF PLANT	.4344					
	GENERAL FUNDS TO TOTAL PLANT	1.0080					
	QUICK ASSET RATIO	1.4523					

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	51,786,741.29	30.0	MEMBERSHIPS	227,660.00-
2.0	CONSTRUCTION WORK IN PROGRESS	71,702.38-	31.0	PATRONAGE CAPITAL	23,319,890.59-
3.0	TOTAL UTILITY PLANT	51,715,038.91	32.0	OPERATING MARGINS - PRIOR YEAR	.00
4.0	ACCUM PROV FOR DEP & AMORT	18,821,123.91-	33.0	OPERATING MARGINS-CURRENT YEAR	1,516,276.39-
5.0	NET UTILITY PLANT	32,893,915.00	34.0	NON-OPERATING MARGINS	194,312.06-
6.0	NON-UTILITY PROPERTY (NET)	.00	35.0	OTHER MARGINS & EQUITIES	2,190,084.83
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	36.0	TOTAL MARGINS & EQUITIES	23,068,054.21-
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,337,688.31	37.0	LONG TERM DEBT - RUS (NET)	5,252,268.24-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET)	17,215,254.07-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS	14,825,488.65	42.0	PAYMENTS - UNAPPLIED	.00
15.0	CASH - GENERAL FUNDS	242,042.91	43.0	TOTAL LONG TERM DEBT	22,467,522.31-
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS	3,749,501.77-
18.0	TEMPORARY INVESTMENTS	270,546.14	46.0	TOTAL OTHER NONCURR LIABILITY	3,749,501.77-
19.0	NOTES RECEIVABLE (NET)	.00	47.0	NOTES PAYABLE	.00
20.0	ACCTS RECV - SALES ENERGY (NET)	2,726,684.73	48.0	ACCOUNTS PAYABLE	1,939,213.41-
21.0	ACCTS RECV - OTHER (NET)	887,045.80	49.0	CONSUMER DEPOSITS	640,412.50-
22.0	RENEWABLE ENERGY CREDITS	.00	50.0	CURR MATURITIES LONG-TERM DEBT	.00
23.0	MATERIAL & SUPPLIES-ELEC & OTH	274,598.16	51.0	CURR MATURIT LT DEBT ECON DEV	.00
24.0	PREPAYMENTS	26,211.38	52.0	CURR MATURITIES CAPITAL LEASES	.00
25.0	OTHER CURRENT & ACCR ASSETS	5,370.21	53.0	OTHER CURRENT & ACCRUED LIAB	283,788.14-
26.0	TOTAL CURRENT & ACCR ASSETS	4,433,025.83	54.0	TOTAL CURRENT & ACCRUED LIAB	2,863,414.05-
27.0	REGULATORY ASSETS	.00	55.0	REGULATORY LIABILITIES	.00
28.0	OTHER DEFERRED DEBITS	15,988.80	56.0	OTHER DEFERRED CREDITS	19,925.94-
29.0	TOTAL ASSETS & OTHER DEBITS	52,168,418.28	57.0	TOTAL LIABILITIES & OTH CREDIT	52,168,418.28-

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ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	158,493.94
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	158,493.94

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO		LAST YEAR A	YEAR TO DATE THIS YEAR B	BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	3,032,004.59	3,041,765.11	2,692,430.66	3,041,765.11	13.0	.3
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	2,069,151.00-	2,066,375.00-	1,838,080.00-	2,066,375.00-	12.4	.1-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	99,953.48-	77,889.26-	85,142.15-	77,889.26-	8.5-	22.1-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	93,936.88-	169,456.51-	135,013.96-	169,456.51-	25.5	80.4
8.0	CONSUMER ACCOUNTS EXPENSE.....	82,963.82-	80,036.44-	75,573.83-	80,036.44-	5.9	3.5-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	9,769.75-	3,583.84-	6,102.30-	3,583.84-	41.3-	63.3-
10.0	SALES EXPENSE.....	285.00-	254.50-	374.98-	254.50-	32.1-	10.7-
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	118,724.24-	120,577.08-	108,886.10-	120,577.08-	10.7	1.6
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	2,474,784.17-	2,518,172.63-	2,249,173.32-	2,518,172.63-	12.0	1.8
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	185,504.30-	189,554.03-	195,613.24-	189,554.03-	3.1-	2.2
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	2,933.01-	2,836.89-	2,916.66-	2,836.89-	2.7-	3.3-
16.0	INTEREST ON LONG TERM DEBT.....	61,651.51-	59,290.59-	58,749.98-	59,290.59-	.9	3.8-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	4,242.03-	4,700.42-	4,625.23-	4,700.42-	1.6	10.8
19.0	OTHER DEDUCTIONS.....	267.35-	1,000.00-	1,441.66-	1,000.00-	30.6-	274.0
20.0	TOTAL COST OF ELECTRIC SERVICE.....	2,729,382.37-	2,775,554.56-	2,512,520.09-	2,775,554.56-	10.5	1.7
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	302,622.22	266,210.55	179,910.57	266,210.55	48.0	12.0-
22.0	NON OPERATING MARGINS - INTEREST.....	14,362.09	14,178.46	14,583.33	14,178.46	2.8-	1.3-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	.00	.00	.00	.00	.0	.0
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	.00	.00	.00	.00	.0	.0
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	316,984.31	280,389.01	194,493.90	280,389.01	44.2	11.5-
RATIOS							
	TIER	6.142	5.729	4.311	5.729		
	MARGINS TO REVENUE	.105	.092	.072	.092		
	POWER COST TO REVENUE	.682	.679	.683	.679		
	INTEREST EXPENSE TO REVENUE	.020	.019	.022	.019		
	CURRENT ASSETS : CURRENT LIABILITIES	1.4089					
	MARGINS & EQUITIES AS % OF ASSETS	.4337					
	LONG TERM DEBT AS % OF PLANT	.4321					
	GENERAL FUNDS TO TOTAL PLANT	2.4771					
	QUICK ASSET RATIO	1.3365					

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	51,897,678.88	30.0	MEMBERSHIPS 228,050.00-
2.0	CONSTRUCTION WORK IN PROGRESS	8,053.73	31.0	PATRONAGE CAPITAL 24,962,627.92-
3.0	TOTAL UTILITY PLANT	51,905,732.61	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	18,956,594.82-	33.0	OPERATING MARGINS-CURRENT YEAR 266,210.55-
5.0	NET UTILITY PLANT	32,949,137.79	34.0	NON-OPERATING MARGINS 14,178.46-
6.0	NON-UTILITY PROPERTY (NET)	.00	35.0	OTHER MARGINS & EQUITIES 2,109,915.71
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	36.0	TOTAL MARGINS & EQUITIES 23,361,151.22-
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,337,688.31	37.0	LONG TERM DEBT - RUS (NET) 5,220,567.27-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET) 17,208,406.21-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	14,825,488.65	42.0	PAYMENTS - UNAPPLIED .00
15.0	CASH - GENERAL FUNDS	1,155,776.84	43.0	TOTAL LONG TERM DEBT 22,428,973.48-
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,743,465.34-
18.0	TEMPORARY INVESTMENTS	121,281.58	46.0	TOTAL OTHER NONCURR LIABILITY 3,743,465.34-
19.0	NOTES RECEIVABLE (NET)	.00	47.0	NOTES PAYABLE 650,000.00-
20.0	ACCTS RECV - SALES ENERGY (NET)	3,773,926.21	48.0	ACCOUNTS PAYABLE 2,624,476.23-
21.0	ACCTS RECV - OTHER (NET)	570,938.65	49.0	CONSUMER DEPOSITS 642,722.50-
22.0	RENEWABLE ENERGY CREDITS	.00	50.0	CURR MATURITIES LONG-TERM DEBT .00
23.0	MATERIAL & SUPPLIES-ELEC & OTH	312,049.03	51.0	CURR MATURIT LT DEBT ECON DEV .00
24.0	PREPAYMENTS	133,066.32	52.0	CURR MATURITIES CAPITAL LEASES .00
25.0	OTHER CURRENT & ACCR ASSETS	7,140.81	53.0	OTHER CURRENT & ACCRUED LIAB 394,440.68-
26.0	TOTAL CURRENT & ACCR ASSETS	6,074,705.94	54.0	TOTAL CURRENT & ACCRUED LIAB 4,311,639.41-
27.0	REGULATORY ASSETS	.00	55.0	REGULATORY LIABILITIES .00
28.0	OTHER DEFERRED DEBITS	15,750.87	56.0	OTHER DEFERRED CREDITS 19,853.80-
29.0	TOTAL ASSETS & OTHER DEBITS	53,865,083.25	57.0	TOTAL LIABILITIES & OTH CREDIT 53,865,083.25-

CERTIFICATION

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ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
58.0	BALANCE BEGINNING OF YEAR .00
59.0	AMOUNT RECEIVED THIS YEAR (NET) 13,077.92
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST 13,077.92

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO		LAST YEAR A	YEAR TO DATE THIS YEAR B	BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	6,067,558.67	5,441,711.18	5,279,981.32	2,399,946.07	3.1	10.3-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	4,295,693.00-	3,684,648.00-	3,594,080.00-	1,618,273.00-	2.5	14.2-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	200,469.28-	178,662.10-	170,284.30-	100,772.84-	4.9	10.9-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	205,599.46-	303,866.05-	270,027.92-	134,409.54-	12.5	47.8
8.0	CUSTOMER ACCOUNTS EXPENSE.....	155,440.60-	157,411.06-	151,147.66-	77,374.62-	4.1	1.3
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	18,093.07-	8,763.63-	12,204.60-	5,179.79-	28.2-	51.6-
10.0	SALES EXPENSE.....	513.50-	690.25-	749.96-	435.75-	8.0-	34.4
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	222,589.89-	228,890.23-	217,772.20-	108,313.15-	5.1	2.8
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	5,098,398.80-	4,562,931.32-	4,416,266.64-	2,044,758.69-	3.3	10.5-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	371,077.20-	378,624.06-	391,226.48-	189,070.03-	3.2-	2.0
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	5,866.02-	5,673.78-	5,833.32-	2,836.89-	2.7-	3.3-
16.0	INTEREST ON LONG TERM DEBT.....	120,060.70-	118,231.24-	117,499.96-	58,940.65-	.6	1.5-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	8,470.68-	10,313.88-	9,250.46-	5,613.46-	11.5	21.8
19.0	OTHER DEDUCTIONS.....	1,492.35-	2,236.53-	2,883.32-	1,236.53-	22.4-	49.9
20.0	TOTAL COST OF ELECTRIC SERVICE.....	5,605,365.75-	5,078,010.81-	4,942,960.18-	2,302,456.25-	2.7	9.4-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	462,192.92	363,700.37	337,021.14	97,489.82	7.9	21.3-
22.0	NON OPERATING MARGINS - INTEREST.....	41,216.43	28,993.93	29,166.66	14,815.47	.6-	29.7-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	.00	.00	.00	.00	.0	.0
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	.00	.00	.00	.00	.0	.0
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	503,409.35	392,694.30	366,187.80	112,305.29	7.2	22.0-
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RATIOS							
TIER		5.193	4.321	4.116	2.905		
MARGINS TO REVENUE		.083	.072	.069	.047		
POWER COST TO REVENUE		.708	.677	.681	.674		
INTEREST EXPENSE TO REVENUE		.020	.022	.022	.025		
CURRENT ASSETS : CURRENT LIABILITIES		1.4616					
MARGINS & EQUITIES AS % OF ASSETS		.4391					
LONG TERM DEBT AS % OF PLANT		.4310					
GENERAL FUNDS TO TOTAL PLANT		2.5625					
QUICK ASSET RATIO		1.3824					

PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	51,931,811.73	30.0	MEMBERSHIPS	228,245.00-
2.0	CONSTRUCTION WORK IN PROGRESS	8,656.72	31.0	PATRONAGE CAPITAL	24,712,785.03-
3.0	TOTAL UTILITY PLANT	51,940,468.45	32.0	OPERATING MARGINS - PRIOR YEAR	.00
4.0	ACCUM PROV FOR DEP & AMORT	18,933,581.24-	33.0	OPERATING MARGINS-CURRENT YEAR	363,700.37-
5.0	NET UTILITY PLANT	33,006,887.21	34.0	NON-OPERATING MARGINS	28,993.93-
			35.0	OTHER MARGINS & EQUITIES	1,853,131.39
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES	23,480,592.94-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00			
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,337,688.31	37.0	LONG TERM DEBT - RUS (NET)	5,225,616.30-
9.0	INV IN ASSOC ORG OTHR GEN FND	3,205.00		(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	5,500.00	40.0	LONG TERM DEBT - OTHER (NET)	17,160,403.47-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS	14,825,488.65	42.0	PAYMENTS - UNAPPLIED	.00
			43.0	TOTAL LONG TERM DEBT	22,386,019.77-
15.0	CASH - GENERAL FUNDS	1,130,191.64			
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS	3,738,784.89-
18.0	TEMPORARY INVESTMENTS	192,084.60	46.0	TOTAL OTHER NONCURR LIABILITY	3,738,784.89-
19.0	NOTES RECEIVABLE (NET)	.00			
20.0	ACCTS RECV - SALES ENERGY (NET)	3,302,390.79	47.0	NOTES PAYABLE	650,000.00-
21.0	ACCTS RECV - OTHER (NET)	566,263.82	48.0	ACCOUNTS PAYABLE	2,167,560.82-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS	633,057.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	305,230.59	50.0	CURR MATURITIES LONG-TERM DEBT	.00
24.0	PREPAYMENTS	124,291.44	51.0	CURR MATURIT LT DEBT ECON DEV	.00
25.0	OTHER CURRENT & ACCR ASSETS	8,911.41	52.0	CURR MATURITIES CAPITAL LEASES	.00
26.0	TOTAL CURRENT & ACCR ASSETS	5,629,890.79	53.0	OTHER CURRENT & ACCRUED LIAB	401,210.03-
			54.0	TOTAL CURRENT & ACCRUED LIAB	3,851,828.35-
27.0	REGULATORY ASSETS	.00			
28.0	OTHER DEFERRED DEBITS	14,813.10	55.0	REGULATORY LIABILITIES	.00
			56.0	OTHER DEFERRED CREDITS	19,853.80-
29.0	TOTAL ASSETS & OTHER DEBITS	53,477,079.75	57.0	TOTAL LIABILITIES & OTH CREDIT	53,477,079.75-

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CERTIFICATION

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AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF
OUR KNOWLEDGE AND BELIEF.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING
THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	42,349.24
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	42,349.24

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PART A. STATEMENT OF OPERATIONS

LINE NO	LAST YEAR A	YEAR TO DATE THIS YEAR B	BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	8,287,325.79	7,278,967.65	7,494,811.98	1,837,256.47	2.9- 12.2-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0 .0
3.0	COST OF PURCHASED POWER.....	5,856,592.00-	4,835,220.00-	5,079,094.00-	1,150,572.00-	4.8- 17.4-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0 .0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0 .0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	299,792.46-	277,099.71-	255,426.45-	98,437.61-	8.5 7.6-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	332,477.85-	454,771.41-	405,041.88-	150,905.36-	12.3 36.8
8.0	CUSTOMER ACCOUNTS EXPENSE.....	232,577.43-	238,290.82-	226,721.49-	80,879.76-	5.1 2.5
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	8,596.95-	9,966.65-	18,306.90-	1,203.02-	45.6- 15.9
10.0	SALES EXPENSE.....	703.50-	3,535.00-	1,124.94-	2,844.75-	214.2 402.5
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	327,787.80-	340,804.89-	326,658.30-	111,914.66-	4.3 4.0
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	7,058,527.99-	6,159,688.48-	6,312,373.96-	1,596,757.16-	2.4- 12.7-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	556,833.63-	568,812.12-	586,839.72-	190,188.06-	3.1- 2.2
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0 .0
15.0	TAX EXPENSE - OTHER.....	8,799.03-	8,510.67-	8,749.98-	2,836.89-	2.7- 3.3-
16.0	INTEREST ON LONG TERM DEBT.....	179,232.68-	179,947.93-	176,249.94-	61,716.69-	2.1 .4
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0 .0
18.0	INTEREST EXPENSE - OTHER.....	12,688.12-	16,185.31-	13,875.69-	5,871.43-	16.6 27.6
19.0	OTHER DEDUCTIONS.....	1,792.35-	4,766.53-	4,324.98-	2,530.00-	10.2 165.9
20.0	TOTAL COST OF ELECTRIC SERVICE.....	7,817,873.80-	6,937,911.04-	7,102,414.27-	1,859,900.23-	2.3- 11.3-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	469,451.99	341,056.61	392,397.71	22,643.76-	13.1- 27.4-
22.0	NON OPERATING MARGINS - INTEREST.....	49,483.99	43,244.19	43,749.99	14,250.26	1.2- 12.6-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0 .0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0 .0
25.0	NON OPERATING MARGINS - OTHER.....	15,673.21	11,350.00	.00	11,350.00	100.0 27.6-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0 .0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	57,672.62	34,814.91	.00	34,814.91	100.0 39.6-
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0 .0
29.0	PATRONAGE CAPITAL OR MARGINS.....	592,281.81	430,465.71	436,147.70	37,771.41	1.3- 27.3-
RATIOS						
	TIER	4.305	3.392	3.475	1.612	
	MARGINS TO REVENUE	.071	.059	.058	.021	
	POWER COST TO REVENUE	.707	.664	.678	.626	
	INTEREST EXPENSE TO REVENUE	.022	.025	.024	.034	
	CURRENT ASSETS : CURRENT LIABILITIES	1.4619				
	MARGINS & EQUITIES AS % OF ASSETS	.4448				
	LONG TERM DEBT AS % OF PLANT	.4266				
	GENERAL FUNDS TO TOTAL PLANT	2.5680				
	QUICK ASSET RATIO	1.3799				

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	52,071,879.85	30.0	MEMBERSHIPS 228,890.00-
2.0	CONSTRUCTION WORK IN PROGRESS	4,400.67	31.0	PATRONAGE CAPITAL 24,707,754.93-
3.0	TOTAL UTILITY PLANT	52,076,280.52	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	18,999,056.49-	33.0	OPERATING MARGINS-CURRENT YEAR 375,871.52-
5.0	NET UTILITY PLANT	33,077,224.03	34.0	NON-OPERATING MARGINS 54,594.19-
			35.0	OTHER MARGINS & EQUITIES 1,838,901.34
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES 23,528,209.30-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00		
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,358,304.30	37.0	LONG TERM DEBT - RUS (NET) 5,193,505.71-
9.0	INV IN ASSOC ORG OTHER GEN FND	2,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	500.00	40.0	LONG TERM DEBT - OTHER (NET) 17,023,722.88-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	14,840,104.64	42.0	PAYMENTS - UNAPPLIED .00
			43.0	TOTAL LONG TERM DEBT 22,217,228.59-
15.0	CASH - GENERAL FUNDS	1,085,454.63		
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,735,446.84-
18.0	TEMPORARY INVESTMENTS	249,151.82	46.0	TOTAL OTHER NONCURR LIABILITY 3,735,446.84-
19.0	NOTES RECEIVABLE (NET)	.00		
20.0	ACCTS RECV - SALES ENERGY (NET)	2,666,553.59	47.0	NOTES PAYABLE 650,000.00-
21.0	ACCTS RECV - OTHER (NET)	563,887.75	48.0	ACCOUNTS PAYABLE 1,718,045.12-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS 639,357.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	278,490.52	50.0	CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS	110,456.80	51.0	CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS	10,682.01	52.0	CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS	4,965,203.62	53.0	OTHER CURRENT & ACCRUED LIAB 388,906.74-
			54.0	TOTAL CURRENT & ACCRUED LIAB 3,396,309.36-
27.0	REGULATORY ASSETS	.00		
28.0	OTHER DEFERRED DEBITS	14,515.60	55.0	REGULATORY LIABILITIES .00
			56.0	OTHER DEFERRED CREDITS 19,853.80-
29.0	TOTAL ASSETS & OTHER DEBITS	52,897,047.89	57.0	TOTAL LIABILITIES & OTH CREDIT 52,897,047.89-

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	46,691.29
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	46,691.29

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

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PART A. STATEMENT OF OPERATIONS

LINE NO		LAST YEAR A	YEAR TO DATE THIS YEAR B	BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	9,887,174.18	8,895,330.73	9,148,023.64	1,616,363.08	2.8-	10.0-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	6,876,029.00-	5,837,240.00-	6,152,525.00-	1,002,020.00-	5.1-	15.1-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	371,010.94-	364,571.21-	340,568.60-	87,471.50-	7.0	1.7-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	468,632.98-	592,673.88-	540,055.84-	137,902.47-	9.7	26.5
8.0	CUSTOMER ACCOUNTS EXPENSE.....	308,088.83-	311,206.44-	302,295.32-	72,915.62-	2.9	1.0
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	11,729.14-	13,377.48-	24,409.20-	3,410.83-	45.2-	14.1
10.0	SALES EXPENSE.....	703.50-	3,535.00-	1,499.92-	.00	135.7	402.5
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	440,652.11-	453,863.31-	435,544.40-	113,058.42-	4.2	3.0
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	8,476,846.50-	7,576,467.32-	7,796,898.28-	1,416,778.84-	2.8-	10.6-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	742,840.88-	759,410.21-	782,452.96-	190,598.09-	2.9-	2.2
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	11,732.04-	11,347.56-	11,666.64-	2,836.89-	2.7-	3.3-
16.0	INTEREST ON LONG TERM DEBT.....	239,215.18-	238,722.02-	234,999.92-	58,774.09-	1.6	.2-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	17,006.04-	22,257.03-	18,500.92-	6,071.72-	20.3	30.9
19.0	OTHER DEDUCTIONS.....	3,377.35-	6,716.53-	5,766.64-	1,950.00-	16.5	98.9
20.0	TOTAL COST OF ELECTRIC SERVICE.....	9,491,017.99-	8,614,920.67-	8,850,285.36-	1,677,009.63-	2.7-	9.2-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	396,156.19	280,410.06	297,738.28	60,646.55-	5.8-	29.2-
22.0	NON OPERATING MARGINS - INTEREST.....	57,790.90	57,463.67	58,333.32	14,219.48	1.5-	.6-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	19,520.25	10,687.92	.00	662.08-	100.0	45.2-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	230,702.17	34,814.91	.00	.00	100.0	84.9-
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	704,169.51	383,376.56	356,071.60	47,089.15-	7.7	45.6-
RATIOS							
	TIER	3.944	2.606	2.515	.199		
	MARGINS TO REVENUE	.071	.043	.039	.029		
	POWER COST TO REVENUE	.695	.656	.673	.620		
	INTEREST EXPENSE TO REVENUE	.024	.027	.026	.036		
	CURRENT ASSETS : CURRENT LIABILITIES	1.4631					
	MARGINS & EQUITIES AS % OF ASSETS	.4461					
	LONG TERM DEBT AS % OF PLANT	.4251					
	GENERAL FUNDS TO TOTAL PLANT	2.6971					
	QUICK ASSET RATIO	1.3681					

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PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS	LIABILITIES AND OTHER CREDITS
1.0	TOTAL UTILITY PLANT IN SERVICE 52,171,858.50	30.0 MEMBERSHIPS 228,025.00-
2.0	CONSTRUCTION WORK IN PROGRESS 5,296.26	31.0 PATRONAGE CAPITAL 24,702,281.00-
3.0	TOTAL UTILITY PLANT 52,177,154.76	32.0 OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT 19,114,281.54-	33.0 OPERATING MARGINS-CURRENT YEAR 315,224.97-
5.0	NET UTILITY PLANT 33,062,873.22	34.0 NON-OPERATING MARGINS 68,151.59-
6.0	NON-UTILITY PROPERTY (NET) .00	35.0 OTHER MARGINS & EQUITIES 1,824,717.56
7.0	INVEST IN SUBSIDIARY COMPANIES .00	36.0 TOTAL MARGINS & EQUITIES 23,488,965.00-
8.0	INV IN ASSOC ORG - PAT CAPITAL 14,358,304.30	37.0 LONG TERM DEBT - RUS (NET) 5,160,571.30-
9.0	INV IN ASSOC ORG OTHR GEN FND 2,205.00	(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND 479,095.34	38.0 LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS .00	39.0 LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS 500.00	40.0 LONG TERM DEBT - OTHER (NET) 17,017,668.91-
13.0	SPECIAL FUNDS .00	41.0 LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS 14,840,104.64	42.0 PAYMENTS - UNAPPLIED .00
15.0	CASH - GENERAL FUNDS 1,108,387.30	43.0 TOTAL LONG TERM DEBT 22,178,240.21-
16.0	CASH - CONSTRUCTION FUND TRUST 406.50	44.0 OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS 120.00	45.0 ACCUM OPERATING PROVISIONS 3,729,410.41-
18.0	TEMPORARY INVESTMENTS 296,184.86	46.0 TOTAL OTHER NONCURR LIABILITY 3,729,410.41-
19.0	NOTES RECEIVABLE (NET) .00	47.0 NOTES PAYABLE 650,000.00-
20.0	ACCTS RECV - SALES ENERGY(NET) 2,310,852.32	48.0 ACCOUNTS PAYABLE 1,501,695.94-
21.0	ACCTS RECV - OTHER (NET) 592,862.07	49.0 CONSUMER DEPOSITS 627,407.50-
22.0	RENEWABLE ENERGY CREDITS .00	50.0 CURR MATURITIES LONG-TERM DEBT .00
23.0	MATERIAL & SUPPLIES-ELEC & OTH 307,571.81	51.0 CURR MATURIT LT DEBT ECON DEV .00
24.0	PREPAYMENTS 118,678.63	52.0 CURR MATURITIES CAPITAL LEASES .00
25.0	OTHER CURRENT & ACCR ASSETS 1,794.88	53.0 OTHER CURRENT & ACCRUED LIAB 458,412.76-
26.0	TOTAL CURRENT & ACCR ASSETS 4,736,858.37	54.0 TOTAL CURRENT & ACCRUED LIAB 3,237,516.20-
27.0	REGULATORY ASSETS .00	55.0 REGULATORY LIABILITIES .00
28.0	OTHER DEFERRED DEBITS 13,952.24	56.0 OTHER DEFERRED CREDITS 19,656.65-
29.0	TOTAL ASSETS & OTHER DEBITS 52,653,788.47	57.0 TOTAL LIABILITIES & OTH CREDIT 52,653,788.47-

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ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	51,778.14
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	51,778.14

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

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PART A. STATEMENT OF OPERATIONS

LINE NO	YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
	LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	11,599,883.64	10,485,836.24	10,876,105.30	1,590,505.51	3.6- 9.6-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0 .0
3.0	COST OF PURCHASED POWER.....	7,981,713.00-	6,891,214.00-	7,235,369.00-	1,053,974.00-	4.8- 13.7-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0 .0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0 .0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	454,614.76-	442,527.15-	425,710.75-	77,955.94-	4.0 2.7-
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	624,891.87-	659,501.97-	675,069.80-	66,828.09-	2.3- 5.5
8.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	372,230.53-	386,084.56-	377,869.15-	74,878.12-	2.2 3.7
9.0	SALES EXPENSE.....	21,109.28-	7,716.93-	30,511.50-	5,660.55	74.7- 63.4-
10.0	ADMINISTRATIVE & GENERAL EXPENSE.....	853.50-	3,685.00-	1,874.90-	150.00-	96.5 331.8
11.0		546,330.00-	566,514.33-	544,430.50-	112,651.02-	4.1 3.7
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	10,001,742.94-	8,957,243.94-	9,290,835.60-	1,380,776.62-	3.6- 10.4-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	929,296.67-	950,463.66-	978,066.20-	191,053.45-	2.8- 2.3
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0 .0
15.0	TAX EXPENSE - OTHER.....	14,665.05-	14,184.45-	14,583.30-	2,836.89-	2.7- 3.3-
16.0	INTEREST ON LONG TERM DEBT.....	299,763.59-	299,022.56-	293,749.90-	60,300.54-	1.8 .2-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0 .0
18.0	INTEREST EXPENSE - OTHER.....	21,216.10-	28,261.73-	23,126.15-	6,004.70-	22.2 33.2
19.0	OTHER DEDUCTIONS.....	10,777.35-	15,716.53-	7,208.30-	9,000.00-	118.0 45.8
20.0	TOTAL COST OF ELECTRIC SERVICE.....	11,277,461.70-	10,264,892.87-	10,607,569.45-	1,649,972.20-	3.2- 9.0-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	322,421.94	220,943.37	268,535.85	59,466.69-	17.7- 31.5-
22.0	NON OPERATING MARGINS - INTEREST.....	73,237.02	72,648.07	72,916.65	15,184.40	.4- .8-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0 .0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0 .0
25.0	NON OPERATING MARGINS - OTHER.....	19,520.25	13,495.92	.00	2,808.00	100.0 30.9-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0 .0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	230,702.17	34,814.91	.00	.00	100.0 84.9-
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0 .0
29.0	PATRONAGE CAPITAL OR MARGINS.....	645,881.38	341,902.27	341,452.50	41,474.29-	.1 47.1-
RATIOS						
	TIER	3.155	2.143	2.162	.312	
	MARGINS TO REVENUE	.056	.033	.031	.026	
	POWER COST TO REVENUE	.688	.657	.665	.663	
	INTEREST EXPENSE TO REVENUE	.026	.029	.027	.038	
	CURRENT ASSETS : CURRENT LIABILITIES	1.3516				
	MARGINS & EQUITIES AS % OF ASSETS	.4488				
	LONG TERM DEBT AS % OF PLANT	.4174				
	GENERAL FUNDS TO TOTAL PLANT	1.8608				
	QUICK ASSET RATIO	1.2507				

PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	52,291,013.64	30.0	MEMBERSHIPS	227,920.00-
2.0	CONSTRUCTION WORK IN PROGRESS	76,217.10-	31.0	PATRONAGE CAPITAL	24,691,716.18-
3.0	TOTAL UTILITY PLANT	52,214,796.54	32.0	OPERATING MARGINS - PRIOR YEAR	.00
4.0	ACCUM PROV FOR DEP & AMORT	19,223,808.52-	33.0	OPERATING MARGINS-CURRENT YEAR	255,758.28-
5.0	NET UTILITY PLANT	32,990,988.02	34.0	NON-OPERATING MARGINS	86,143.99-
6.0	NON-UTILITY PROPERTY (NET)	.00	35.0	OTHER MARGINS & EQUITIES	1,808,879.84
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	36.0	TOTAL MARGINS & EQUITIES	23,452,658.61-
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,358,304.30	37.0	LONG TERM DEBT - RUS (NET)	5,166,133.55-
9.0	INV IN ASSOC ORG OTHR GEN FND	2,205.00		(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	479,095.34	38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	500.00	40.0	LONG TERM DEBT - OTHER (NET)	16,628,117.41-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS	14,840,104.64	42.0	PAYMENTS - UNAPPLIED	.00
15.0	CASH - GENERAL FUNDS	630,707.63	43.0	TOTAL LONG TERM DEBT	21,794,250.96-
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS	3,724,729.96-
18.0	TEMPORARY INVESTMENTS	338,205.20	46.0	TOTAL OTHER NONCURR LIABILITY	3,724,729.96-
19.0	NOTES RECEIVABLE (NET)	.00	47.0	NOTES PAYABLE	650,000.00-
20.0	ACCTS RECV - SALES ENERGY (NET)	2,222,519.54	48.0	ACCOUNTS PAYABLE	1,510,911.99-
21.0	ACCTS RECV - OTHER (NET)	787,998.35	49.0	CONSUMER DEPOSITS	619,927.50-
22.0	RENEWABLE ENERGY CREDITS	.00	50.0	CURR MATURITIES LONG-TERM DEBT	.00
23.0	MATERIAL & SUPPLIES-ELEC & OTH	328,944.26	51.0	CURR MATURIT LT DEBT ECON DEV	.00
24.0	PREPAYMENTS	95,918.46	52.0	CURR MATURITIES CAPITAL LEASES	.00
25.0	OTHER CURRENT & ACCR ASSETS	3,575.22	53.0	OTHER CURRENT & ACCRUED LIAB	480,884.06-
26.0	TOTAL CURRENT & ACCR ASSETS	4,408,395.16	54.0	TOTAL CURRENT & ACCRUED LIAB	3,261,723.55-
27.0	REGULATORY ASSETS	.00	55.0	REGULATORY LIABILITIES	.00
28.0	OTHER DEFERRED DEBITS	13,023.02	56.0	OTHER DEFERRED CREDITS	19,147.76-
29.0	TOTAL ASSETS & OTHER DEBITS	52,252,510.84	57.0	TOTAL LIABILITIES & OTH CREDIT	52,252,510.84-
=====			=====		

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	53,754.02
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	53,754.02

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

EXH D
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PART A. STATEMENT OF OPERATIONS

LINE NO		LAST YEAR A	YEAR TO DATE THIS YEAR B	BUDGET C	THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	13,515,916.45	12,363,930.50	12,755,388.96	1,878,094.26	3.1-	8.5-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	9,352,426.00-	8,155,478.00-	8,472,593.00-	1,264,264.00-	3.7-	12.8-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	520,137.78-	545,315.27-	510,852.90-	102,788.12-	6.7	4.8
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	782,230.66-	822,570.41-	810,083.76-	163,068.44-	1.5	5.2
8.0	CONSUMER ACCOUNTS EXPENSE.....	445,385.06-	459,627.03-	453,442.98-	73,542.47-	1.4	3.2
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE..	25,664.28-	5,744.43-	36,613.80-	1,972.50	84.3-	77.6-
10.0	SALES EXPENSE.....	853.50-	3,685.00-	2,249.88-	.00	63.8	331.8
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	653,582.17-	681,418.25-	653,316.60-	114,903.92-	4.3	4.3
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	11,780,279.45-	10,673,838.39-	10,939,152.92-	1,716,594.45-	2.4-	9.4-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,116,270.37-	1,140,502.71-	1,173,679.44-	190,039.05-	2.8-	2.2
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	17,598.10-	17,021.33-	17,499.96-	2,836.88-	2.7-	3.3-
16.0	INTEREST ON LONG TERM DEBT.....	358,307.06-	355,133.19-	352,499.88-	56,110.63-	.7	.9-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	25,414.00-	34,297.47-	27,751.38-	6,035.74-	23.6	35.0
19.0	OTHER DEDUCTIONS.....	11,442.35-	16,416.53-	8,649.96-	700.00-	89.8	43.5
20.0	TOTAL COST OF ELECTRIC SERVICE.....	13,309,311.33-	12,237,209.62-	12,519,233.54-	1,972,316.75-	2.3-	8.1-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	206,605.12	126,720.88	236,155.42	94,222.49-	46.3-	38.7-
22.0	NON OPERATING MARGINS - INTEREST.....	87,580.69	86,827.70	87,499.98	14,179.63	.8-	.9-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	19,520.25	13,495.92	.00	.00	100.0	30.9-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	230,702.17	34,814.91	.00	.00	100.0	84.9-
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	544,408.23	261,859.41	323,655.40	80,042.86-	19.1-	51.9-
RATIOS							
	TIER	2.519	1.737	1.918	.427-		
	MARGINS TO REVENUE	.040	.021	.025	.043		
	POWER COST TO REVENUE	.692	.660	.664	.673		
	INTEREST EXPENSE TO REVENUE	.027	.029	.028	.030		
	CURRENT ASSETS : CURRENT LIABILITIES	1.2586					
	MARGINS & EQUITIES AS % OF ASSETS	.4478					
	LONG TERM DEBT AS % OF PLANT	.4150					
	GENERAL FUNDS TO TOTAL PLANT	1.7411					
	QUICK ASSET RATIO	1.1659					

FIN Q
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PART C. BALANCE SHEET

LINE NO		ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	52,188,889.51		30.0	MEMBERSHIPS	227,895.00-
2.0	CONSTRUCTION WORK IN PROGRESS	88,584.41-		31.0	PATRONAGE CAPITAL	24,682,748.00-
3.0	TOTAL UTILITY PLANT	52,100,305.10		32.0	OPERATING MARGINS - PRIOR YEAR	.00
4.0	ACCUM PROV FOR DEP & AMORT	19,100,406.19-		33.0	OPERATING MARGINS-CURRENT YEAR	161,535.79-
5.0	NET UTILITY PLANT		32,999,898.91	34.0	NON-OPERATING MARGINS	100,323.62-
				35.0	OTHER MARGINS & EQUITIES	1,794,066.15
6.0	NON-UTILITY PROPERTY (NET)	.00		36.0	TOTAL MARGINS & EQUITIES	23,378,436.26-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00				
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,358,304.30		37.0	LONG TERM DEBT - RUS (NET)	5,132,984.11-
9.0	INV IN ASSOC ORG OTHR GEN FND	2,205.00			(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	472,200.23		38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00		39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	500.00		40.0	LONG TERM DEBT - OTHER (NET)	16,490,671.11-
13.0	SPECIAL FUNDS	.00		41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS		14,833,209.53	42.0	PAYMENTS - UNAPPLIED	.00
				43.0	TOTAL LONG TERM DEBT	21,623,655.22-
15.0	CASH - GENERAL FUNDS	525,055.73				
16.0	CASH - CONSTRUCTION FUND TRUST	406.50		44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	120.00		45.0	ACCUM OPERATING PROVISIONS	3,720,049.51-
18.0	TEMPORARY INVESTMENTS	379,332.74		46.0	TOTAL OTHER NONCURR LIABILITY	3,720,049.51-
19.0	NOTES RECEIVABLE (NET)	.00				
20.0	ACCTS RECV - SALES ENERGY (NET)	2,448,731.00		47.0	NOTES PAYABLE	650,000.00-
21.0	ACCTS RECV - OTHER (NET)	577,779.75		48.0	ACCOUNTS PAYABLE	1,688,133.87-
22.0	RENEWABLE ENERGY CREDITS	.00		49.0	CONSUMER DEPOSITS	623,582.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	321,238.15		50.0	CURR MATURITIES LONG-TERM DEBT	.00
24.0	PREPAYMENTS	101,399.96		51.0	CURR MATURIT LT DEBT ECON DEV	.00
25.0	OTHER CURRENT & ACCR ASSETS	5,355.56		52.0	CURR MATURITIES CAPITAL LEASES	.00
26.0	TOTAL CURRENT & ACCR ASSETS		4,359,419.39	53.0	OTHER CURRENT & ACCRUED LIAB	501,913.65-
				54.0	TOTAL CURRENT & ACCRUED LIAB	3,463,630.02-
27.0	REGULATORY ASSETS	.00				
28.0	OTHER DEFERRED DEBITS		12,373.40	55.0	REGULATORY LIABILITIES	.00
				56.0	OTHER DEFERRED CREDITS	19,130.22-
29.0	TOTAL ASSETS & OTHER DEBITS		52,204,901.23	57.0	TOTAL LIABILITIES & OTH CREDIT	52,204,901.23-

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	53,874.02
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	53,874.02

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO		YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	15,644,295.69	14,500,754.79	14,736,940.62	2,136,824.29	1.6-	7.3-
2.0	POWER PRODUCTION EXPENSE.....	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER.....	10,808,450.00-	9,628,698.00-	9,784,554.00-	1,473,220.00-	1.6-	10.9-
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	616,223.17-	629,438.27-	595,995.05-	84,123.00-	5.6	2.1
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	1,029,956.49-	982,933.27-	945,097.72-	160,362.86-	4.0	4.6-
8.0	CONSUMER ACCOUNTS EXPENSE.....	510,397.95-	525,802.15-	529,016.81-	66,175.12-	.6-	3.0
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE.....	32,519.42-	12,273.40-	42,716.10-	6,528.97-	71.3-	62.3-
10.0	SALES EXPENSE.....	853.50-	3,785.00-	2,624.86-	100.00-	44.2	343.5
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	756,327.54-	795,784.61-	762,202.70-	114,366.36-	4.4	5.2
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	13,754,728.07-	12,578,714.70-	12,662,207.24-	1,904,876.31-	.7-	8.5-
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,303,312.22-	1,330,675.16-	1,369,292.68-	190,172.45-	2.8-	2.1
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	20,434.99-	19,676.37-	20,416.62-	2,655.04-	3.6-	3.7-
16.0	INTEREST ON LONG TERM DEBT.....	417,342.97-	412,797.46-	411,249.86-	57,664.27-	.4	1.1-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	29,600.39-	40,276.57-	32,376.61-	5,979.10-	24.4	36.1
19.0	OTHER DEDUCTIONS.....	11,567.35-	17,126.53-	10,091.62-	710.00-	69.7	48.1
20.0	TOTAL COST OF ELECTRIC SERVICE.....	15,536,985.99-	14,399,266.79-	14,505,634.63-	2,162,057.17-	.7-	7.3-
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	107,309.70	101,488.00	231,305.99	25,232.88-	56.1-	5.4-
22.0	NON OPERATING MARGINS - INTEREST.....	101,888.72	101,008.11	102,083.31	14,180.41	1.1-	.9-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	19,520.25	13,495.92	.00	.00	100.0	30.9-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	230,702.17	34,814.91	.00	.00	100.0	84.9-
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	459,420.84	250,806.94	333,389.30	11,052.47-	24.8-	45.4-
RATIOS							
	TIER	2.101	1.608	1.811	.808		
	MARGINS TO REVENUE	.029	.017	.023	.005		
	POWER COST TO REVENUE	.691	.664	.664	.689		
	INTEREST EXPENSE TO REVENUE	.027	.028	.028	.027		
	CURRENT ASSETS : CURRENT LIABILITIES	1.2403					
	MARGINS & EQUITIES AS % OF ASSETS	.4475					
	LONG TERM DEBT AS % OF PLANT	.4133					
	GENERAL FUNDS TO TOTAL PLANT	1.2084					
	QUICK ASSET RATIO	1.1526					

PART C. BALANCE SHEET

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	52,220,272.82	30.0	MEMBERSHIPS 227,590.00-
2.0	CONSTRUCTION WORK IN PROGRESS	8,405.14	31.0	PATRONAGE CAPITAL 24,674,564.06-
3.0	TOTAL UTILITY PLANT	52,228,677.96	32.0	OPERATING MARGINS - PRIOR YEAR .00
4.0	ACCUM PROV FOR DEP & AMORT	19,234,040.29-	33.0	OPERATING MARGINS-CURRENT YEAR 136,302.91-
5.0	NET UTILITY PLANT	32,994,637.67	34.0	NON-OPERATING MARGINS 114,504.03-
			35.0	OTHER MARGINS & EQUITIES 1,778,829.24
6.0	NON-UTILITY PROPERTY (NET)	.00	36.0	TOTAL MARGINS & EQUITIES 23,374,131.76-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00		
8.0	INV IN ASSOC ORG - PAT CAPITAL	14,358,304.30	37.0	LONG TERM DEBT - RUS (NET) 5,100,864.06-
9.0	INV IN ASSOC ORG OTHER GEN FND	2,205.00		(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND	472,200.23	38.0	LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS	500.00	40.0	LONG TERM DEBT - OTHER (NET) 16,483,716.85-
13.0	SPECIAL FUNDS	.00	41.0	LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS	14,833,209.53	42.0	PAYMENTS - UNAPPLIED .00
			43.0	TOTAL LONG TERM DEBT 21,584,580.91-
15.0	CASH - GENERAL FUNDS	500,627.47		
16.0	CASH - CONSTRUCTION FUND TRUST	406.50	44.0	OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS	120.00	45.0	ACCUM OPERATING PROVISIONS 3,714,136.85-
18.0	TEMPORARY INVESTMENTS	127,789.32	46.0	TOTAL OTHER NONCURR LIABILITY 3,714,136.85-
19.0	NOTES RECEIVABLE (NET)	.00		
20.0	ACCTS RECV - SALES ENERGY (NET)	2,757,906.79	47.0	NOTES PAYABLE 650,000.00-
21.0	ACCTS RECV - OTHER (NET)	610,686.62	48.0	ACCOUNTS PAYABLE 1,849,362.47-
22.0	RENEWABLE ENERGY CREDITS	.00	49.0	CONSUMER DEPOSITS 623,357.50-
23.0	MATERIAL & SUPPLIES-ELEC & OTH	310,509.30	50.0	CURR MATURITIES LONG-TERM DEBT .00
24.0	PREPAYMENTS	76,984.03	51.0	CURR MATURIT LT DEBT ECON DEV .00
25.0	OTHER CURRENT & ACCR ASSETS	7,135.90	52.0	CURR MATURITIES CAPITAL LEASES .00
26.0	TOTAL CURRENT & ACCR ASSETS	4,392,165.93	53.0	OTHER CURRENT & ACCRUED LIAB 418,392.88-
			54.0	TOTAL CURRENT & ACCRUED LIAB 3,541,112.85-
27.0	REGULATORY ASSETS	.00		
28.0	OTHER DEFERRED DEBITS	11,857.75	55.0	REGULATORY LIABILITIES .00
			56.0	OTHER DEFERRED CREDITS 17,908.51-
29.0	TOTAL ASSETS & OTHER DEBITS	52,231,870.88	57.0	TOTAL LIABILITIES & OTH CREDIT 52,231,870.88-

C E R T I F I C A T I O N

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ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0	BALANCE BEGINNING OF YEAR	.00
59.0	AMOUNT RECEIVED THIS YEAR (NET)	58,683.25
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST	58,683.25

BIG SANDY RECC

Paintsville, KY

Case No. 2017-00171

COST OF SERVICE STUDY

Test Year -

Twelve Months Ending July 2016

Prepared: April 2017

J. Adkins

OUTLINE

Schedule

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

BIG SANDY RECC
CASE 2017-00171
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Exhibit R
Page 2 of 41
Witness: Jim Adkins
Schedule A

Acct No.	Description	Actual \$\$\$\$	Test Year Adjustments						Pro Forma \$\$\$\$
			Adjustment 1, 2 & 6	Adjustment 3, 4 & 5	Adjustment 7, 8, 9 & 10	Adjustment 11, 12, & 13	Adjustment 14 & 15	Adjustment 13 & 15	
555	Demand Charges	3,209,257							3,209,257
	Energy Charges	12,437,099					(1,278,321)	-	11,158,778
	Load Center Charges	364,428						-	364,428
	Total Purchased Power	16,010,784	-	-	-	-	(1,278,321)	-	14,732,463
580	Operations Supv & Eng	130,351	362						130,714
582	Station Expense	-	-						-
583	Overhead Line Exp.	114,615	251			0			114,867
584	Underground Line Exp	-	-						-
586	Meter Expense	612,081	1,686						613,767
586.1	Prepaid Meter Exp	19,500							19,500
587	Consumer Installations	12,526	8						12,534
588	Misc. Distribution Exp	205,479	484	5,901					211,864
589	Rents	-	-						-
	Total Operations	1,094,553	2,792	5,901	-	-	-	-	1,103,246
590	Maint Supv & Eng	218,816	686						219,501
592	Maint of Station Equip	-							-
593	Maint. Overhead Lines	1,242,896	2,103			86,041			1,331,040
594	Maint of Underground Lines	-							-
595	Maint Line Transformers	42,223	61						42,283

BIG SANDY RECC
CASE 2017-00171
ACTUAL TEST YEAR LOSSES WITH ADJUSTMENTS

Exhibit R
Page 2 of 41
Witness: Jim Adkins
Schedule A

Acct	Description	Test Year Adjustments							Pro Forma
		Actual	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	
		\$\$\$\$	1, 2 & 6	3, 4 & 5	7, 8, 9 & 10	11, 12, & 13	14 & 15	13 & 15	\$\$\$\$
596	Maint of St Lg & Signal Sys	-	-						-
597	Maintenance of Meters	518	2						520
598	Maint Misc Distrib Plant	11,852	29	2,583					14,464
									-
	Total Distribut Maintenance	1,516,304	2,880	2,583	-	86,041	-	-	1,607,808
									-
902	Meter Reading Expense	120,359		-					120,359
903	Cons Recds & Collections	712,718	2,252	664					715,634
904	Uncollectible Accounts	54,169	-						54,169
									-
	Total Consumer Accounts	887,246	2,252	664					890,162
									-
908	Customer Assist. Expense	29,781	277	548					30,606
913	Advertising	5,403	-	-					5,403
									-
	Total Customer Service	35,184	277	548					36,009
									-
	Total of Above	19,544,072	8,201	9,696	-	86,041	(1,278,321)	-	18,369,689
									-
920	Administrative Salaries	685,186	4,925						690,111
921	Office Supplies	180,182							180,182
923	Outside Services	19,362			(1,442)	-			17,920
926	Employee Benefits	1,532							1,532
925	Injuries & Damages	56,704							56,704
929	Duplicate Charges	-							-

BIG SANDY RECC
CASE 2017-00171
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Exhibit R
Pa 1 of 41
Witness: Jim Adkins
Schedule A

Acct	Description	Actual	Test Year Adjustments						Pro Forma
			Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	
		\$\$\$\$	1, 2 & 6	3, 4 & 5	7, 8, 9 & 10	11, 12, & 13	14 & 15	13 & 15	\$\$\$\$
930.1	Director Fees	80,681			(16,302)	-			64,379
930.1	General Advertising Exp	866			-				866
930.2	Misc. General Exp-Other	240,644		1,051	(1,307)	30,000			270,388
931	Rents	8,361							8,361
932	Maintenance of General Plant	90,799		-					90,799
									-
	Total Admin & General	1,364,316	4,925	1,051	(19,051)	30,000	-	-	1,381,241
									-
403	Deprec. Distribution Plant	2,137,023		13,271					2,150,294
403	Deprec. General Plant	135,681							135,681
									-
	Total Depreciation	2,272,704	-	13,271	-	-	-	-	2,285,975
									-
408	Taxes Other Than Income Tax	33,861							33,861
426.1	Donations	19,238			(19,238)				(0)
426.1	Penalties	262			(262)				(0)
									-
	Total Miscellaneous	53,360	-	-	(19,500)	-	-	-	33,860
									-
	Total Interest on LTD	701,164		(8,668)	-				692,496
									-
	Total Short Term Interest	62,878		(7,869)					55,009
									-
	Total Costs	23,998,495	13,126	7,481	(38,551)	116,041	(1,278,321)	-	22,818,271

Test Year Adjustments from Exhibit 1 of the Application

	Adjustments		Amount \$\$				
	Adjust 1 - Wages & Salaries		5,223				
	Adjust 2 - Payroll Taxes		1,224				
	Adjust 6 - R&S & 401K		6,679				
			13,126				
		\$\$\$	%	Adj 1	Adj 2	Adj 6	Total
580	Supervision, operations	42,904	12.98%	144	34	184	362
583	Overhead line	29,779	9.01%	100	23	128	251
586	Meter	199,625	60.38%	671	157	858	1,686
587	Installations	994	0.30%	3	1	4	8
588	Miscellaneous distribution	57,318	17.34%	193	45	246	484
	Total Distribution Operation	330,620	1	1,111	260	1421	2,792
590	Supervision, maintenance	81,178	23.81%	273	64	349	686
593	Maintenance	248,991	73.02%	837	196	1,070	2,103
595	Transformers	7,176	2.10%	24	6	31	61
597	Meters	203	0.06%	1	0	1	2
598	Miscellaneous maintenance	3,458	1.01%	12	3	15	29
	Total Distribution Maint.	341,006	1	1,146	269	1465	2,880
902	Meter reading	49,154					
903	Consumer records	217,473		896	210	1146	2,252
908	Consumer assistance	32,772		110	26	141	277
920	Administrative	318,764		1,960	459	2506	4,925
930	Miscellaneous	249,500					
935	Maintenance general plant	14,973					
	Total Other	\$ 882,636		2,966	695	3,793	7,454
		\$ 1,554,262		\$ 5,223	\$ 1,224	\$ 6,679	\$ 13,126

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Schedule B

Functionalization of Revenue Requirements

		Allocation	Pro Forma	Power	Substa-	
Acct	Description	Basis	\$\$\$\$	Supply	Station	Lines
No.						
555	Demand Charges	Direct Assign	3,209,257	3,209,257		
	Energy Charges	Direct Assign	11,158,778	11,158,778	-	
	Load Center Charges	Direct Assign	364,428	364,428		
	Total Purchased Power		14,732,463	14,732,463		
580	Operations Supv & Eng	Prop. Exp(b)	130,714			16,510
582	Station Expense	Direct Assign	-		-	
583	Overhead Line Exp.	Plant Bal (a)	114,867			96,959
584	Underground Line Exp	Plant Bal (a)	-			-
586	Meter Expense	Direct Assign	613,767			
586.1	Prepaid Meter Exp	Direct Assign	19,500			
587	Consumer Installations	Prop. Exp(b)	12,534		-	-
588	Misc. Distribution Exp	Prop. Exp(b)	211,864		-	26,760
589	Rents		-			
	Total Operations		1,103,246	-	-	140,230
590	Maint Supv & Eng	Prop. Exp(b)	219,501		-	179,509
592	Maint of Station Equip	Direct Assign	-		-	
593	Maint. Overhead Lines	Plt Bal (a)	1,331,040			1,123,535
594	Maint of Underground Lines	Plt Bal (a)	-			
595	Maint Line Transformers	Direct Assign	42,283			
596	Maint of St Lg & Signal Sys	Direct Assign	-			

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Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
555	Demand Charges	Direct Assign					
	Energy Charges	Direct Assign					
	Load Center Charges	Direct Assign					
	Total Purchased Power						
580	Operations Supv & Eng	Prop. Exp(b)	-	3,049	107,834		3,321
582	Station Expense	Direct Assign					
583	Overhead Line Exp.	Plant Bal (a)		17,907			
584	Underground Line Exp	Plant Bal (a)		-			
586	Meter Expense	Direct Assign			613,767		
586.1	Prepaid Meter Exp	Direct Assign			19,500		-
587	Consumer Installations	Prop. Exp(b)	-	-			12,534
588	Misc. Distribution Exp	Prop. Exp(b)	-	4,942	174,780		5,382
589	Rents						
	Total Operations		-	25,899	915,880	-	21,237
590	Maint Supv & Eng	Prop. Exp(b)	6,756	33,153	83	-	-
592	Maint of Station Equip	Direct Assign					
593	Maint. Overhead Lines	Plt Bal (a)		207,505			
594	Maint of Underground Lines	Plt Bal (a)		-			
595	Maint Line Transformers	Direct Assign	42,283				
596	Maint of St Lg & Signal Sys	Direct Assign					

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Functionalization of Revenue Requirements

	Acct	Description	Allocation Basis	Pro Forma \$\$\$\$	Power Supply	Substa- Station	Lines
	No.						
	597	Maintenance of Meters	Direct Assign	520			
	598	Maint Misc Distrib Plant	Prop. Exp {c}	14,464		-	11,829
		Total Distribut Maintenance		1,607,808	-	-	1,314,873
	901	Supervision	Direct Assign				
	902	Meter Reading Expense	Direct Assign	120,359			
	903	Cons Recds & Collections	Direct Assign	715,634			
	904	Uncollectible Accounts	Direct Assign	54,169			
		Total Consumer Accounts		890,162			-
				890,162			
	908	Customer Assist. Expense	Direct Assign	30,606			
	909	Customer Information Exp	Direct Assign	5,403			
		Total Customer Service		36,009	-	-	-
		Total of Above		18,369,689	14,732,463	-	1,455,103
	920	Administrative Salaries	Prop. Exp(d)	690,111		-	276,085
	921	Office Supplies	Prop. Exp(d)	180,182		-	72,084
	923	Outside Services	Prop. Exp(d)	17,920		-	7,169
	928	Regulatory Comm Expenses	Prop. Exp(d)	1,532		-	613
	925	Injuries & Damages	Prop. Exp(d)	56,704		-	22,685
	929	Duplicate Charges	Prop. Exp(d)	-		-	-
	930.1	Director Fees	Prop. Exp(d)	64,379		-	25,755

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Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
597	Maintenance of Meters	Direct Assign			520		-
598	Maint Misc Distrib Plant	Prop. Exp {c}	445	2,185	5		
	Total Distribut Maintenance		49,484	242,843	608	-	-
901	Supervision	Direct Assign					
902	Meter Reading Expense	Direct Assign				120,359	
903	Cons Recds & Collections	Direct Assign				715,634	
904	Uncollectible Accounts	Direct Assign				54,169	
	Total Consumer Accounts		-	-		890,162	-
						890,162	
908	Customer Assist. Expense	Direct Assign				30,606	
909	Customer Information Exp	Direct Assign				5,403	
	Total Customer Service		-	-		36,009	-
	Total of Above		49,484	268,742	916,489	926,171	21,237
920	Administrative Salaries	Prop. Exp(d)	9,389	50,990	173,891	175,728	4,029
921	Office Supplies	Prop. Exp(d)	2,451	13,313	45,401	45,881	1,052
923	Outside Services	Prop. Exp(d)	244	1,324	4,515	4,563	105
928	Regulatory Comm Expenses	Prop. Exp(d)	21	113	386	390	9
925	Injuries & Damages	Prop. Exp(d)	771	4,190	14,288	14,439	331
929	Duplicate Charges	Prop. Exp(d)	-	-	-	-	-
930.1	Director Fees	Prop. Exp(d)	876	4,757	16,222	16,393	376

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Functionalization of Revenue Requirements

	Acct	Description	Allocation Basis	Pro Forma \$\$\$\$	Power Supply	Substa- Station	Lines
	No.						
	930.1	General Advertising Exp	Prop. Exp(d)	866		-	346
	930.2	Misc. General Exp-Other	Prop. Exp(d)	270,388		-	108,171
	932	Maintenance of General Plant	Prop. Exp(d)	90,799		-	36,325
		Total Admin & General		1,381,241		-	552,577
				-			
	403	Deprec. Distribution Plant	Net Plant	2,150,294		16,479	1,265,924
	403	Deprec. General Plant	Net Plant	135,681		1,040	79,878
		Total Depreciation		2,285,975	-	17,519	1,345,802
				-			
	408	Taxes Other Than Income Taxes	Rate Base	33,861		259	19,934
	426.1	Donations	Rate Base	(0)		(0)	(0)
	426.1	Donations - Scholarships	Rate Base	(0)			
	423.1	Donations - dues		-			
		Total Miscellaneous		33,860	-	259	19,934
				-			
		Total Interest on LTD		692,496	-	5,307	407,683
				-			
		Total Short Term Interest	Rate Base	55,009	-	422	32,385
				-			
		Total Costs		22,818,271	14,732,463	23,507	3,813,485

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Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
930.1	General Advertising Exp	Prop. Exp(d)	12	64	218	221	5
930.2	Misc. General Exp-Other	Prop. Exp(d)	3,679	19,978	68,131	68,851	1,579
932	Maintenance of General Plant	Prop. Exp(d)	1,235	6,709	22,879	23,121	530
	Total Admin & General		18,792	102,055	348,038	351,715	8,065
403	Deprec. Distribution Plant	Net Plant	268,616	229,053	205,588	58,993	105,641
403	Deprec. General Plant	Net Plant	16,949	14,453	12,972	3,722	6,666
	Total Depreciation		285,565	243,507	218,560	62,715	112,307
408	Taxes Other Than Income Taxes	Rate Base	4,230	3,607	3,238	929	1,663
426.1	Donations	Rate Base	(0)	(0)	(0)	(0)	(0)
426.1	Donations - Scholarships	Rate Base					
423.1	Donations - dues						
	Total Miscellaneous		4,230	3,607	3,238	929	1,663
	Total Interest on LTD		86,504	73,765	66,213	19,004	34,020
	Total Short Term Interest	Rate Base	6,872	5,860	5,260	1,510	2,702
	Total Costs		451,446	697,535	1,557,797	1,362,043	179,995

FUNCTIONALIZATION OF REVENUE REQUIREMENTS

FOOTNOTES

(a)	<u>Plant Balances</u>								
		Amount	Percent						
	Poles, Towers & Fixtures	14,329,227							
	Overhead Conductor	13,132,307							
	Underground Conductor	406,381							
	Subtotal	27,867,915	84.4%						
	Services	5,146,901	15.6%						
	Total	33,014,816	100.0%						
(b)	<u>Expense Proportion</u>								
		Stations	Lines	Transformers	Services	Meters	Lighting	Total	
582	Station Expense	-		-		-	-	-	
583	Overhead Line Exp.	-	96,959	-	17,907	-	-	114,867	
584	Underground Line Exp	-	-	-	-	-	-	-	
586	Meter Expense	-		-		613,767	-	613,767	
586	Prepaid Meter Exp	-		-		19,500	-	19,500	
587	Consumer Installations						19,500	19,500	
	Total	-	96,959	-	17,907	633,267	19,500	767,634	
	Percent	0.00%	12.63%	0.00%	2.33%	82.50%	2.54%	100.0%	

FUNCTIONALIZATION OF REVENUE REQUIREMENTS

FOOTNOTES

[c]	<u>Expense Proportion</u>								
		Stations	Lines	Transformers	Services	Meters	Lighting	Total	
592	Maint of Station Equip						-	-	
593	Maint. Overhead Lines		1,123,535	-	207,505	-	-	1,331,040	
594	Maint of Underground Lines			-	-	-	-	-	
595	Maint Line Transformers		-	42,283		-	-	42,283	
596	Maint of St Lg & Signal Sys		-	-	-	-	-	-	
597	Maintenance of Meters		-	-	-	520	-	520	
	Total	-	1,123,535	42,283	207,505	520		1,373,843	
	Percent	0.00%	81.78%	3.08%	15.10%	0.04%	0.00%	100.00%	
(d)	<u>Expense Proportion</u>								
		Station	Lines	Transformers	Services	Meters	Consumer	Lighting	Total
	Total Operations	-	140,230	-	25,899	915,880	-	21,237	1,103,246
	Total Distribut Maintena	-	1,314,873.27	49,484.11	242,842.78	608.27	-	-	1,607,808
	Total Consumer Account	-	-	-	-	-	890,162	-	890,162
	Total Customer Service	-	-	-	-	-	36,009	-	36,009
	Total	-	1,455,103	49,484	268,742	916,489	926,171	21,237	3,637,225
	Percent	0.00%	40.01%	1.36%	7.39%	25.20%	25.46%	0.58%	100.00%

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NET INVESTMENT RATE BASE

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								Consumer	
								Meters	Outdoor
	Description	\$\$\$\$	Stations	Lines	Transformers	Services	Consumer	& Accounting	Lighting
360	Land & Land Rights	-		-					
362	Station Equipment	400,205	400,205						
364	Poles, Towers and Fixtures	14,329,227		14,329,227					-
365	Overhead Conductor	13,132,307		13,132,307					
366	Underground Conduit	624,440		624,440					
367	UG Conductor	406,381		406,381					
368	Line Transformers	6,446,833			6,446,833				
369	Services	5,146,901				5,146,901			-
370	Meters	3,575,071					3,575,071		
371	Install. On Consumer Prem.	2,532,664							2,532,664
373	Street Ltg & Signal Systems	-							
	Total Distribution Plant	46,594,028	400,205	28,492,355	6,446,833	5,146,901	3,575,071	-	2,532,664
			0.86%	61.15%	13.84%	11.05%	7.67%	0.00%	5.44%
	Total General Plant	5,626,245	-	2,250,828	76,545	415,703	1,417,671	1,432,648	32,850
			0.0%	40.0%	1.4%	7.4%	25.2%	25.5%	0.6%
	Total Utility Plant	52,220,273	400,205	30,743,183	6,523,378	5,562,604	4,992,742	1,432,648	2,565,514
	Accum. Depreciation	19,253,492	147,555	11,334,939	2,405,154	2,050,919	1,840,812	528,214	945,899
	Net Plant	32,966,781	252,650	19,408,244	4,118,224	3,511,685	3,151,930	904,434	1,619,615
		52,228,678	0.77%	58.87%	12.49%	10.65%	9.56%	2.74%	4.91%
	CWIP	8,405	72	5,140	1,163	928	645	-	457
		32,975,186	252,722	19,413,383	4,119,386	3,512,613	3,152,575	904,434	1,620,072
	Plus								
	Cash Working Capital	627,308	4,808	369,310	78,364	66,822	59,976	17,210	30,819
	Materials & Supplies	298,301	2,286	175,616	37,264	31,776	28,520	8,184	14,655
	Prepayments	77,834	597	45,823	9,723	8,291	7,442	2,135	3,824
	Minus: Consumer Advances	17,909	154	10,951	2,478	1,978	1,374	-	973
	Net Investment Rate Base	33,960,720	260,259	19,993,180	4,242,259	3,617,524	3,247,139	931,963	1,668,396
	Percentage		0.77%	58.87%	12.49%	10.65%	9.56%	2.74%	4.91%

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	-	Pro Forma \$\$\$\$	Demand	Power Supply Energy	Load Center	Lines Demand
555	Demand Charges		3,209,257	3,209,257			
	Energy Charges		11,158,778	-	11,158,778		
	Load Center Charges		364,428			364,428	
	Total Purchased Power		14,732,463	3,209,257	11,158,778	364,428	
580	Operations Supv & Eng		130,714				7,890
582	Station Expense		-				
583	Overhead Line Exp.		114,867				46,336
584	Underground Line Exp		-				-
586	Meter Expense		613,767				-
586.1	Prepaid meter Exp		19,500				
587	Consumer Installations		12,534				
588	Misc. Distribution Exp		211,864				12,789
	Total Operations		1,103,246				67,015
590	Maint Supv & Eng		219,501				85,786
592	Maint of Station Equip		-				
593	Maint. Overhead Lines		1,331,040				536,930
594	Maint of Underground Lines		-				
595	Maint Line Transformers		42,283				
596	Maint of St Lg & Signal Sys		-				
597	Maintenance of Meters		520				
598	Maint Misc Distrib Plant		14,464				5,653

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	Pro Forma	Lines Consumer	Transformers Demand	Transformers Consumer	Services Consumer	Meters Consumer	Cons & Acct Consumer
555	Demand Charges	3,209,257						
	Energy Charges	11,158,778						
	Load Center Charges	364,428						
	Total Purchased Power	14,732,463						
580	Operations Supv & Eng	130,714	8,620	-	-	3,049	107,834	-
582	Station Expense	-						
583	Overhead Line Exp.	114,867	50,623			17,907		
584	Underground Line Exp	-	-			-		
586	Meter Expense	613,767					613,767	
586.1	Prepaid meter Exp	19,500					19,500	
587	Consumer Installations	12,534						
588	Misc. Distribution Exp	211,864	13,972	-		4,942	174,780	-
	Total Operations	1,103,246	73,215	-	-	25,899	915,881	-
590	Maint Supv & Eng	219,501	93,723	2,999	3,757	33,153	83	-
592	Maint of Station Equip	-						
593	Maint. Overhead Lines	1,331,040	586,605			207,505		
594	Maint of Underground Lines	-				-		
595	Maint Line Transformers	42,283		18,770	23,514			
596	Maint of St Lg & Signal Sys	-						
597	Maintenance of Meters	520					520	
598	Maint Misc Distrib Plant	14,464	6,176	198	248	2,185	5	

**BIG SANDY RECC
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Schedule E

CLASSIFICATION OF FUNCTIONALIZED COSTS

			Pro Forma	Outdoor
Acct	Description		\$\$\$\$	Lighting
No.				
555	Demand Charges		3,209,257	
	Energy Charges		11,158,778	
	Load Center Charges		364,428	
	Total Purchased Power		14,732,463	
580	Operations Supv & Eng		130,714	3,321
582	Station Expense		-	
583	Overhead Line Exp.		114,867	
584	Underground Line Exp		-	
586	Meter Expense		613,767	
586.1	Prepaid meter Exp		19,500	
587	Consumer Installations		12,534	12,534
588	Misc. Distribution Exp		211,864	5,382
	Total Operations		1,103,246	21,237
590	Maint Supv & Eng		219,501	-
592	Maint of Station Equip		-	
593	Maint. Overhead Lines		1,331,040	
594	Maint of Underground Lines		-	
595	Maint Line Transformers		42,283	
596	Maint of St Lg & Signal Sys		-	
597	Maintenance of Meters		520	
598	Maint Misc Distrib Plant		14,464	

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	Power Supply			Lines
		-\$-\$-\$	Demand	Energy	Load Center	Demand
	Total Distribut Maintenance	1,607,808	-	-	-	628,370
901	Supervision	120,359				
902	Meter Reading Expense	120,359				
903	Cons Recds & Collections	715,634	158,803			
904	Uncollectible Accounts	54,169				
	Total Consumer Accounts	890,162				-
		890,162				
908	Customer Assist. Expense	30,606				
909	Customer Information Exp	5,403				
	Total Customer Service	36,009	-		-	-
	Total of Above	18,369,689	3,209,257	11,158,778	364,428	695,385
920	Administrative Salaries	690,111				131,939
921	Office Supplies	180,182				34,448
923	Outside Services	17,920				3,426
928	Regulatory Comm Expenses	1,532				293
925	Injuries & Damages	56,704				10,841
929	Duplicate Charges	-				-
930.1	Director Fees	64,379				12,308

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	Lines	Transformers	Services	Meters	Cons & Acct
		\$\$\$\$	Consumer	Demand	Consumer	Consumer	Consumer
	Total Distribut Maintenance	1,607,808	686,504	21,966	27,518	242,843	608
901	Supervision	120,359					
902	Meter Reading Expense	120,359					120,359
903	Cons Recds & Collections	715,634					715,634
904	Uncollectible Accounts	54,169					54,169
	Total Consumer Accounts	890,162		-		-	890,162
		890,162					
908	Customer Assist. Expense	30,606					30,606
909	Customer Information Exp	5,403					5,403
	Total Customer Service	36,009		-		-	36,009
	Total of Above	18,369,689	759,719	21,966	27,518	268,742	916,489
920	Administrative Salaries	690,111	144,146	4,168	5,221	50,990	173,891
921	Office Supplies	180,182	37,635	1,088	1,363	13,313	45,401
923	Outside Services	17,920	3,743	108	136	1,324	4,515
928	Regulatory Comm Expenses	1,532	320	9	12	113	386
925	Injuries & Damages	56,704	11,844	342	429	4,190	14,288
929	Duplicate Charges	-	-	-	-	-	-
930.1	Director Fees	64,379	13,447	389	487	4,757	16,222

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	-	Pro Forma \$\$\$\$	Outdoor Lighting
	Total Distribut Maintenance		1,607,808	-
901	Supervision		120,359	
902	Meter Reading Expense		120,359	
903	Cons Recds & Collections		715,634	
904	Uncollectible Accounts		54,169	
	Total Consumer Accounts		890,162	-
			890,162	
908	Customer Assist. Expense		30,606	
909	Customer Information Exp		5,403	
	Total Customer Service		36,009	-
	Total of Above		18,369,689	21,237
920	Administrative Salaries		690,111	4,029
921	Office Supplies		180,182	1,052
923	Outside Services		17,920	105
928	Regulatory Comm Expenses		1,532	9
925	Injuries & Damages		56,704	331
929	Duplicate Charges		-	-
930.1	Director Fees		64,379	376

CLASSIFICATION OF FUNCTIONALIZED COSTS

			Pro Forma	Power Supply			Lines
Acct	Description		\$\$\$\$	Demand	Energy	Load Center	Demand
930.11	General Advertising Exp		866				166
930.2	Misc. General Exp-Other		270,388				51,694
932	Maintenance of General Plant		90,799				17,359
	Total Admin & General		1,381,241				264,073
			-				
403	Deprec. Distribution Plant		2,150,294			16,479	604,977
403	Deprec. General Plant		135,681			1,040	38,173
	Total Depreciation		2,285,975	-	-	17,519	643,150
			-				
408	Taxes Other Than Income Taxes		33,861			259	9,527
426.1	Donations		(0)			-	-
426.11	Donations - Scholarships		(0)				
423.12	Donations - dues		-				
	Total Miscellaneous		33,860	-	-	259	9,527
			-				
	Total Interest on LTD		692,496	-		5,307	194,829
			-				
	Total Short Term Interest		55,009	-		422	15,476
			-				
	Total Costs		22,818,271	3,209,257	11,158,778	387,935	1,822,440

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	Lines	Transformers		Services	Meters	Cons & Acct
		\$\$\$\$	Consumer	Demand	Consumer	Consumer	Consumer	Consumer
930.11	General Advertising Exp	866	181	5	7	64	218	221
930.2	Misc. General Exp-Other	270,388	56,477	1,633	2,046	19,978	68,131	68,851
932	Maintenance of General Plant	90,799	18,965	548	687	6,709	22,879	23,121
	Total Admin & General	1,381,241	288,504	8,342	10,450	102,055	348,038	351,715
		-						
403	Deprec. Distribution Plant	2,150,294	660,947	119,238	149,377	229,053	205,588	58,993
403	Deprec. General Plant	135,681	41,705	7,524	9,426	14,453	12,972	3,722
	Total Depreciation	2,285,975	702,652	126,762	158,803	243,507	218,560	62,715
		-						
408	Taxes Other Than Income Taxes	33,861	10,408	1,878	2,352	3,607	3,238	929
426.1	Donations	(0)	-	-	-	-	-	-
426.11	Donations - Scholarships	(0)						
423.12	Donations - dues	-	-					
	Total Miscellaneous	33,860	10,408	1,878	2,352	3,607	3,238	929
		-						
	Total Interest on LTD	692,496	212,854	38,399	48,105	73,765	66,213	19,004
		-						
	Total Short Term Interest	55,009	16,908	3,050	3,821	5,860	5,260	1,510
		-						
	Total Costs	22,818,271	1,991,044	200,397	251,050	697,535	1,557,797	1,362,043

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description		Pro Forma	Outdoor
		-	\$\$\$\$	Lighting
930.11	General Advertising Exp		866	5
930.2	Misc. General Exp-Other		270,388	1,579
932	Maintenance of General Plant		90,799	530
	Total Admin & General		1,381,241	8,065
			-	
403	Deprec. Distribution Plant		2,150,294	105,641
403	Deprec. General Plant		135,681	6,666
	Total Depreciation		2,285,975	112,307
			-	
408	Taxes Other Than Income Taxes		33,861	1,663
426.1	Donations		(0)	-
426.11	Donations - Scholarships		(0)	
423.12	Donations - dues		-	
	Total Miscellaneous		33,860	1,663
			-	
	Total Interest on LTD		692,496	34,020
			-	
	Total Short Term Interest		55,009	2,702
			-	
	Total Costs		22,818,271	179,995

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Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 364 - Poles				
<u>Pole</u>	<u>Investment</u>	<u>Number of Units</u>	<u>Unit Cost</u>	<u>Size</u>
25.00	2,091,553	8,636	242.19	25.00
30.00	784,613	3,010	260.67	30.00
35.00	1,357,512	4,735	286.70	35.00
40.00	3,524,267	6,598	534.14	40.00
45.00	1,969,908	3,610	545.68	45.00
50.00	686,747	1,149	597.69	50.00
55.00	212,605	362	587.31	55.00
60.00	75,508	116	650.93	60.00
65.00	23,194	30	773.15	65.00
70.00	4,291	7	612.95	70.00
75.00	526	1	525.61	75.00
Total for Sample	10,730,724	28,254		
X Variable - (Size)	17.07			
Zero Intercept	(185.96)			
Use Minimum Size Pole			242.19	
Number of poles			28,254	
Consumer Related Investment			6,842,837	
Total Investment for sample			10,730,724	
Percent Customer Related			63.77%	
Percent Demand Related			36.23%	

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Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 365 - Overhead Conductor				
<u>Conductor</u>	<u>Investment</u>	<u>Number of Units</u>	<u>Unit Cost</u>	<u>Amps</u>
4ACWC	2,975	27,738	\$ 0.1073	170
6ACWC	294,649	2,310,524	\$ 0.1275	140
8ACWC	161,855	784,279	\$ 0.2064	100
1/0 ACSR	2,141,715	2,705,770	\$ 0.7915	230
3/0 ACSR	983,150	1,969,662	\$ 0.4991	310
4/0 ACSR	66,341	286,558	\$ 0.2315	350
2 ACSR	3,187,798	3,471,910	\$ 0.9182	175
4 ACSR	706,989	2,111,660	\$ 0.3348	130
#336.4 ACSR	1,891,831	914,156	\$ 2.0695	500
397.5 MCM AL	110	267	\$ 0.4114	576
Aerial Cable	83,323	72,029	\$ 1.1568	268
4/0 Aerial Cable	4,242	7,885	\$ 0.5380	268
Aerial Cable 2	8,106	1,430	\$ 5.6688	128
2 SP Cable	200	838	\$ 0.2385	128
1/0 SP Cable	7,470	950	\$ 7.8632	172
266.8 MCM-CU	9,351	44,109	\$ 0.2120	308
4/0 SP Cable	70,292	23,880	\$ 2.9436	268
Total for Sample	9,617,422	14,705,907	\$ 0.6540	
X Variable - (Size)	0.00395			
Zero Intercept	0.25322			
Total Amount of Conductor in Feet		14,554,519		
Use Zero Intercept		0.25322		
Minimum Size Investment -Consumer Related		3,685,463.69	39.06%	
Demand Related		5,748,864	60.94%	
Investment in Conductor		9,434,327.72	100.00%	

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Determination of Certain Plant Investments as Demand Related or Consumer Related

Breakdown of Lines into Demand Related and Consumer Related Components

	Total Sample Investment	Percent Consumer	Amount Consumer	Percent Demand	Amount Demand
Overhead Conductor	9,434,328	39.06%	3,685,464	60.94%	5,748,864
Poles	10,730,724	63.77%	6,842,837	36.23%	3,887,887
	20,165,051.77	52.21%	10,528,301	47.79%	9,636,750.78
Percentage Allocations For Overhead Lines			52.21%		47.79%

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Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 368-Transformers				
Pole	Investment	Number of Units	Unit Cost	Predicted Value
1.5KVA CSP	8,196	114.00	71.89	1.50
3.KVA CSP	9,032	134.00	67.40	3.00
5KVA CSP	37,619	275.00	136.80	5.00
7.5KVA CSP	342	3.00	114.06	7.50
10KVA CSP	895,354	3,139.00	285.24	10.00
15KVA CSP	1,538,230	2,970.00	517.92	15.00
25KVA CSP	1,441,138	2,091.00	689.21	25.00
5KVA	38,143	159.00	239.90	50.00
10 KVA	66,450	169.00	393.20	10.00
15 KVA	85,002	178.00	477.54	15.00
25 KVA	138,032	225.00	613.48	25.00
37.5 KVA	221,719	240.00	923.83	37.50
50 KVA	429,227	500.00	858.45	50.00
50 KVA/TWACS	26,990	35.00	771.16	50.00
75 KVA	71,664	55.00	1,302.98	
100 KVA	97,177	59.00	1,647.08	
167 KVA	131,513	65.00	2,023.27	
225 KVA	3,572	1.00	3,572.00	
225 - 333 KVA	58,179	20.00	2,908.96	
500 KVA	108,877	21.00	5,184.61	
833-1500 KVA	82,072	5.00	16,414.32	
25 KVA PADMOUNT	28,460	12.00	2,371.67	
50 KVA PADMOUNT	13,734	6.00	2,289.00	
100 KVA PADMOUNT - 1 PHASE	5,653	2.00	2,826.50	
75 KVA PADMOUNT - 3 PH	5,413	1.00	5,413.00	
300 KVA PADMOUNT - 3 PH	8,514	1.00	8,514.00	
1500 KVA PADMOUNT - 3 PH	17,991	1.00	17,991.00	
225 KVA PADMOUNT - 3 PH	6,967	1.00	6,967.00	
150 KVA PADMOUNT - 3 PH	6,313	1.00	6,313.40	
Total Sample Investment	5,581,575	10,483	532.44	
X Variable - (Size)	15.37			
Zero Intercept	267.6877			
Number of Transformers			10,197.00	
Zero Intercept			267.69	
Consumer Related Investment			2,729,611.13	
Investment			4,908,485.36	
Percentage of Investment Consumer Related				55.61%
Percentage of Investment Demand Related				44.39%

REVENUE REQUIREMENTS FOR EACH RATE CLASS

	A	B	C	D	E
1					A-1
2		Catengory		Green	Farm &
3			Amount	Power	Home
4		<u>Purchased Power Costs</u>			
5		Demand	3,209,257		2,401,589
6		Load Center Charges	387,935		292,272
7		Total Purchased Power Demand	3,597,192		2,693,861
8					
9		<u>Energy</u>	11,158,778	1,675	7,987,307
10					
11		Distribution Costs			
12		<u>Demand Related</u>			
13		Stations			
14		Lines	1,822,440		1,277,226
15		Transformers	200,397		140,445
16		Total Demand Realtd	2,022,837	-	1,417,671
17					
18		<u>Consumer Related</u>			
19		Lines	1,991,044		1,779,686
20		Transformers	251,050		205,789
21		Services	697,535		387,809
22		Meters	1,557,797		1,394,993
23		Consumer Svc			
24		& Accouting	1,362,043		838,868
25		Total Consumer Related	5,859,469		4,607,147
26					
27		Outdoor Lighting	179,995		
28					
29		Total Costs	22,818,271	1,675	16,705,985
30					
31					
32		Purchased Power Demand Costs	3,597,192		2,693,861
33		Purchased Power Energy Costs	11,158,778	1,675	7,987,307
34		Distribution Demand Costs	2,022,837	-	1,417,671
35		Distribution Consumer Costs	5,859,469		4,607,147
36		Distribution Outdoor Lighting	179,995		
37					
38			22,818,271	1,675	16,705,985

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REVENUE REQUIREMENTS FOR EACH RATE CLASS

	B	C	F	G	H	I
1			A-1	A-1	A-2	LP
2	Catengory		Farm & Home	Prepay	Commercial &	Large Power
3		Amount	Marketing	Metering	Small Power	Service
4	<u>Purchased Power Costs</u>					
5	Demand	3,209,257	-	44,184	184,636	369,882
6	Load Center Charges	387,935	-	5,377	22,470	45,014
7	Total Purchased Power Demand	3,597,192	-	49,561	207,106	414,896
8						
9	<u>Energy</u>	11,158,778	988	139,633	546,069	1,465,854
10						
11	Distribution Costs					
12	<u>Demand Related</u>					
13	Stations					
14	Lines	1,822,440	-	23,544	128,754	253,874
15	Transformers	200,397	2,589	14,158	27,916	7,002
16	Total Demand Realted	2,022,837	2,589	37,702	156,670	260,875
17						
18	<u>Consumer Related</u>					
19	Lines	1,991,044	-	37,099	142,855	23,707
20	Transformers	251,050	-	4,290	29,588	8,237
21	Services	697,535	-	8,084	34,588	245,558
22	Meters	1,557,797	-	10,739	111,976	33,954
23	Consumer Svc					
24	& Accouting	1,362,043	5,535	18,736	211,627	41,504
25	Total Consumer Related	5,859,469	5,535	78,949	530,634	352,959
26						
27	Outdoor Lighting	179,995				
28						
29	Total Costs	22,818,271	9,112	305,845	1,440,480	2,494,584
30						
31						
32	Purchased Power Demand Costs	3,597,192	-	49,561	207,106	414,896
33	Purchased Power Energy Costs	11,158,778	988	139,633	546,069	1,465,854
34	Distribution Demand Costs	2,022,837	2,589	37,702	156,670	260,875
35	Distribution Consumer Costs	5,859,469	5,535	78,949	530,634	352,959
36	Distribution Outdoor Lighting	179,995				
37						
38		22,818,271	9,112	305,845	1,440,480	2,494,584

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REVENUE REQUIREMENTS FOR EACH RATE CLASS

	B	C	J	K	L	M
1			LPR		Schedule 6	
2	Catengory		Large Power	Industrial	Security	
3		Amount	Rate	Highlands	Lights	Total
4	<u>Purchased Power Costs</u>					
5	Demand	3,209,257	99,819	73,493	35,655	3,209,257
6	Load Center Charges	387,935	12,148	6,315	4,339	387,935
7	Total Purchased Power Demand	3,597,192	111,967	79,808	39,994	3,597,192
8						
9	<u>Energy</u>	11,158,778	441,066	265,836	310,350	11,158,778
10						
11	Distribution Costs					
12	<u>Demand Related</u>					
13	Stations					
14	Lines	1,822,440	63,674	31,777	43,591	1,822,440
15	Transformers	200,397	3,494		4,793	200,397
16	Total Demand Related	2,022,837	67,168	31,777	48,384	2,022,837
17						
18	<u>Consumer Related</u>					
19	Lines	1,991,044	1,078	154	6,465	1,991,044
20	Transformers	251,050	2,357	620	169	251,050
21	Services	697,535	4,484	-	17,011	697,535
22	Meters	1,557,797	5,368	767	-	1,557,797
23	Consumer Svc					
24	& Accouting	1,362,043	1,741	726	243,305	1,362,043
25	Total Consumer Related	5,859,469	15,028	2,267	266,950	5,859,469
26						
27	Outdoor Lighting	179,995			179,995	179,995
28						
29	Total Costs	22,818,271	635,230	379,688	845,673	22,818,271
30						
31						
32	Purchased Power Demand Costs	3,597,192	111,967	79,808	39,994	3,597,192
33	Purchased Power Energy Costs	11,158,778	441,066	265,836	310,350	11,158,778
34	Distribution Demand Costs	2,022,837	67,168	31,777	48,384	2,022,837
35	Distribution Consumer Costs	5,859,469	15,028	2,267	266,950	5,859,469
36	Distribution Outdoor Lighting	179,995			179,995	179,995
37						-
38		22,818,271	635,230	379,688	845,673	22,818,271

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Demand Related Costs and Energy Related Costs Allocators

[illegible]

[illegible]

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Demand Related Costs and Energy Related Costs Allocators

[illegible]

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Consumer Related Costs Allocators

A. Lines (poles and conduit)

	Number of Consumers	Allocation Percent
A-1 - Farm and Home	11,561	89.38%
A-1 - Farm and Home Marketing	0	0.00%
Prepaid Metering	241	1.86%
A-2 - Comercial & Small Power	928	7.17%
LP - Large Power Service	154	1.19%
LPR - Large Power Rate	7	0.05%
Industrial 1	1	0.01%
6 - Security Lights	42	0.32%
-	-	-
	12,934	100%

B. Transformers

Rate Class	Number of Consumers	Minimum Transformer Cost	Relative Cost	Weight	Allocation Percent
A-1 - Farm and Home	11,561	298.84	1.00	11,561	82.0%
A-1 - Farm and Home Marketing	-	-	1.00	-	0.0%
Prepaid Metering	241	298.84	1.00	241	1.7%
A-2 - Comercial & Small Power	928	535.27	1.79	1,662.20	11.8%
LP - Large Power Service	154	897.94	3.00	462.73	3.3%
LPR - Large Power Rate	7	5,652.42	18.91	132.40	0.9%
Industrial 1	1	10,415.20	34.85	34.85	0.2%
6 - Security Lights	42	67.40	0.23	9.47	0.1%
-	-	-	-	-	-
	12,934	18,166		14,103.65	100.0%

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Consumer Related Costs Allocators

C. Services

Rate Class	# of Consumers	Minim Service Cost	Relative Cost	Weight	Allocation Percent
A-1 - Farm and Home	11,561	151.20	0.05	605.38	55.60%
A-1 - Farm and Home Marketing	-				0.00%
Prepaid Metering	241	151.20	0.05	12.62	1.16%
A-2 - Comercial & Small Power	928	168.00	0.06	53.99	4.96%
LP - Large Power Service	154	376.35	2.49	383.32	35.20%
LPR - Large Power Rate	7	2,887.50	1.00	7.00	0.64%
Industrial 1	1		-		0.00%
6 - Security Lights	7,824	9.80	0.00	26.55	2.44%
-	-	-	-	-	0.00%
	20,716			1,088.86	1.00

D. Meters

Rate Class	# of Consumers	Minimum Meter Cost	Relative Cost	Weight	Allocation Percent
A-1 - Farm and Home	11,561	137.74	1.00	11,561.00	89.55%
A-1 - Farm and Home Marketing	-			-	0.00%
Prepaid Metering	89	137.74	1.00	89.00	0.69%
A-2 - Comercial & Small Power	928	137.74	1.00	928.00	7.19%
LP - Large Power Service	154	251.68	1.83	281.39	2.18%
LPR - Large Power Rate	7	875.45	6.36	44.49	0.34%
Industrial 1	1	875.45	6.36	6.36	0.05%
6 - Security Lights	42	-	-	-	0.00%
-	-	-	-	-	
	12,782			12,910.24	100%

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E. Consumer & Accounting Services Consumer Related Costs Allocators

Rate Class	Number of Consumers	Relative Weight Meter Read	Relative Weight Cons Rcds	Relative Weight Cust Asst	Combined Relative Weights	Weight	Allocation Percent
A-1 - Farm and Home	11,561	1.00	5.00	1.00	7.00	80,927	61.59%
A-1 - Farm and Home Marketing	89	1.00	3.00	2.00	6.00	534	0.41%
Prepaid Metering	241	1.00	5.00	1.50	7.50	1,808	1.38%
A-2 - Comercial & Small Power	928	2.00	14.00	6.00	22.00	20,416	15.54%
LP - Large Power Service	154	4.00	14.00	8.00	26.00	4,004	3.05%
LPR - Large Power Rate	7	2.00	14.00	8.00	24.00	168	0.13%
Industrial 1	1	12.00	18.00	40.00	70.00	70	0.05%
6 - Security Lights	7,824	-	2.00	1.00	3.00	23,472	17.86%
-	-	-	3.00	-	3.00	-	0.00%
						<u>131,398.50</u>	<u>1.00</u>

	Meter Reading			Consumer Records		
	Factor	Weight	Relative Weight	Factor	Weight	Relative Weight
A-1 - Farm and Home	1.00	1.00	1.00	5.00	1.00	5.00
A-1 - Farm and Home Marketing	1.00	1.00	1.00	3.00	1.00	3.00
Prepaid Metering	1.00	1.00	1.00	5.00	1.00	5.00
A-2 - Comercial & Small Power	1.00	2.00	2.00	7.00	2.00	14.00
LP - Large Power Service	2.00	2.00	4.00	7.00	2.00	14.00
LPR - Large Power Rate	1.00	2.00	2.00	7.00	2.00	14.00
Industrial 1	4.00	3.00	12.00	9.00	2.00	18.00
6 - Security Lights	-	0.25	-	1.00	2.00	2.00
-	-	-	-	3.00	1.00	3.00

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Consumer Related Costs Allocators

	Consumer Assistance		
	Factor	Weight	Relative Weight
A-1 - Farm and Home	1.00	1.00	1.00
A-1 - Farm and Home Marketing	1.00	2.00	2.00
Prepaid Metering	1.00	1.50	1.50
A-2 - Comercial & Small Power	2.00	3.00	6.00
LP - Large Power Service	2.00	4.00	8.00
LPR - Large Power Rate	2.00	4.00	8.00
Industrial 1	2.00	20.00	40.00
6 - Security Lights	1.00	1.00	1.00
-	-	-	-

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REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

			A-1	A-1	A-1	A-2
		Green	Farm &	Farm & Home	Prepay	Commercial &
		Power	Home	Marketing	Metering	Small Power
Normalized Revenue from Rates	\$21,848,397	1,966	15,766,852	1,033	295,306	1,364,664
Wholesale Demand Costs						
Generation	3,209,257		2,401,589	-	44,184	184,636
Distribution Substation	387,935		292,272	-	5,377	22,470
Total Wholesale Demand	3,597,192	-	2,693,861	-	49,561	207,106
Wholesale Energy Costs	11,158,778	1,675	7,987,307	988	139,633	546,069
Total Wholesale Costs	14,755,970	1,675	10,681,168	988	189,194	753,176
Gross Margin	7,092,427	291	5,085,684	46	106,112	611,488
Distribution Demand Costs						
Station						
Lines	1,822,440		1,277,226	-	23,544	128,754
Transformers	200,397		140,445	2,589	14,158	27,916
Total Distribution Demand	2,022,837		1,417,671	2,589	37,702	156,670
Distribution Consumer						
Lines	1,991,044		1,779,686	-	37,099	142,855
Transformers	251,050		205,789	-	4,290	29,588
Services	697,535		387,809	-	8,084	34,588
Meters	1,557,797		1,394,993	-	10,739	111,976
Consumer Services	1,362,043	-	838,868	5,535	18,736	211,627
Lighting	179,995		-			
Total Distribution Consumer	6,039,464	-	4,607,147	5,535	78,949	530,634
Total Distribution Costs	8,062,301	-	6,024,818	8,124	116,651	687,304
Margin before Other Revenue	(969,874)	291	(939,133)	(8,079)	(10,539)	(75,816)
Allocation of Other Elec. Revenue	732,283		662,530	-	12,409	57,344
Allocation of Misc. Revenue	234,257	-	211,943	-	3,970	18,344
Net Margin	(3,334)	291	(64,660)	(8,079)	5,840	(128)

**BIG SA Y RECC
CASE NO. 2017-00171**

Exhibit R
Page 39 of 41
Witness: James Adkins]
Schedule J

REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

		LP	LPR		Schedule 6	
		Large Power	Large Power	Industrial	Security	
		Service	Rate	Highlands	Lights	Total
Normalized Revenue from Rates		2,471,001	660,811	394,422	892,342	21,848,397
Wholesale Demand Costs						
Generation		369,882	99,819	73,493	35,655	3,209,257
Distribution Substation		45,014	12,148	6,315	4,339	387,935
Total Wholesale Demand		414,896	111,967	79,808	39,994	3,597,192
Wholesale Energy Costs		1,465,854	441,066	265,836	310,350	11,158,778
Total Wholesale Costs		1,880,750	553,033	345,644	350,344	14,755,970
Gross Margin		590,252	107,778	48,778	541,998	7,092,427
Distribution Demand Costs						
Station						-
Lines		253,874	63,674	31,777	43,591	1,822,440
Transformers		7,002	3,494	-	4,793	200,397
Total Distribution Demand		260,875	67,168	31,777	48,384	2,022,837
Distribution Consumer						-
Lines		23,707	1,078	154	6,465	1,991,044
Transformers		8,237	2,357	620	169	251,050
Services		245,558	4,484	-	17,011	697,535
Meters		33,954	5,368	767	-	1,557,797
Consumer Services		41,504	1,741	726	243,305	1,362,043
Lighting			-		179,995	179,995
Total Distribution Consumer		352,959	15,028	2,267	446,944	6,039,464
Total Distribution Costs		613,835	82,197	34,044	495,329	8,062,301
Margin before Other Revenue		(23,583)	25,581	14,734	46,669	(969,874)
Allocation of Other Elec. Revenue		-	-	-	-	732,283
Allocation of Misc. Revenue		-	-	-	-	234,257
Net Margin		(23,583)	25,581	14,734	46,669	(3,334)

BIG SANDY RECC
CASE N 17-00171
INCREASE FOR EACH RATE CLASS

Exhibit R
Page of 41
Witness: James Adkins
Schedule K

	Enviro-	A-1	A-1	A-1	A-2	LP	LPR		Schedule 6	
	Watts	Farm &	Farm & Home	Prepay	Commercial &	Large Power	Large Power	Industrial	Security	Total
		Home	Marketing	Metering	Small Power	Service	Rate	Highlands	Lights	
Revenue Requirements										
Total Costs	\$ 1,675	\$ 16,705,985	\$ 9,112	\$ 305,845	\$ 1,440,480	\$ 2,494,584	\$ 635,230	\$ 379,688	\$ 845,673	\$ 22,818,271
Plus Margin Requirements	-	636,091	97	11,803	61,455	81,665	12,035	5,422	57,054	\$ 865,620
Revenue Requirements	\$ 1,675	\$ 17,342,076	\$ 9,208	\$ 317,648	\$ 1,501,934	\$ 2,576,249	\$ 647,264	\$ 385,110	\$ 902,727	\$ 23,683,891
Minus Revenue from Rates	1,966	15,766,852	1,033	295,306	1,364,664	2,471,001	660,811	394,422	892,342	21,848,397
Increase Amount	(291)	1,575,224	8,175	22,342	137,270	105,248	(13,547)	(9,312)	10,385	1,835,494
Less: Other Revenue	-	874,474	-	16,379	75,688	-	-	-	-	966,540
Net Increase Amount	(291)	700,750	8,175	5,963	61,582	105,248	(13,547)	(9,312)	10,385	868,954
Less: Increases-Rate Classes		\$691,697	\$0	12,069	53,448	83,182	7,680	4,618	10,384	863,077
Under (Over) Recovery	\$ (291)	\$ 9,053	\$ 8,175	\$ (6,106)	\$ 8,135	\$ 22,066	\$ (21,227)	\$ (13,930)	\$ 1	\$ 5,877
Statement of Operations with										
Revenue from Rates	1,966	15,766,852	1,033	295,306	1,364,664	2,471,001	660,811	394,422	892,342	21,848,397
Rate Increase	\$ -	\$ 691,697	\$ -	\$ 12,069	\$ 53,448	\$ 83,182	\$ 7,680	\$ 4,618	\$ 10,384	\$ 863,077
Purchased Power Costs	1,675	10,681,168	988	189,194	753,176	1,880,750	553,033	345,644	350,344	14,755,970
Gross Margins	291	5,777,381	46	118,181	664,936	673,434	115,458	53,396	552,381	7,955,503
Distribution Costs	-	6,024,818	8,124	116,651	687,304	613,835	82,197	34,044	495,329	8,062,301
Margins before Other Rev.	291	(247,436)	(8,079)	1,530	(22,368)	59,599	33,261	19,352	57,053	(106,797)
Plus Other Revenue	-	874,474	-	16,379	75,688	-	-	-	-	966,540
Net Margins with Increase	\$ 291	\$ 627,037	\$ (8,079)	\$ 17,909	\$ 53,320	\$ 59,599	\$ 33,261	\$ 19,352	\$ 57,053	\$ 859,743
Interest Expense	-	508,873	77	9,443	49,164	65,332	9,628	4,337	45,643	692,496
TIER	-	2.23	(103.60)	2.90	2.08	1.91	4.45	5.46	2.25	2.24
Other Capital Credits		42,387	-	794	3,669					46,850.00
Miscellaneous Revenue		211,943	-	3,970	18,344	-	-	-	-	234,257
OTIER		1.90	(103.60)	2.56	1.79	1.91	4.45	5.46	2.25	1.97
Rate Base		25,151,843	68,099	815,180	3,309,962	1,751,752	400,934	286,089	2,176,861	33,960,720
Return on Rate Base		4.52%	-11.75%	3.36%	3.10%	7.13%	10.70%	8.28%	4.72%	4.57%

Case No. 2017-00171

Unbundled Rate Base

			A-1	A-1	A-1	A-2	LP	LPR		Schedule 6	
			Farm &	Farm & Home	Prepay	Commercial &	Large Power	Large Power	Industrial	Security	
		Amount	Home	Marketing	Metering	Small Power	Service	Rate	Highlands	Lights	Total
Function	Classification										
Stations											
	Demand	260,259	182,398	-	3,362	18,387	36,255	9,093	4,538	6,225	260,259
Lines		19,993,180									
	Demand	9,554,615	6,696,189	-	123,436	675,025	1,330,998	333,827	166,601	228,538	9,554,615
	Consumer	10,438,566	9,330,467	-	194,502	748,955	124,288	5,649	807	33,897	10,438,566
Transformer		4,242,259									
	Demand	1,883,137	1,515,968	-	27,959	100,479	119,964	27,428	19,596	71,742	1,883,137
	Consumer	2,359,122	1,933,812	-	40,312	278,036	77,401	22,147	5,830	1,584	2,359,122
Services											
	Consumer	3,617,524	2,011,239	41,926	179,380	1,273,501	23,256	-	88,221	-	3,617,524
Meters											
	Consumer	3,247,139	2,907,784	22,385	233,407	70,774	11,190	1,599	-	-	3,247,139
Consumer Acct & Serv.		931,963	573,987	3,787	12,820	144,803	28,399	1,192	496	166,479	931,963
Outdoor Lighting		1,668,396								1,668,396	1,668,396
Total		33,960,720	25,151,843	68,099	815,180	3,309,962	1,751,752	400,934	286,089	2,176,861	33,960,720

Big Sandy Rural Electric Cooperative
Case No. 2016-00171
Statement of Operations, Adjusted

Exhibit S
page 1 of 4
Witness: James Adkins

	<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	\$ 21,848,397	\$ -	\$ 21,848,397	\$ 863,043	\$ 22,711,440
Fuel and surcharge	1,257,003	(1,257,003)	-		-
Other electric revenue	760,812	(22,619)	738,193		738,193
	<u>23,866,212</u>	<u>(1,279,622)</u>	<u>22,586,590</u>	<u>863,043</u>	<u>23,449,633</u>
Operating Expenses:					
Cost of power:					
Base rates	14,732,398	65	14,732,463		14,732,463
Fuel and surcharge	1,278,386	(1,278,386)	-		-
Distribution - operations	1,094,553	8,693	1,103,246		1,103,246
Distribution - maintenance	1,516,304	91,504	1,607,808		1,607,808
Consumer accounts	887,246	2,915	890,161		890,161
Customer service	29,781	825	30,606		30,606
Sales	5,403	-	5,403		5,403
Administrative and general	1,364,316	16,926	1,381,242		1,381,242
Total operating expenses	<u>20,908,387</u>	<u>(1,157,458)</u>	<u>19,750,929</u>	<u>-</u>	<u>19,750,929</u>
Depreciation	2,272,704	13,271	2,285,975		2,285,975
Taxes - other	33,861	-	33,861		33,861
Interest on long-term debt	701,164	(8,668)	692,496		692,496
Interest expense - other	62,878	(7,869)	55,009		55,009
Other deductions	19,500	(19,500)	-		-
Total cost of electric service	<u>23,998,494</u>	<u>(1,180,224)</u>	<u>22,818,270</u>	<u>-</u>	<u>22,818,270</u>
Utility operating margins	<u>(132,282)</u>	<u>(99,398)</u>	<u>(231,680)</u>	<u>863,043</u>	<u>631,363</u>
Nonoperating margins, interest	173,911	-	173,911		173,911
Nonoperating margins, other	13,496	-	13,496		13,496
G&T capital credits	1,400,000	(1,400,000)	-		-
Other capital credits	46,850	-	46,850		46,850
Net Margins	<u>\$ 1,501,975</u>	<u>\$ (1,499,398)</u>	<u>\$ 2,577</u>	<u>\$ 863,043</u>	<u>\$ 865,620</u>
TIER	3.14		1.00	3.95%	2.25
excluding G&T	1.15				
OTIER	0.83		0.69		1.93
(+Operating margins + Cash receipts from lenders + Interest on long-term debt) / Interest on long-term debt					

Big Sandy Rural Electric Cooperative
Case No. 2016-00171
Balance Sheet, Adjusted
July 31, 2016

Exhibit S
page 2 of 4
Witness: James Adkins

	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
<u>Assets</u>			
Electric Plant:			
In service	\$ 52,220,273		\$ 52,220,273
Under construction	8,405		8,405
	<u>52,228,678</u>		<u>52,228,678</u>
Less accumulated depreciation	19,234,040	19,452	19,253,492
	<u>32,994,638</u>	<u>(19,452)</u>	<u>32,975,186</u>
Investments	<u>14,833,210</u>		<u>14,833,210</u>
Current Assets:			
Cash and temporary investment	628,942		628,942
Accounts receivable, net	3,368,593		3,368,593
Material and supplies	310,509		310,509
Prepayments and current assets	95,979		95,979
	<u>4,404,023</u>		<u>4,404,023</u>
Net change in assets		<u>783,097</u>	<u>783,097</u>
Total	<u>\$ 52,231,871</u>	<u>\$ 763,645</u>	<u>\$ 52,995,516</u>
<u>Liabilities and Other Credits</u>			
Margins:			
Memberships	\$ 227,590		\$ 227,590
Patronage capital	23,146,542	763,645	23,910,187
	<u>23,374,132</u>	<u>763,645</u>	<u>24,137,777</u>
Long Term Debt	<u>21,479,005</u>		<u>21,479,005</u>
Accumulated postretirement benefit	<u>3,714,137</u>		<u>3,714,137</u>
Current Liabilities:			
Notes payable	650,000		650,000
Accounts payable	1,954,938		1,954,938
Consumer deposits	623,358		623,358
Accrued expenses	418,393		418,393
	<u>3,646,689</u>		<u>3,646,689</u>
Consumer advances for construction	<u>17,908</u>		<u>17,908</u>
Total	<u>\$ 52,231,871</u>	<u>\$ 763,645</u>	<u>\$ 52,995,516</u>

Big Sandy Rural Electric Cooperative
Case No. 2016-00171
Summary of Adjustments to Test Year

Exhibit S
page 3 of 4
Witness: James Adkins

	Exhibit 1	Exhibit 2	Exhibit 3	Exhibit 4	Exhibit 5	Exhibit 6	Exhibit 7	Exhibit 8	Exhibit 9	Exhibit 10	Exhibit 11	Exhibit 12	Exhibit 13	Exhibit 14	Exhibit 15	Exhibit 16	Exhibit 17	
	Salaries	Payroll Taxes	Deprec	Property Tax	Interest	R&S 401(k)	Donations	Professional Fees	Directors	Annual & Misc Expenses	Rate Case	FEMA	EKPC	Non-recurring Charges	Purchase Power	Normalize Revenue	Additional Revenue	Total
Operating Revenues:																		
Base rates																		0
Fuel and surcharge																(1,257,003)		(1,257,003)
Other electric revenue														5,370			(27,989)	(22,619)
	0	0	0	0	0	0	0	0	0	0	0	0	0	5,370	0	(1,257,003)	(27,989)	(1,279,622)
Operating Expenses:																		
Cost of power:																		
Base rates																65		65
Fuel and surcharge															(1,278,386)			(1,278,386)
Distribution - operations	1,111	260	1,445	4,456		1,421												8,693
Distribution - maintenance	1,146	269	2,583			1,465						86,041						91,504
Consumer accounts	896	210	664			1,146												2,915
Customer service	110	26	548			141												825
Sales		0	0			0												0
Administrative and general	1,960	459	942	109		2,506		(1,442)	(16,302)	(1,307)	30,000							16,926
Total operating expenses	5,223	1,224	6,181	4,565	0	6,679	0	(1,442)	(16,302)	(1,307)	30,000	86,041	0	0	(1,278,321)	0	0	(1,157,458)
Depreciation			13,271															13,271
Taxes - other																		0
Interest on long-term debt					(8,668)													(8,668)
Interest expense - other					(7,869)													(7,869)
Other deductions							(19,500)											(19,500)
Total cost of electric service	5,223	1,224	19,452	4,565	(16,537)	6,679	(19,500)	(1,442)	(16,302)	(1,307)	30,000	86,041	0	0	(1,278,321)	0	0	(1,180,224)
Utility operating margins	(5,223)	(1,224)	(19,452)	(4,565)	16,537	(6,679)	19,500	1,442	16,302	1,307	(30,000)	(86,041)	0	5,370	1,278,321	(1,257,003)	(27,989)	(99,398)
Nonoperating margins, interest																		0
Nonoperating margins, other																		0
G&T capital credits													(1,400,000)					(1,400,000)
Other capital credits																		0
	0	0	0	0	0	0	0	0	0	0	0	0	(1,400,000)	0	0	0	0	(1,400,000)
Net Margins	(5,223)	(1,224)	(19,452)	(4,565)	16,537	(6,679)	19,500	1,442	16,302	1,307	(30,000)	(86,041)	(1,400,000)	5,370	1,278,321	(1,257,003)	(27,989)	(1,499,398)

Big Sandy Rural Electric Cooperative
Case No. 2016-00171
Proposed Revenues
July 31, 2016

Interest on long term debt	<u>692,496</u>
Proposed increase in revenues over normalized revenues to generate a TIER of 2.25x	<u><u>\$863,043</u></u>

Big Sandy Rural Electric Cooperative
Case No. 2016-00xxx
Monthly Operating Budget
July 31, 2016

	August	September	October	November	December	January	February	March	April	May	June	July	Total
Operating revenue	1,972,892	1,664,279	1,666,665	2,225,121	2,408,305	2,692,431	2,587,551	2,214,831	1,653,212	1,728,082	1,879,284	1,981,552	24,674,205
Operating expenses:													
Cost of power	1,284,275	1,071,553	1,072,197	1,480,840	1,583,819	1,838,080	1,756,000	1,485,014	1,073,431	1,082,844	1,237,224	1,311,961	16,277,238
Distribution-operations	78,231	78,231	78,231	78,231	78,233	85,142	85,142	85,142	85,142	85,142	85,142	85,142	987,151
Distribution-maintenance	134,151	134,151	134,151	134,151	134,153	135,014	135,014	135,014	135,014	135,014	135,014	135,014	1,615,855
Consumer accounts	71,983	71,983	71,983	71,983	71,983	75,574	75,573	75,573	75,574	75,573	75,574	75,573	888,929
Customer services	9,990	9,990	9,990	9,990	9,990	6,102	6,102	6,102	6,102	6,102	6,102	6,102	92,664
Sales	875	875	875	875	875	375	375	375	375	375	375	375	7,000
Administrative and general	105,142	105,142	105,142	105,142	105,143	108,886	108,886	108,886	108,886	108,886	108,886	108,886	1,287,913
Total operation and mainten	1,684,647	1,471,925	1,472,569	1,881,212	1,984,196	2,249,173	2,167,092	1,896,106	1,484,524	1,493,936	1,648,317	1,723,053	21,156,750
Depreciation	189,025	189,025	189,025	189,025	189,025	195,613	195,613	195,613	195,613	195,613	195,613	195,613	2,314,416
Taxes-other	2,917	2,917	2,916	2,917	2,917	2,916	2,916	2,917	2,917	2,917	2,916	2,917	35,000
Interest on long term debt	62,000	62,000	62,000	62,000	62,000	58,750	58,750	58,750	58,750	58,750	58,750	58,750	721,250
Interest expense - other	4,211	4,211	4,210	4,211	4,210	4,625	4,625	4,625	4,625	4,625	4,625	4,625	53,428
Other deductions	1,555	1,555	1,555	1,555	1,555	1,441	1,442	1,442	1,442	1,441	1,441	1,442	17,866
Total cost of electric service	1,944,355	1,731,633	1,732,275	2,140,920	2,243,903	2,512,518	2,430,438	2,159,453	1,747,871	1,757,282	1,911,662	1,986,400	24,298,710
Utility operating margins	28,537	(67,354)	(65,610)	84,201	164,402	179,913	157,113	55,378	(94,659)	(29,200)	(32,378)	(4,848)	375,495
Nonoperating margins, interest	14,583	14,583	14,583	14,584	14,583	14,583	14,583	14,584	14,583	14,583	14,582	14,583	174,997
Nonoperating margins, other	-	-	-	-	-	-	-	-	-	-	-	-	-
Patronage capital:													
G & T	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Net margins	43,120	(52,771)	(51,027)	98,785	178,985	194,496	171,696	69,962	(80,076)	(14,617)	(17,796)	9,735	550,492

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Big Sandy Rural Electric Cooperative
Case No. 2017-00171
By - Laws Changes
July 31, 2016

A copy of the bylaws is attached. The only change since the last general rate request are Article VI Officers, Section e. was deleted and addition of Section 8.01.

The deletion of e. related to the Charman not being required to sign certificates of memberships.

Section 8.01 assigns routine duties to employees who are not board officers.

BIG SANDY RURAL ELECTRIC Cooperative Corporation

www.bigsandyrecc.com

Big Sandy Rural Electric Cooperative Corporation Bylaws

This edition of Bylaws supersedes all previous issues.

ARTICLE I MEMBERSHIP

SECTION 1. Requirements for Membership. Any person, firm, association, corporation, or body politic or subdivision thereof may become a member of Big Sandy Rural Electric Cooperative Corporation therein after called the "Cooperative" upon receipt of electric service from the Cooperative, provided that he or it has first:

- Make a written or electronic application for membership therein;
- Agreed to purchase from the Cooperative electric energy as hereinafter specified;
- Agreed to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules and regulations adopted by the board of directors; and
- Paid the membership fee hereinafter specified;

No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these bylaws.

SECTION 2. Membership Certificates. Membership in the Cooperative shall be evidenced by a membership certificate/application which is one in the same. The membership/application shall contain such provisions as shall be determined by the board. Such certificates/application shall be affixed with the corporate seal thereto. No membership certificate/application shall be issued for less than the membership fee fixed in these bylaws, nor until such membership fee has been fully paid. In case a certificate/application is lost, destroyed or mutilated, a copy of the signed membership certificate/application may be issued therefor upon such uniform terms and indemnity to the Cooperative as the board may prescribe.

SECTION 3. Joint Membership. A married couple or member and spouse may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this article, may be accepted for such membership. The term "member" as used in these bylaws shall be deemed to include a married couple or member and spouse holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- The vote of either separately or both jointly shall constitute one joint vote;
- A waiver of notice signed by either or both shall constitute a joint waiver;
- Notice to either shall constitute notice to both;
- Expulsion of either shall terminate the joint membership;
- Withdrawal of either shall terminate the joint membership;
- Either but not both may be elected or appointed as an officer or Board member, provided that both meet the qualifications for such office.

SECTION 4. Conversion of Membership. (a) A membership may be converted to a joint membership upon the written request of the holder, thereof and the agreement by such holder and his or her spouse to comply with the articles of incorporation, bylaws and rules and regulations adopted by the Board. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.

(b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor. The outstanding membership certificate shall be surrendered, and shall be reissued in such manner as shall indicate the changed membership status; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 5. Membership and Service Connection Fees. The membership fee shall be Twenty-five dollars (\$25.00) upon the payment of which a member shall be eligible for one service connection.

SECTION 6. Purchase of Electric Energy. Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy purchased for use on the premises specified in his application for membership, and shall pay therefor at rates which shall from time-to-time be fixed by the Board. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board from time-to-time. Each member shall pay all amounts owed by him to the Cooperative as and when the same shall become due and payable.

SECTION 7. Termination of Membership. (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds of the members of the Board, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules or regulations adopted by the Board, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failures shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to him, has not purchased electric energy from the Cooperative, or of a member who has ceased to purchase energy from a cooperative, may be cancelled by resolution of the Board.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member the membership of such member shall thereupon terminate, and the membership certificate of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.

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

Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative.

SECTION 8. Member to Grant Easements to Cooperative. Each member shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grants of easement or right-of-way over, on and under such lands owned or leased by or mortgaged to the member, and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of electric service to him or other members for the construction, operation, maintenance or relocation of the Cooperative's electric facilities.

ARTICLE II RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members. Upon dissolution, after (a) all debts and liabilities of the Cooperative shall have been paid, and (b) all capital furnished through patronage shall have been retired as provided in these bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten years next preceding the date of the filing of the certificate of dissolution, or if the Cooperative shall not have been in existence for such period, during the period of its existence.

SECTION 2. Non-liability for debts of the Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III MEETING OF MEMBERS

SECTION 1. Annual Meeting. The annual meeting of the members shall be held between May 1 and October 1 of each year, beginning with the year 1968, at such place or place in the counties served by the Cooperative as may be designated by a resolution of the Board of Directors, fixing the time and place of the annual meeting, which resolution shall be duly adopted by the Board of Directors to make adequate plans and preparations for the annual meeting. If the day fixed for the annual meeting shall fall on a Sunday or a legal holiday, such meeting shall be held on the next succeeding business day. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 2. Special meetings. Special Meetings of the members may be called by resolution of the Board, or upon a written request signed by any five Board members, by the Chairman, or by thirty per centum or more of all the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting.

SECTION 3. Notice of Members' meetings. Notice of all regular and special meetings of the members shall be given by advertising same in two issues of the weekly newspapers having the largest circulation in the counties which the Cooperative has members for the two next preceding the date of said meeting by announcing same over any radio stations located within the area served by the Cooperative. Such advertising shall be deemed proper notice of all regular and special meeting of the members. The failure of any member to receive notice of any annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum. Not less than one hundred (100) members present in person or represented by proxy shall constitute a quorum for the transaction of business at all meetings of the members.

SECTION 5. Voting. Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of the majority of the members voting thereon in person or by proxy, except as otherwise provided by law, the articles of incorporation or these bylaws.

At all meetings of members a member may vote by proxy executed in writing wherein the notice of the meeting there is included:

(a) proposed resolution to authorize borrowing of funds from the United States of America or from National Rural Utilities Cooperative Finance Corporation or other lending agencies or lending corporations, and to incur indebtedness from time to time by the assumption of the indebtedness of third parties to the United States of America or other or sale, mortgage, lease or other disposition or encumbrance of property to United States of America or any agent or instrumentality thereof or others;

(b) In connection with a proposed amendment to the articles of incorporation of the Cooperative. To be valid a proxy must be executed by the member within sixty (60) days next before the date of the meeting.

SECTION 6. Order of Business. The order of business at the annual meeting of the members and, so far as possible at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting.

- Report on the number of members present in person in order to determine the existence of a quorum.
- Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting as the cases may be.
- Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
- Presentation and consideration of reports of officers, trustees, and committees.
- Reading of report of the election commissioners on the election of Board members.
- Unfinished business.
- New business.
- Adjournment.

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SECTION 7. Agenda. The agenda for the meeting of the members shall be with full disclosure to the membership, so as to inform the membership in the Notice of the Meeting, of the nature of all business to be considered. To achieve the same, no proposal shall be voted upon at the Annual Meeting unless it has been placed on the agenda at least ninety (90) days prior to such meeting. Any legitimated proposal may be submitted for inclusion on the agenda by the members. Said proposal(s) must be writing and signed by at least one hundred (100) members in good standing, and a copy of the proposal must be filed with the Secretary within the tie allowed, with a request that it be submitted to the Annual Meeting for consideration. Any item submitted by a member or members, to be placed on the Agenda of the Annual Meeting, must be clearly stated and easily understood. Nothing in this section, or any other section of the Bylaws shall be construed as diminishing the authority or duty of the board of Directors to determine items to be submitted to vote of the members at any meeting of the members and/or the arrangement and content of the agenda.

ARTICLE IV Board Members

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of six members which shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation or these bylaws conferred upon or reserved to the members.

SECTION 2. Voting Districts. The territory served by the Cooperative shall be divided into six districts. Each district shall be represented by one Director. District boundaries shall be as follows: District No. 1 - Johnson County: Beginning at the Lawrence County line on the east side of the Levisa Fork of Big Sandy River; thence with Levisa Fork of Big Sandy River to the Floyd county line; thence eas with Floyd county line to the Martin County line; thence with Lawrence County line to Levisa Fork point of beginning.

District No. 2 - Johnson County: Beginning at the Lawrence County line of the west bank of Levisa Fork of Big Sandy River; thence with river to Paintsville; thence west with U.S. Highway 23 and 460 to the mouth of Mudlick; thence following ridge between Toms Creek and Mudlick and Hoods Creek to the Lawrence County line; thence with the Lawrence County line to Levisa Fork to Big Sand River, the point of beginning.

District No. 3 - Johnson County: Beginning at the bridge across Levisa Fork of Big Sandy River at Paintsville, Kentucky; thence following U.S. 23 and 460 to the mouth of Mudlick Creek; thence with ridge between Mudlick Creek and Toms Creek and Hoods Creek to the Lawrence County line; thence west with Lawrence County line to the Morgan County line; thence continuing to the Magoffin County line; thence to the Floyd County line; thence with the Floyd County line to Levisa Fork of Big Sandy River; thence down same to point of beginning.

District No. 4 - Martin County and Lawrence County: District No. 4 shall include all members living in Martin and Lawrence Counties.

District No. 5 - Floyd County and Pike County: Beginning at the Johnson County line at East Point and on the east side of Big Sandy River; thence following the river to Prestonsburg, Kentucky; thence leaving the river to include both forks of Bull Creek and thence eastward to Martin, Kentucky; thence on up Left Beaver to the Pike County line; thence with the Pike County Line to the Martine County line; thence with the Martin County line to Johnson County line; thence with Johnson County line to Big Sandy River at East Point, the point of beginning. All members living in Pike County are also to be included in this district.

District No. 6 - Floyd County: Beginning at the Johnson County line at East Point on the west side of Big Sandy River; thence following the river to Prestonsburg, Kentucky; thence up Middle Creek to David Road, including both sides of Middle Creek, Spurlock and Conley Forks, thence up David Road to Magoffin County line; thence to Johnson County line to the point of beginning at East Point.

SECTION 3. Selection and Tenure. Directors shall serve for terms of four (4) years or until their successors shall have been elected or appointed by the Board and shall have been qualified. Any vacancy on the Board caused by death or resignation or failure to have candidates for the office of director shall be filled by Board of Directors for unexpired portion of the term.

SECTION 4. Qualifications. No person shall be eligible to become or remain a Board member of the Cooperative who:

- (a) is not a member and bona fide resident living in the district served by the Cooperative for at least one year.
- (b) is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative, or
- (c) who does not live in the district to be represented by the member.
- (d) is an employee of the Cooperative or who was employed by the Cooperative with the last five years.
- (e) must be an individual.
- (f) must have the capacity to enter into legally binding contracts.
- (g) before becoming a Director, graduate from High School or earn an equivalent degree or certification.
- (h) while a Director, and prior to becoming a Director, not be convicted of, or plead guilty to, a felony.
- (i) while a Director, and prior to becoming a Director, not have a final judgment entered against them involving civil fraud, ethical violations, discrimination and/or acts of harassment.
- (j) while a Director, and seven years immediately before becoming a Director, not been a debtor in a federal bankruptcy proceeding or a similar proceeding under applicable state law such as insolvency, liquidation, receivership reorganization, or assignment for the benefit of creditors.
- (k) while a Director, and seven years immediately before becoming a Director, not been a party to a foreclosure or other proceeding (Judicial or non-Judicial), which proceeding is or was instituted because of the Director's default on indebtedness.
- (l) except as otherwise provided by the Board of Directors for good cause shown, receive a credentialed Cooperative Director Designation or Certification from the National Rural Electric Cooperative Association within two (2) years of becoming a Director and after becoming a Director, participating in and complete required Director Training as established by the Board of Directors.
- (m) test negative of illegal drug use and the misuse of any prescription drugs.

Upon establishment of the fact that a Board member is holding office in violation of any of the foregoing provisions, the Board shall remove such Board member from office. Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board.

SECTION 5. Nomination and Election of Directors. In the month of December, prior to an expiring term of a director, the Cooperative shall notify the membership of such expiring term. Any interested member should contact the Cooperatives President/General Manager for information concerning the election process.

- (a) Nomination Committee. Not less than ninety (90) days before the date of annual meet-

ing at which Directors are to be elected, the Board of Directors shall appoint a Nomination Committee consisting of six members, one from each six districts. No existing Cooperative employees, agents, officers, Directors, or known candidates for Director, or persons who are close relatives of members of the same household thereof are eligible to serve on the committee.

The Nomination Committee shall meet at the next regular meeting of the Board of Directors, which shall be held at the regular board meeting in February before the annual meeting of the members, at the principal office of the Cooperative at Paintsville, Kentucky, at the same time as the meeting of the Board of Directors to nominate candidates for the office of Director of the cooperative.

No person shall be nominated as a candidate for the Board of Directors unless that person is duly qualified, has consented to a background check, consented to a drug test and has been requested to be nominated as a candidate by presenting a written request on an official form provided by the Cooperative, to the nomination committee. An incumbent director may be nominated as a director so long as the incumbent is duly qualified and has made written request to the Nomination Committee.

All other members, who are properly qualified, may be nominated by filling an official Nomination Request/Petition form with the secretary of the cooperative at least 14 days prior to the meeting of the Nomination Committee. The cooperative attorney shall examine the Nomination Request/Petition for accuracy and legality. If it complies the attorney shall file the Nomination Request/Petition with the Nomination Committee for its consideration.

Members shall apply to the Cooperative for a Nomination Request/Petition form in the month of January prior to the meeting of the Nomination Committee.

The application must set forth the member's names, birth date, actual place of residence, membership number, length of time living at last residence, occupation, be signed by the member and notarized. Member must also consent to a background check and a drug test at the time of picking up their application. Such background check and drug test shall be conducted after his/hers petition is filed and results of both shall be submitted before the nomination committee shall meet.

The Nomination Request/petition form shall request the Nomination Committee to nominate the member for the office of Director of the cooperative and shall state the district which the candidate will represent. This petition shall set forth the members name, place of residence, length of time living at the last residence, occupation, all business financial interest, all employment by the cooperative, date last worked for the cooperative if applicable, and be signed by the member. The petition shall be signed and dated by at least one hundred (100) bona fide current members of the cooperative actually living in the district to be represented by the member requesting nomination. Only one person shall be nominated per petition.

The Nomination Committee shall nominate as a candidate in all districts where there is an election, members who is duly qualified and duly requests to be nominated as a candidate, as set forth above the decision of the Nomination Committee shall final in respect to the qualifications of a member to serve on the Board of Directors and whether or not a proper request to be nominated has been made.

The list of nominations as a candidate shall be posted immediately at the principal office of the Cooperative. No write in votes shall be permitted in the election of the members of the Board of Directors. No nominations for the office of Director from the floor of the annual meeting of the members shall be permitted. Should the Nomination Committee certify only one candidate from each district to run for the office of Director to fill the vacancy caused by the expiration of the Directors terms in accordance with Article IV, Section 3 of these Bylaws and should no candidate be nominated from the membership by written or printed petition as set forth in Article IV, section 5A of these Bylaws, then the Chairman of the Nomination Committee appointed by the Board of Directors pursuant to Article IV, Section 5 of these Bylaws, shall certify to the secretary of the Board that no petition has been filed pursuant to the Bylaws on nominations and the candidates selected by the Nomination Committee are therefore officially without opposition and the secretary of the Board will so announce at the annual membership meeting and the nominees shall be deemed elected to the Board without the necessity of mailing official ballots through the United States mail and following the election procedures set forth in these Bylaws. All of the remaining provisions of Article IV, Section 5 of these Bylaws not in conflict herein shall remain in full force and effect.

Voting. On or around the first week of April it shall be the responsibility of the Secretary to have a third party vendor print and mail to each of the members a ballot which shall list by district the names of the candidates nominated by the committee, or by petition. With the ballot, voting instructions and a return envelope shall be included. When received, the member shall vote and certify the ballot as prescribed in the voting instructions contained within the ballot. The ballot must be received by May 1st of that calendar year.

Conduct of Election. All ballots shall be returned to and tabulated by an independent third party vendor. This vendor will certify the validity of each ballot, tabulate the results and provide the results no later than 10 days prior to the Annual Meeting. Within three days after the completion of the result tabulation by the third party vendor, any candidate who is dissatisfied with the report may request in writing that the Board of Directors have the ballots recanvassed. Upon such a request being made the Board of Directors shall have a proper recount of the ballots conducted and thereafter adopt or reject the report of the third party vendor.

SECTION 6. Removal of Directors by Members. Any member may bring sworn charges against a Board member and, by filing with the Secretary such sworn charges in writing together with a notarized petition signed by at least ten per centum of the members, or 300, whichever is greater, may request the removal of such Board member by reason thereof. Such director shall be informed in writing of the charge at least ten days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such Board member shall be considered and voted upon at the meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

SECTION 7. Vacancies. Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of Board members, a vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Board members for the unexpired portion of the term.

SECTION 8. Compensation. Board members shall not receive any salary for their services as such, except that the Board of Directors by resolution may authorize a fixed sum for each day or part thereof spent on Cooperative business such as attendance at meetings, conferences and training programs or performing committee assignments when authorized by the Board. A member may also be reimbursed for actual expenses necessarily incurred in carrying out such Cooperative business or granted a reasonable allowance in lieu of detailed accounting for some of these expenses.

No Board member shall be compensated for serving the Cooperative in any other capacity nor shall any member of the immediate family of a Board member be allowed to be a full-time employee of the Cooperative. A member of the immediate family of a Board member shall be construed to include husband and wife and children of either the husband and wife.

Compensation may be paid to a Board member or a member of their immediate family if such services were rendered on emergency basis.

ARTICLE V MEETING OF DIRECTORS

SECTION 1. Regular Meetings. A regular meeting of the Board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. Newly elected Board members shall be installed at this Board meeting. A regular meeting of the Board shall also be held monthly at such time and place within one of the counties served by the Cooperative as designated by the Board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

SECTION 2. Special Meetings. Special meetings of the Board may be called by the Chairman or by two-thirds (2/3) of a majority of the Board members and it shall thereupon be the duty of the secretary to cause notice of such meeting to be given as hereinafter provided. The Chairman or Board members calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. Notice of Directors' Meetings. Written notice of the time, place and purpose of any special meeting of the Board shall be delivered to each Board member either personally or by mail, or by or at the direction of the secretary, or upon a default in duty by the secretary, by the Chairman or the Board members calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Board member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five days before the date set for the meeting.

SECTION 4. Quorum. A majority of the board shall constitute a quorum, provided, that if less than such majority of the Board present may adjourn the meeting from time-to-time; and provided further, that the secretary shall notify any absent Board member of the time and place of such adjourned meeting. The act of the majority of the Board members present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these bylaws.

Should a majority of the Board be unable to serve because of catastrophe or other crisis the remaining members of the Board of Directors may meet and carry on the regular business of the Cooperative until new Board members are appointed. In case of the death of a majority of the Board members the remaining members may appoint Board members to fill vacancies to serve until next annual election.

ARTICLE VI OFFICERS

SECTION 1. Number. The officers of the Cooperative shall be a Chairman, Vice Chairman, President/General Manager, Secretary, Treasurer, and such other officers as may be determined by the Board from time-to-time. The offices of Secretary and of Treasurer may be held by the same person.

SECTION 2. Election and Term of Office. The officers shall be elected by the ballot, annually by the Board at the meeting of the Board held immediately after the Annual Meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board following the next succeeding, annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 3. Removal of Officers and Agents by the Board. Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgement the best interest of the Cooperative will be served thereby. In addition, any member of the Cooperative may bring sworn charges against an officer, and by filing with the secretary such sworn charges in writing together with a notarized petition signed by ten per centum of the members or 300, whichever is greater, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten days prior to the Board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. In the event the Board does not remove such officer, the question of his removal shall be considered and voted upon at the next meeting of the members.

SECTION 4. Chairman. The Chairman shall:

- (a) be the principal executive officer of the Cooperative, and unless otherwise determined by the members of the Board, shall preside at all meetings of the members;
- (b) sign, with the secretary, certificates of membership, the issue of which shall have been authorized by the Board or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of chairman and such other duties as may be prescribed by the board from time-to-time.

SECTION 5. Vice Chairman. In the absence of the chairman, or in the event of his inability or refusal to act, the vice chairman shall perform the duties of the chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. The vice chairman shall also perform such other duties as from time-to-time may be assigned to him by the Board.

SECTION 6. President/General Manager. The President/General Manager shall:

(a) in the absence of the Chairman and Vice Chairman or in the event of their inability or refusal to act, the President/General Manager shall perform the duties of the Chairman and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. The President/General Manager shall also perform such other duties and shall exercise such authority as the Board may from time to time vest in him.

SECTION 7. Secretary. The secretary shall be responsible for:

- (a) keeping the minutes of the meetings of the members and of the Board in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these bylaws or as required by law;
- (c) the safekeeping of the Corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all certificates of membership prior to the issuance thereof and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws;
- (d) keeping a register of the names and post office addresses of all members;
- (e) keeping on file at all times a complete copy of the articles of incorporations and bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the bylaws and

of all amendments thereto to each member upon request; and

(f) in general performing all duties incident to the office of secretary and such other duties as from time-to-time may be assigned to him by the Board.

SECTION 8. Treasurer. The Treasurer shall be responsible for:

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

8.01. Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Section 7 and 8, the Board of Directors by resolution may, except as otherwise provided by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration of, one or more of such officers' duties to one or more agents, employees or other officers of the Corporation who are not Directors. To the extent that the Board does so delegate with respect to either such officer's duties, that officer as such shall be released from such duties, responsibilities and authorities.

SECTION 9. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded in such sum and with such surety as the board shall determine. The board in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

SECTION 10. Compensation. The powers, duties and compensation of officers, agents and employees shall be approved by the board, subject to the provisions of these bylaws with respect to compensation for Board member or member of their immediate family.

SECTION 11. Reports. The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII NON-PROFIT OPERATION

SECTION 1. Interest or Dividends on Capital Prohibited. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. Patronage Capital In Connection with Furnishing Electric Energy. In the furnishing of electric energy the Cooperative's operations shall be so conducted that all patrons will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expense at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts of capital.

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

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro-rata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. Any such retirements of capital shall be paid according to the Board's discretion, fairly and equitably, as directed by established Board policy.

Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the board, acting under policies of general application shall determine otherwise.

Notwithstanding any other provision of these bylaws, the board at its discretion, shall have the power at any time upon the death of any patron, if the legal representatives of his estate or surviving spouse shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the board, acting under policies of general application, and the legal representatives of such patron's estate or surviving spouse shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby. And, further provided that no payment of capital credits shall be made except to the extent said credits represent receipts in cash to the Cooperative.

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

ARTICLE VIII DISPOSITION OF PROPERTY

SECTION 1. Disposition or Encumbering of Property. The Board of Directors may not sell, lease, lease-sale, exchange transfer or otherwise dispose of any of the cooperative's property except:

- (a) property that is not necessary in operating and maintaining the Cooperative system, but sales of such property shall not, in any one year exceed then per centum (10%) in value of all the property of the Cooperative other than merchandise and property acquired for resale;
- (b) services for resale;
- (c) property acquired for resale, and
- (d) merchandise;

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unless the Board shall first adopt by the affirmative vote of three-fourths of all directors a resolution recommending the transaction and directing the submission of the proposal to a vote of not less than the majority of the total members and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not sooner than ninety days after the giving of such notice to the members, provided that consideration and action by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is held not sooner than ninety days after the giving of such notice.

If the Board of Directors looks with favor upon any proposal for sale, lease, lease-sale, exchange or transfer or other disposal of any of the Cooperative's properties and assets, it shall first cause three independent, non-affiliated appraisers, expert in such matters to render their individual opinions as to the value of the Cooperative with respect to sale, lease, lease-sale, exchange, transfer, or other disposition of all substantial all of the Cooperative's properties and assets, and as to any other terms and conditions which should be considered. The three such appraisers shall be designated by the Johnson Circuit Court Judge. If such judge refuses to make such designations, they shall be made by the Board of Directors.

If the Board of Directors, after receiving such appraisals (and other terms and conditions which are submitted if any), determines that the proposal shall be submitted for consideration by the members, it shall first give every other electric cooperative situated and operating in Kentucky (which has not made such an offer) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric cooperative, which notice shall be attached to a copy of the proposal which the Cooperative has already received and copies of the respective reports of the three appraisers. Such electric cooperative shall be given not less than ninety days during which to submit competing proposals, and the actual minimum period within which proposals, are to be submitted shall be stated in the written notice given to them.

Any (3) or more members, by so petitioning the Board not less than thirty days prior to date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternate positions which they may have to the proposals that have been submitted or any recommendations that the Board has made.

The Board of Directors of the Cooperative, without authorization by the members, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust and a security interest or interests upon, or the pledging and encumbering of any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the Cooperative, whether acquired or to be acquired, and wherever situated as well as the revenues and in come therefrom, and of a note or notes or other instrument evidencing the indebtedness secured thereby, all upon such terms and conditions as the Board of Directors of the cooperative shall determine, to secure any obligation of the Cooperative, any provision of the Articles of Incorporation or bylaws of the Cooperative to the contrary notwithstanding.

SECTION 2. Merger or Consolidation. The Board of Directors may not merge or consolidate the Cooperative's property and assets with any other corporation except as otherwise provided by law unless the Board shall first adopt by the affirmative vote of three-fourths of all directors a resolution recommending the transaction and directing the submission of the proposal to vote of not less than a majority of the total members and shall call a special meeting of the members of consideration thereof and action thereon, which meeting shall be held not sooner than ninety days after the giving of such notice to the members; provided, that consideration and action by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is held not sooner than ninety days after the giving of such notice.

If the Board of Directors looks in favor upon any proposal for merger or consolidation of the Cooperative's properties and assets, it shall first cause three independent, non-affiliated appraisers, expert in such matters to render their individual opinions as to the value of the Cooperative with respect to merger or consolidation of all or substantial all of the Cooperative's properties and assets, and as to any other terms and conditions which should be considered. The three such appraisers shall be designated by the Johnson Circuit Court Judge. If such judge refuses to make such designations, they shall be made by the Board of Directors.

If the board of directors, after receiving such appraisals (and other terms and conditions which are submitted if any) determines that the proposal shall be submitted for consideration by the members, it shall first give every other electric cooperative situated and operating in Kentucky (which has not made such and offer) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric cooperative, which notice shall be attached to a copy of the proposal which the Cooperative has already received and copies of the respective reports of the three appraisers. Such electric cooperatives shall be given not less than ninety days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.

Any (3) or more members, by so petitioning the board not less than thirty days prior to date of such special or annual meeting, may cause the Cooperative with the cost to be borne by the Cooperative, to mail to all members any opposing or alternate positions which they may have to the proposals that have been submitted or any recommendations that the Board has made.

SECTION 3. Dissolution. The Board of Directors may not dissolve the Cooperative unless the Board shall first adopt by the affirmative vote of three-fourths of all directors a resolution recommending the transaction and directing the submission of the proposal to a vote of not less than the majority of the total members and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not sooner than ninety days after the giving of such notice to the members; provided, that the consideration and action by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is held not sooner than ninety days after the giving of such notice.

SECTION 4. Evaluative Considerations. In connection with the exercise of its judgement in determining what is in the best interest of Big Sandy RECC and its members when evaluating any proposal for dissolution, merger, consolidation, sale of assets, lease, transfers, of other disposition of al or substantially all of the Cooperative's assets, the Board of Directors shall consider all of the following factors and other factors which it deems relevant:

1. The societal and economic effects of the transaction upon the Cooperative's employees;
2. The societal and economic impact of the transaction upon the community and service territories; and
3. The long-term as well as short-term interest of the Cooperative and its members including the possibility that these interest may be best served by the continued existence of the Cooperative.

SECTION 5. Alteration and Amendment to Bylaws. Article VII of the bylaws as amended and adopted shall take effect upon the affirmative vote of not less than three-fourths of all directors; and shall remain in effect until altered, amended or repealed by a similar vote of all directors and not less than a majority of the total members.

ARTICLE IX SEAL

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Kentucky."

ARTICLE X FINANCIAL TRANSACTIONS

SECTION 1. Contracts. Except as otherwise provided in these bylaws, the board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 2. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time-to-time be determined by resolution of the Board.

SECTION 3. Deposits. All funds except petty cash of the Cooperative shall be deposited from time-to-time to the credit of the Cooperative in such bank or banks as the board may select.

SECTION 4. Change in Rates. Written notice shall be given to the Administrator of the Rural Utilities Service of the United States of America not less than ninety (90) days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy become effective.

SECTION 5. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

ARTICLE XI MISCELLANEOUS

SECTION 1. Membership in Other Organizations. The Cooperative shall not become a member of or purchase stock in any other organizations without an affirmative vote of the members at a duly held meeting. The notice of which shall specify that action to be taken upon such proposed membership or stock purchase; provided however, that the Cooperative may upon the authorization of the Board, purchase stock in or become a member of any corporation or organization organized on a nonprofit basis for the purpose of engaging in or furthering the cause of rural electrification, or with approval of the Administrator of RUS, of any other corporation for the purpose of acquiring electric facilities.

SECTION 2. Waiver of Notice. Any member or Board member may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or Board member at any meeting shall constitute a waiver of notice of such meeting by such member or Board member, except in case a member or Board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

SECTION 3. Policies, Rules and Regulations. The board shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 4. Accounting System and Reports. The board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time-to-time be designated by the Administrator of the Rural Utilities Service of the United States of America. The board shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. The yearly Financial Report shall be presented to the members in accordance with the Auditor's Report at the next following Annual Meeting.

SECTION 5. Area Coverage. The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such services and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

SECTION 6. Rules of Order. Parliamentary procedures at all meetings of the members, of the Board of Directors, of any committee proved for in these Bylaws and of any other committee of the members of Board of Directors which may from time to time be duly established shall be governed by the most recent edition of Robert's Rules of Order except to the extent such procedure is otherwise determined by law or by the Cooperative's Articles of Incorporation or Bylaws.

ARTICLE XII AMENDMENTS

These bylaws may be altered, amended or repealed by the affirmative vote of not less than two-thirds of all of the directors at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal. A copy of such alterations, amendments, or reasonable time after such action has been taken.

CERTIFICATE OF SECRETARY

The undersigned, being the Chairman and Secretary of Big Sandy Rural Electric Cooperative Corporation, does hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors at a special meeting of the Board of Directors duly called and held on September 16, 1967, except that Article IV, Section 5 was duly adopted by the Board of Directors at a regular meeting duly called and held on April 3, 1970; the Article IV, Section 6 and Article VI, Section 3, were duly adopted by the Board of Directors at a regular meeting duly called and held on May 4, 1971; that Article VIII was duly adopted by the Board of Directors at a special meeting duly call and held on January 14, 1972; Revised Article VII, Section 2, April 5, 1974. Membership changed from \$10.00 to \$20.00 12/5/75. That amendment to Article IV, Section 2 9/2/77. Revised Article I, Section 5, 11/13/81. Revised Article III, Section 6, 2/5/82. Revised Article IV, Section 5b, 5b, 5c, 2/5/82. Revised Article V, Section 1, 2/5/82. Revised Article IV, Section 5b, 1/7/83. Article III, Section 4, Revised Oct. 7, 1983. Revised Article IV, Section 5, Aug. 16, 1985. Revised Article IV, Section 2, Section 4a, Section 5b, July 15, 1988. Revised Article VII, Section 2, paragraph 3, Sept. 16, 1988. Revised Article IV, Section 5b, January 1, 1990. Revised Article VI, July 20, 1990. Revised Article IV, Section 5 b & c, March 15, 1996. Revised Article IV, Sections 3 & 4 (d), revised Article VII added Sections 1, 2, 3, 4 & 5, April 18, 1997. Revised Article IV Section 3, 4 (a) & 5 (b & c) July 29, 2003. Revised Article IV Section 5a June 18, 2004. Revised Article IV, Section 2 April 05, 2011. Revised Article 1, Sections 1 & 2, September 25, 2014. Revised Article 1, Section 3 and Article IV, Sections 4 and 5 December 18, 2015. Revised Article VI, Section 7 and 8 and Addition of 8.01 June 23, 2016.

Attest:

Kelly Shepherd, Secretary Danny Wallen, Chairman

Big Sandy Rural Electric Cooperative

Exhibit V

Case No. 2017-00171

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Statement of Operations

Witness: James Adkins

July 31, 2016

	<u>2016</u>	<u>2015</u>
Operating revenue	<u>\$ 23,866,212</u>	<u>\$ 26,438,309</u>
Operating expenses:		
Cost of power	16,010,784	18,158,347
Distribution-operations	1,094,553	1,031,885
Distribution-maintenance	1,516,304	1,690,146
Consumer accounts	887,246	870,666
Consumer service	29,781	72,444
Sales	5,403	(3,901)
Administrative and general	<u>1,364,315</u>	<u>1,282,630</u>
	20,908,386	23,102,217
Depreciation and amortization	2,272,704	2,218,683
Taxes-other	33,861	35,100
Interest on long term debt	701,164	721,556
Other interest expense	62,878	50,939
Other deductions	<u>19,500</u>	<u>14,298</u>
	23,998,493	26,142,793
Utility operating margins	(132,281)	295,516
Nonoperating margins, interest	173,911	175,496
Nonoperating margins, other	13,495	37,804
G & T capital credits	1,400,000	1,573,030
Other capital credits	<u>46,850</u>	<u>106,744</u>
Net margins	<u>\$ 1,501,975</u>	<u>\$ 2,188,590</u>
TIER excluding EKPC	1.15	1.85

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Balance Sheet
July 31, 2016

Exhibit V
page 2 of 3
Witness: James Adkins

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Electric Plant:		
In service	\$ 52,220,273	\$ 51,054,378
Under construction	8,405	10,271
	<u>52,228,678</u>	<u>51,064,649</u>
Less accumulated depreciation	<u>19,234,040</u>	<u>18,231,777</u>
	<u>32,994,638</u>	<u>32,832,872</u>
Investments	<u>14,833,210</u>	<u>13,426,272</u>
Current Assets:		
Cash and temporary investments	628,942	1,581,325
Accounts receivable, net	3,368,594	3,310,428
Material and supplies	310,509	292,041
Prepayments	84,120	53,678
	<u>4,392,165</u>	<u>5,237,472</u>
Deferred assets	<u>11,858</u>	<u>17,946</u>
Total Assets	<u>\$ 52,231,871</u>	<u>\$ 51,514,562</u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>		
Margins and Equities:		
Memberships	\$ 227,590	\$ 228,685
Patronage capital	24,925,371	23,799,783
Other equities	(1,778,829)	(2,257,377)
	<u>23,374,132</u>	<u>21,771,091</u>
Long Term Debt	<u>21,479,005</u>	<u>22,812,969</u>
Accumulated Operating Provisions	<u>3,714,137</u>	<u>3,765,573</u>
Current Liabilities:		
Notes payable	650,000	-
Accounts payable	1,954,938	2,017,602
Consumer deposits	623,357	659,233
Accrued expenses	418,393	462,972
	<u>3,646,688</u>	<u>3,139,807</u>
Consumer advances	<u>17,909</u>	<u>25,122</u>
Total Members' Equities and Liabilities	<u>\$ 52,231,871</u>	<u>\$ 51,514,562</u>

Big Sandy Rural Electric Cooperative

Exhibit V

Case No. 2017-00171

page 3 of 3

Statement of Cash Flows

Witness: James Adkins

July 31, 2016

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Net margins	\$ 1,501,975	\$ 2,188,590
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	2,272,704	2,218,683
Charged to clearing accounts	147,630	148,887
Patronage capital credits	(1,446,850)	(1,679,774)
Accumulated postretirement benefits	(51,436)	(37,575)
Net change in current assets and liabilities:		
Receivables	(58,166)	(101,241)
Material and supplies	(18,468)	1,705
Prepayments and deferred debits	(24,354)	26,281
Accounts payables	(62,664)	6,041
Consumer deposits	(35,876)	(18,020)
Accrued expenses	(44,579)	115,197
Consumer advances	(7,213)	(3,373)
	<u>2,172,703</u>	<u>2,865,401</u>
Cash Flows from Investing Activities:		
Plant additions	(2,582,100)	(2,210,567)
Additional investments, net of receipts	39,912	55,888
	<u>(2,542,188)</u>	<u>(2,154,679)</u>
Cash Flows from Financing Activities:		
Memberships	(1,095)	(2,940)
Refund of capital credits	(376,387)	(274,877)
Other equities	478,548	368,536
Notes payable	650,000	-
Additional long-term borrowings	-	-
Payments on long-term debt	(1,333,964)	(1,444,950)
	<u>(582,898)</u>	<u>(1,354,231)</u>
Net increase in cash	(952,383)	(643,509)
Cash balances - beginning	<u>1,581,325</u>	<u>2,224,834</u>
Cash balances - ending	<u>\$ 628,942</u>	<u>\$ 1,581,325</u>

Big Sandy Rural Electric Cooperative
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Exhibit W
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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
362	Station equipment	400,205	400,205	400,205	400,205	400,205	400,205	400,205	400,205	400,205	400,205	400,205	400,205
	Prior year	393,362	393,362	393,362	393,362	393,362	393,362	393,362	393,362	393,362	393,362	393,362	400,205
	Change	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	-
364	Poles, towers & fixt	13,943,076	13,967,125	13,999,955	14,026,328	14,044,771	14,043,641	14,056,749	14,088,039	14,112,636	14,146,213	14,208,586	14,209,217
	Prior year	13,587,686	13,611,634	13,655,508	13,678,053	13,702,446	13,731,463	13,754,633	13,798,481	13,835,357	13,862,773	13,897,115	13,924,761
	Change	355,390	355,491	344,447	348,275	342,325	312,178	302,116	289,558	277,279	283,440	311,471	284,456
365	Overhead conduct	12,759,810	12,776,128	12,797,365	12,820,890	12,845,238	12,878,187	12,933,946	12,948,757	12,975,115	12,987,480	12,995,929	13,008,337
	Prior year	12,297,834	12,345,014	12,491,518	12,503,971	12,535,690	12,576,251	12,590,683	12,612,073	12,645,084	12,661,178	12,707,137	12,721,268
	Change	461,976	431,114	305,847	316,919	309,548	301,936	343,263	336,684	330,031	326,302	288,792	287,069
366	Underground cond	571,507	576,705	581,361	583,635	587,421	586,831	589,867	596,257	598,688	603,268	604,671	606,272
	Prior year	527,628	531,770	533,408	536,799	542,613	552,300	556,679	556,104	559,289	560,101	564,986	569,253
	Change	43,879	44,935	47,953	46,836	44,808	34,531	33,188	40,153	39,399	43,167	39,685	37,019
367	Underground cond	344,864	344,864	350,607	350,607	350,607	350,607	350,607	400,409	400,409	400,409	400,625	400,641
	Prior year	340,700	340,700	337,892	337,892	337,892	343,229	344,864	344,864	344,864	344,864	344,864	344,864
	Change	4,164	4,164	12,715	12,715	12,715	7,378	5,743	55,545	55,545	55,545	55,761	55,777
368	Transformers	6,366,982	6,378,296	6,381,579	6,377,991	6,388,777	6,388,439	6,386,811	6,410,376	6,416,263	6,415,746	6,415,493	6,417,073
	Prior year	6,263,924	6,269,063	6,264,436	6,265,151	6,286,530	6,301,567	6,326,946	6,336,922	6,344,074	6,339,710	6,344,937	6,359,017
	Change	103,058	109,233	117,143	112,840	102,247	86,872	59,865	73,454	72,189	76,036	70,556	58,056
369	Services	4,988,987	5,008,299	5,025,785	5,035,347	5,047,626	5,045,245	5,051,030	5,056,107	5,066,620	5,065,776	5,080,820	5,081,015
	Prior year	4,857,759	4,872,790	4,877,330	4,895,125	4,912,871	4,931,682	4,950,182	4,958,304	4,963,667	4,972,486	4,981,472	4,981,740
	Change	131,228	135,509	148,455	140,222	134,755	113,563	100,848	97,803	102,953	93,290	99,348	99,275
370	Meters	3,526,368	3,601,920	3,602,107	3,619,147	3,618,463	3,656,580	3,511,296	3,503,580	3,503,580	3,539,722	3,476,861	3,482,975
	Prior year	3,447,909	3,496,808	3,483,862	3,483,595	3,526,344	3,529,194	3,527,110	3,490,283	3,528,059	3,563,542	3,563,542	3,526,368
	Change	78,459	105,112	118,245	135,552	92,119	127,386	(15,814)	13,297	(24,479)	(23,820)	(86,681)	(43,393)
371	Security lights	2,343,900	2,357,455	2,371,792	2,389,546	2,390,017	2,397,871	2,401,674	2,419,931	2,433,036	2,447,000	2,466,080	2,471,803
	Prior year	2,211,238	2,221,494	2,224,474	2,242,057	2,251,865	2,262,847	2,273,278	2,286,881	2,294,924	2,308,679	2,322,110	2,329,156
	Change	132,662	135,961	147,318	147,489	138,152	135,024	128,396	133,050	138,112	138,321	143,970	142,647
389	Land	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419
	Prior year	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419	292,419
	Change	-	-	-	-	-	-	-	-	-	-	-	-
390	Structures & impro	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477	2,991,477
	Prior year	2,953,801	2,953,801	2,953,801	2,953,477	2,953,477	2,953,477	2,953,477	2,953,477	2,953,477	2,953,477	2,991,477	2,991,477
	Change	37,676	37,676	37,676	38,000	38,000	38,000	38,000	38,000	38,000	38,000	-	-
391	Office furniture	729,082	729,082	729,082	729,082	729,082	738,782	760,661	760,661	778,999	778,999	699,367	702,484
	Prior year	608,011	608,011	715,315	715,315	715,315	715,760	715,786	720,698	730,222	730,222	730,222	731,222
	Change	121,071	121,071	13,767	13,767	13,767	23,022	44,875	39,963	48,777	48,777	(30,855)	(28,738)
392	Transportation	1,686,828	1,686,828	1,686,828	1,713,508	1,713,508	1,740,364	1,817,938	1,766,742	1,764,742	1,783,882	1,783,882	1,783,882

Big Sandy Rural Electric Cooperative
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Exhibit W
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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
	Prior year	1,581,070	1,525,597	1,455,859	1,455,859	1,457,466	1,457,466	1,479,612	1,473,294	1,492,716	1,492,716	1,496,999	1,496,998
	Change	105,758	161,231	230,969	257,649	256,042	282,898	338,326	293,448	272,026	291,166	286,883	286,884
394	Tools, shop & garage	119,348	119,348	120,848	120,847	120,848	120,848	120,848	120,848	121,597	122,347	124,891	124,891
	Prior year	108,741	108,741	108,741	108,741	108,741	109,881	112,078	115,221	118,788	119,348	119,348	119,348
	Change	10,607	10,607	12,107	12,106	12,107	10,967	8,770	5,627	2,809	2,999	5,543	5,543
395	Laboratory	154,634	154,634	154,634	154,634	154,634	154,634	154,634	154,634	154,634	154,634	154,634	154,634
	Prior year	122,806	122,806	122,806	122,806	122,806	153,508	154,897	154,897	154,897	154,897	154,897	154,634
	Change	31,828	31,828	31,828	31,828	31,828	1,126	(263)	(263)	(263)	(263)	(263)	-
396	Power operated	11,903	11,903	11,903	11,903	11,903	11,903	11,903	11,903	11,903	11,903	11,903	11,903
	Prior year	31,966	31,966	31,966	31,966	31,966	33,340	33,340	33,340	11,903	11,903	11,903	11,903
	Change	(20,063)	(20,063)	(20,063)	(20,063)	(20,063)	(21,437)	(21,437)	(21,437)	-	-	-	-
397	Communication	68,872	68,873	68,873	68,873	68,873	68,872	68,873	118,662	118,662	118,662	50,173	50,173
	Prior year	68,555	68,554	68,555	68,555	68,555	68,855	68,873	68,873	68,873	68,873	68,873	68,873
	Change	317	319	318	318	318	17	-	49,789	49,789	49,789	(18,700)	(18,700)
398	Miscellaneous	30,873	30,873	30,873	30,873	30,873	30,873	30,873	30,873	30,873	30,873	30,873	30,873
	Prior year	29,646	29,646	29,646	29,646	29,646	29,646	29,646	29,646	30,146	30,832	30,873	30,873
	Change	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	727	41	-	-
****	Total Electric Plant	51,331,135	51,496,434	51,597,693	51,717,312	51,786,742	51,897,778	51,931,811	52,071,880	52,171,858	52,291,015	52,188,889	52,220,274
	Prior year	49,725,055	49,824,176	50,040,898	50,114,789	50,270,004	50,436,247	50,557,865	50,619,139	50,762,121	50,861,382	51,016,536	51,054,379
	Change	1,606,080	1,672,258	1,556,795	1,602,523	1,516,738	1,461,531	1,373,946	1,452,741	1,409,737	1,429,633	1,172,353	1,165,895
***107.20	Construction work	5,305	(54,369)	(49,660)	(60,086)	(71,702)	8,021	8,624	4,401	5,296	(76,217)	(88,584)	8,405
	Prior year	271,496	255,447	28,640	38,150	27,826	20,236	2,736	12,423	10,957	8,468	4,768	10,271
	Change	(266,191)	(309,816)	(78,300)	(98,236)	(99,528)	(12,215)	5,888	(8,022)	(5,661)	(84,685)	(93,352)	(1,866)
108.6	Res - distribution p	15,721,535	15,836,014	15,948,637	16,020,686	16,116,695	16,232,075	16,180,674	16,272,580	16,363,026	16,452,966	16,455,108	16,563,174
	Prior year	14,575,482	14,681,459	14,725,019	14,867,836	14,980,548	15,082,874	15,200,106	15,280,611	15,394,046	15,503,048	15,607,982	15,631,274
	Change	1,146,053	1,154,555	1,223,618	1,152,850	1,136,147	1,149,201	980,568	991,969	968,980	949,918	847,126	931,900
108.70	Res - general plant	1,490,300	1,501,503	1,512,706	1,524,335	1,535,965	1,548,024	1,561,324	1,523,428	1,535,845	1,544,966	1,409,776	1,422,395
	Prior year	1,535,500	1,479,597	1,441,754	1,454,850	1,467,972	1,480,967	1,491,451	1,477,795	1,459,353	1,469,667	1,479,811	1,489,453
	Change	(45,200)	21,906	70,952	69,485	67,993	67,057	69,873	45,633	76,492	75,299	(70,035)	(67,058)
108.71	Res - structures and	431,238	437,460	443,683	449,905	456,127	462,349	468,572	474,794	481,016	487,238	493,461	499,683
	Prior year	357,281	363,425	369,569	375,712	381,855	387,998	394,142	400,285	406,428	412,571	418,794	425,016
	Change	73,957	74,035	74,114	74,193	74,272	74,351	74,430	74,509	74,588	74,667	74,667	74,667
108.72	Res - office equipm	412,678	416,323	419,938	423,614	427,259	430,953	434,757	438,560	442,455	446,350	449,847	453,359
	Prior year	369,892	372,932	376,508	380,085	383,662	387,240	390,819	394,423	398,074	401,725	405,376	409,032
	Change	42,786	43,391	43,430	43,529	43,597	43,713	43,938	44,137	44,381	44,625	44,471	44,327
108.73	Res - tools	67,361	67,859	68,363	68,867	69,371	69,875	70,379	70,883	71,390	71,900	72,421	72,942
	Prior year	61,655	62,109	62,562	63,016	63,469	63,927	64,395	64,875	65,371	65,868	66,366	66,864

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
	Change	5,706	5,750	5,801	5,851	5,902	5,948	5,984	6,008	6,019	6,032	6,055	6,078
108.74	Res - laboratory	111,570	112,215	112,860	113,505	114,149	114,794	115,439	116,084	116,729	117,374	118,018	118,663
	Prior year	104,362	104,874	105,387	105,899	106,411	107,051	107,697	108,343	108,989	109,635	110,280	110,925
	Change	7,208	7,341	7,473	7,606	7,738	7,743	7,742	7,741	7,740	7,739	7,738	7,738
108.75	Res - power operat	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167
	Prior year	8,000	8,000	8,000	8,000	8,000	8,389	8,778	9,167	9,167	9,167	9,167	9,167
	Change	1,167	1,167	1,167	1,167	1,167	778	389	-	-	-	-	-
108.76	Res - communicati	63,655	63,655	63,655	63,655	63,655	63,655	63,655	64,347	65,039	65,731	65,731	65,731
	Prior year	62,696	63,096	63,337	63,337	63,337	63,637	63,655	63,655	63,655	63,655	63,655	63,655
	Change	959	559	318	318	318	18	-	692	1,384	2,076	2,076	2,076
108.77	Res - miscellaneous	28,948	29,077	29,206	29,334	29,463	29,592	29,615	29,615	29,615	29,615	29,615	29,615
	Prior year	27,442	27,566	27,689	27,813	27,937	28,060	28,184	28,308	28,433	28,562	28,691	28,819
	Change	1,506	1,511	1,517	1,521	1,526	1,532	1,431	1,307	1,182	1,053	924	796
108.80	RWIP - force accou	391	509	841	959	727	3,889		401		1,498	2,737	688
	Prior year	39,007	38,399	3,967	6,774	2,693	1,083	455	1,664	422	1,261	634	2,429
	Change	(38,616)	(37,890)	(3,126)	(5,815)	(1,966)	2,806	(455)	(1,263)	(422)	237	2,103	(1,741)
****	Total Reserve for D	18,336,061	18,472,764	18,607,374	18,702,109	18,821,124	18,956,595	18,933,582	18,999,057	19,114,282	19,223,809	19,100,407	19,234,041
	Prior year	17,063,303	17,124,659	17,175,858	17,339,774	17,480,498	17,609,060	17,748,772	17,825,798	17,933,094	18,062,637	18,189,488	18,231,776
	Change	1,272,758	1,348,105	1,431,516	1,362,335	1,340,626	1,347,535	1,184,810	1,173,259	1,181,188	1,161,172	910,919	1,002,265
123.11	Invest in assoc com	12,938,472	12,945,429	12,945,429	12,945,429	14,337,688	14,337,688	14,337,688	14,358,304	14,358,304	14,358,304	14,358,304	14,358,304
	Prior year	11,289,354	11,298,578	11,298,578	11,298,578	12,725,254	12,725,254	12,725,254	12,765,443	12,938,472	12,938,472	12,938,472	12,938,472
	Change	1,649,118	1,646,851	1,646,851	1,646,851	1,612,434	1,612,434	1,612,434	1,592,861	1,419,832	1,419,832	1,419,832	1,419,832
123.1	Invest in assoc orga	3,205	3,205	3,205	3,205	3,205	3,205	3,205	2,205	2,205	2,205	2,205	2,205
	Prior year	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205
	Change	-	-	-	-	-	-	-	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
123.22	Invest in CTC's	479,095	482,300	479,095	479,095	479,095	479,095	479,095	479,095	479,095	479,095	472,200	479,095
	Prior year	504,327	507,532	504,327	504,327	504,327	485,990	485,990	485,990	485,990	485,990	485,990	479,095
	Change	(25,232)	(25,232)	(25,232)	(25,232)	(25,232)	(6,895)	(6,895)	(6,895)	(6,895)	(6,895)	(13,790)	-
124.00	Other investmets	5,500	5,500	5,500	5,500	5,500	5,500	5,500	500	500	500	500	500
	Prior year	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
	Change	-	-	-	-	-	-	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
****	Total Investments	13,426,272	13,436,434	13,433,229	13,433,229	14,825,488	14,825,488	14,825,488	14,840,104	14,840,104	14,840,104	14,833,209	14,840,104
	Prior year	11,802,386	11,814,815	11,811,610	11,811,610	13,238,286	13,219,949	13,219,949	13,260,138	13,433,167	13,433,167	13,433,167	13,426,272
	Change	1,623,886	1,621,619	1,621,619	1,621,619	1,587,202	1,605,539	1,605,539	1,579,966	1,406,937	1,406,937	1,400,042	1,413,832
131.12	Citizens National	561,611	349,450	580,438	248,853	235,025	1,142,521	1,115,827	1,073,695	1,098,523	622,767	518,242	494,107
	Prior year	874,176	718,218	770,025	665,597	500,168	1,260,659	1,330,364	1,207,101	1,408,721	976,989	597,315	240,775
	Change	(312,565)	(368,768)	(189,587)	(416,744)	(265,143)	(118,138)	(214,537)	(133,406)	(310,198)	(354,222)	(79,073)	253,332

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
131.13	Citizens flex	6,930	6,391	6,202	6,011	5,718	11,956	10,911	9,185	7,290	5,366	4,239	3,945
	Prior year	4,959	4,516	4,173	3,722	3,490	787	3,572	1,828	5,909	5,153	3,946	2,584
	Change	1,971	1,875	2,029	2,289	2,228	11,169	7,339	7,357	1,381	213	293	1,361
'131.14	BB&T Banking							2,154	1,275	1,275	1,275	1,275	1,275
	Prior year												
	Change	-	-	-	-	-	-	2,154	1,275	1,275	1,275	1,275	1,275
131.20	Cash - trustee	406	406	406	406	406	406	406	406	406	406	406	406
	Prior year	406	406	406	406	406	406	406	406	406	406	406	406
	Change	-	-	-	-	-	-	-	-	-	-	-	-
134.00	Special deposits	120	120	120	120	120	120	120	120	120	120	120	120
	Prior year	120	120	120	120	120	120	120	120	120	120	120	120
	Change	-	-	-	-	-	-	-	-	-	-	-	-
135.00	Working funds	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
	Prior year	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
	Change	-	-	-	-	-	-	-	-	-	-	-	-
****	Total Cash	570,367	357,667	588,466	256,690	242,569	1,156,303	1,130,718	1,085,981	1,108,914	631,234	525,582	501,153
	Prior year	880,961	724,560	776,024	671,145	505,484	1,263,272	1,335,762	1,210,755	1,416,456	983,968	603,087	245,185
	Change	(310,594)	(366,893)	(187,558)	(414,455)	(262,915)	(106,969)	(205,044)	(124,774)	(307,542)	(352,734)	(77,505)	255,968
**** 136.1	Temporary investm	889,601	938,999	582,962	625,110	270,546	121,282	192,085	249,152	296,185	338,205	379,333	127,789
	Prior year	1,183,183	1,230,346	1,271,103	1,312,066	1,366,005	1,022,593	1,089,508	1,157,719	1,209,168	1,248,867	1,290,767	13,363,138
	Change	(293,582)	(291,347)	(688,141)	(686,956)	(1,095,459)	(901,311)	(897,423)	(908,567)	(912,983)	(910,662)	(911,434)	(13,235,349)
142.1	Accounts receivable	2,779,926	2,445,896	2,321,170	2,552,255	2,831,250	3,846,626	3,388,671	2,788,591	2,419,444	2,324,035	2,524,336	2,835,161
	Prior year	2,926,956	259,449	2,525,591	3,183,647	3,406,849	3,912,894	4,097,886	3,313,053	2,556,605	2,501,475	2,654,495	2,878,912
	Change	(147,030)	2,186,447	(204,421)	(631,392)	(575,599)	(66,268)	(709,215)	(524,462)	(137,161)	(177,440)	(130,159)	(43,751)
142.20	Voucher payments				39,396	10,500	46,032	36,950	4,061	14,232	4,251	19,136	20,861
	Prior year				52,074	6,690	91,903	17,095	1,268				
	Change	-	-	-	(12,678)	3,810	(45,871)	19,855	2,793	14,232	4,251	19,136	20,861
143.00	Other receivables	470,682	775,813	806,293	778,076	771,875	460,193	454,837	450,388	483,853	673,937	467,357	504,386
	Prior year	322,980	301,326	367,759	398,422	395,666	77,177	142,578	192,265	183,926	219,034	343,482	407,730
	Change	147,702	474,487	438,534	379,654	376,209	383,016	312,259	258,123	299,927	454,903	123,875	96,656
143.40	MACED loans	122,331	121,543	120,763	116,089	115,170	110,747	111,427	113,499	109,009	114,061	110,422	106,300
	Prior year	118,743	122,549	119,316	118,571	117,834	110,131	116,326	115,583	114,820	114,092	119,844	119,838
	Change	3,588	(1,006)	1,447	(2,482)	(2,664)	616	(4,899)	(2,084)	(5,811)	(31)	(9,422)	(13,538)
144.10	Allow for uncollect	(94,986)	(99,664)	(113,043)	(112,869)	(115,065)	(118,732)	(123,230)	(126,099)	(122,823)	(105,766)	(94,740)	(98,116)
	Prior year	(135,894)	(134,414)	(138,087)	(137,831)	(144,299)	(145,277)	(144,638)	(138,226)	(138,677)	(130,794)	(104,205)	(96,051)
	Change	40,908	34,750	25,044	24,962	29,234	26,545	21,408	12,127	15,854	25,028	9,465	(2,065)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
****	Total Recievables	3,277,953	3,243,588	3,135,183	3,372,947	3,613,730	4,344,866	3,868,655	3,230,440	2,903,715	3,010,518	3,026,511	3,368,592
	Prior year	3,232,785	548,910	2,874,579	3,614,883	3,782,740	4,046,828	4,229,247	3,483,943	2,716,674	2,703,807	3,013,616	3,310,429
	Change	45,168	2,694,678	260,604	(241,936)	(169,010)	298,038	(360,592)	(253,503)	187,041	306,711	12,895	58,163
***154	Material & supplies	273,944	294,494	294,121	284,680	274,598	312,049	305,231	278,491	307,572	328,944	321,238	310,509
	Prior year	290,499	284,886	280,074	297,522	290,358	292,388	297,258	289,187	315,450	285,624	287,140	292,041
	Change	(16,555)	9,608	14,047	(12,842)	(15,760)	19,661	7,973	(10,696)	(7,878)	43,320	34,098	18,468
165.1	Prepaid insurance	16,267	31,888	21,461	11,034	607	79,141	76,256	68,311	80,668	63,798	73,416	54,890
	Prior year	44,368	32,124	21,532	11,505	456	69,867	56,357	76,083	67,573	46,859	55,695	26,692
	Change	(28,101)	(236)	(71)	(471)	151	9,274	19,899	(7,772)	13,095	16,939	17,721	28,198
165.40	DOM insurance	584	1,753	1,169	584		1,169	584		1,169	584	1,753	1,169
	Prior year	2,201	1,650	22,298	11,149		1,169	584	1,753	1,169	584	1,753	1,169
	Change	(1,617)	103	(21,129)	(10,565)	-	-	-	(1,753)	-	-	-	-
165.50	Prepaid dues	12,331	26,153	21,935	17,716	13,498	41,751	37,546	33,342	29,137	24,933	20,728	16,523
	Prior year	12,359	25,577	21,392	17,207	13,035	41,512	37,344	33,177	29,010	24,843	20,672	16,502
	Change	(28)	576	543	509	463	239	202	165	127	90	56	21
165.60	Prepaid maintenanc	1,602	1,068	(409)	13,207	12,107	11,006	9,905	8,805	7,704	6,604	5,503	4,402
	Prior year				6,407	5,873	5,339	4,805	4,271	3,738	3,204	2,670	2,136
	Change	1,602	1,068	(409)	6,800	6,234	5,667	5,100	4,534	3,966	3,400	2,833	2,266
****	Total Prepayments	30,784	60,862	44,156	42,541	26,212	133,067	124,291	110,458	118,678	95,919	101,400	76,984
	Prior year	58,928	59,351	65,222	46,268	19,364	117,887	99,090	115,284	101,490	75,490	80,790	46,499
	Change	(28,144)	1,511	(21,066)	(3,727)	6,848	15,180	25,201	(4,826)	17,188	20,429	20,610	30,485
171.00	Interest receivable	8,960	10,740	1,829	3,600	5,370	7,141	8,911	10,682	1,795	3,575	5,356	7,136
	Prior year	9,046	10,816	1,905	3,676	5,427	7,179	8,930	10,682	1,839	3,619	5,399	7,180
	Change	(86)	(76)	(76)	(76)	(57)	(38)	(19)	-	(44)	(44)	(43)	(44)
183.00	Preliminary survey	19,617	16,312	15,708	15,104	14,500	13,896	13,292	12,687	12,083	11,479	10,875	10,271
	Prior year	24,167	23,562	22,958	22,354	21,750	21,146	20,542	19,937	19,333	18,729	18,125	17,521
	Change	(4,550)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)	(7,250)
184.00	Transportation	1,724	392	1,123	142	1,489	1,855	1,522	1,828	1,869	1,544	1,499	1,587
	Prior year	1,427	1,708	1,207	1,966	1,182	2,261	1,291	1,482	2,083	1,275	1,733	426
	Change	297	(1,316)	(84)	(1,824)	307	(406)	231	346	(214)	269	(234)	1,161
****	Total Deferred Deb	30,301	27,444	18,660	18,846	21,359	22,892	23,725	25,197	15,747	16,598	17,730	18,994
	Prior year	34,640	36,086	26,070	27,996	28,359	30,586	30,763	32,101	23,255	23,623	25,257	25,127
	Change	(4,339)	(8,642)	(7,410)	(9,150)	(7,000)	(7,694)	(7,038)	(6,904)	(7,508)	(7,025)	(7,527)	(6,133)
*****	Total Assets and De	51,499,601	51,328,789	51,037,436	50,989,160	52,168,418	53,865,151	53,477,046	52,897,047	52,653,787	52,252,511	52,204,901	52,238,763
	Prior year	50,416,630	47,653,918	49,998,362	50,594,655	52,047,928	52,840,926	53,113,406	52,354,891	52,055,644	51,561,759	51,565,640	63,541,565
	Change	1,082,971	3,674,871	1,039,074	394,505	120,490	1,024,225	363,640	542,156	598,143	690,752	639,261	(11,302,802)
****	Memberships issue	228,290	227,915	228,080	227,830	227,660	228,050	228,245	228,890	228,025	227,920	227,895	227,590

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
	Prior year	231,650	231,340	231,350	231,885	231,950	232,030	229,595	229,730	229,755	229,300	228,650	228,685
	Change	(3,360)	(3,425)	(3,270)	(4,055)	(4,290)	(3,980)	(1,350)	(840)	(1,730)	(1,380)	(755)	(1,095)
201.10	Patrons capital cre	23,335,163	23,329,680	23,327,152	23,321,569	23,319,891	24,962,628	24,712,785	24,707,755	24,702,281	24,691,716	24,682,748	24,674,564
	Prior year	21,470,816	21,465,593	21,460,115	21,453,833	21,450,028	23,381,436	23,373,158	23,369,711	23,360,138	23,354,421	23,354,421	23,340,362
	Change	1,864,347	1,864,087	1,867,037	1,867,736	1,869,863	1,581,192	1,339,627	1,338,044	1,342,143	1,337,295	1,328,327	1,334,202
201.20	Pat cap- assignable												
	Prior year												
	Change	-	-	-	-	-	-	-	-	-	-	-	-
219.10	Current year margi	468,033	449,361	386,305	305,065	1,710,588	280,389	392,694	430,466	383,377	341,902	261,859	250,807
	Prior year	371,768	400,087	449,601	555,346	2,137,905	316,984	503,409	592,282	704,170	645,881	544,408	459,421
	Change	96,265	49,274	(63,296)	(250,281)	(427,317)	(36,595)	(110,715)	(161,816)	(320,793)	(303,979)	(282,549)	(208,614)
****	Total Capital Credit	23,803,196	23,779,041	23,713,457	23,626,634	25,030,479	25,243,017	25,105,479	25,138,221	25,085,658	25,033,618	24,944,607	24,925,371
	Prior year	21,842,584	21,865,680	21,909,716	22,009,179	23,587,933	23,698,420	23,876,567	23,961,993	24,064,308	24,000,302	23,898,829	23,799,783
	Change	1,960,612	1,913,361	1,803,741	1,617,455	1,442,546	1,544,597	1,228,912	1,176,228	1,021,350	1,033,316	1,045,778	1,125,588
208.00	Donated capital	49,015	49,015	49,015	49,015	49,015	49,015	49,015	49,015	49,015	49,015	49,015	49,015
	Prior year	49,025	49,025	49,025	49,025	49,025	49,025	49,025	49,025	49,025	49,015	49,015	49,015
	Change	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	-	-	-
208.10	Donated capital - c	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686
	Prior year	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686	14,686
	Change	-	-	-	-	-	-	-	-	-	-	-	-
215.30	Accum comp incor	(2,450,657)	(2,438,339)	(2,426,021)	(2,413,703)	(2,401,385)	(2,389,067)	(2,376,749)	(2,364,431)	(2,352,113)	(2,339,795)	(2,327,477)	(2,315,159)
	Prior year	(2,598,473)	(2,586,155)	(2,573,837)	(2,561,519)	(2,549,201)	(2,536,883)	(2,524,565)	(2,512,247)	(2,499,929)	(2,487,611)	(2,475,293)	(2,462,975)
	Change	147,816	147,816	147,816	147,816	147,816	147,816	147,816	147,816	147,816	147,816	147,816	147,816
217.00	Retired gains	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392
	Prior year	105,479	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392	105,392
	Change	(87)	-	-	-	-	-	-	-	-	-	-	-
217.10	Retired gains - disc	319,499	320,669	321,385	322,865	323,535	323,535	325,264	327,194	329,059	332,579	335,075	337,994
	Prior year	300,748	301,715	302,968	304,750	305,854	306,970	308,928	310,035	312,813	314,061	314,061	317,832
	Change	18,751	18,954	18,417	18,115	17,681	16,565	16,336	17,159	16,246	18,518	21,014	20,162
219.30	Prior year deficits	(281,328)	(281,328)	(281,328)	(281,328)	(281,328)	(213,477)	29,261	29,261	29,261	29,261	29,261	29,261
	Prior year	(483,029)	(483,029)	(483,029)	(483,029)	(483,029)	(281,328)	(281,328)	(281,328)	(281,328)	(281,328)	(281,328)	(281,328)
	Change	201,701	201,701	201,701	201,701	201,701	67,851	310,589	310,589	310,589	310,589	310,589	310,589
****	Total Other Equitie	(2,243,393)	(2,229,905)	(2,216,871)	(2,203,073)	(2,190,085)	(2,109,916)	(1,853,131)	(1,838,883)	(1,824,700)	(1,808,862)	(1,794,048)	(1,778,811)
	Prior year	(2,611,564)	(2,598,366)	(2,584,795)	(2,570,695)	(2,557,273)	(2,342,138)	(2,327,862)	(2,314,437)	(2,299,341)	(2,285,785)	(2,273,467)	(2,257,378)
	Change	368,171	368,461	367,924	367,622	367,188	232,222	474,731	475,554	474,641	476,923	479,419	478,567
*****	Total Margins & Eq	21,788,093	21,777,051	21,724,666	21,651,391	23,068,054	23,361,151	23,480,593	23,528,228	23,488,983	23,452,676	23,378,454	23,374,150
	Prior year	19,462,670	19,498,654	19,556,271	19,670,369	21,262,610	21,588,312	21,778,300	21,877,286	21,994,722	21,943,817	21,854,012	21,771,090

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
	Change	2,325,423	2,278,397	2,168,395	1,981,022	1,805,444	1,772,839	1,702,293	1,650,942	1,494,261	1,508,859	1,524,442	1,603,060
224.30	RUS notes	8,349,949	8,328,250	8,307,352	8,285,543	8,264,518	8,245,067	8,225,616	8,205,756	8,185,071	8,166,134	8,145,234	8,125,364
	Prior year	8,600,926	8,580,016	8,559,935	8,538,917	8,517,781	8,497,533	8,474,588	8,454,213	8,432,902	8,412,474	8,391,111	8,370,558
	Change	(250,977)	(251,766)	(252,583)	(253,374)	(253,263)	(252,466)	(248,972)	(248,457)	(247,831)	(246,340)	(245,877)	(245,194)
224.12	Advance payment	(3,000,000)	(3,012,250)	(3,024,500)	(3,000,000)	(3,012,250)	(3,024,500)	(3,000,000)	(3,012,250)	(3,024,500)	(3,000,000)	(3,012,250)	(3,024,500)
	Prior year	(3,000,000)	(3,012,250)	(3,024,500)	(2,989,837)	(3,012,250)	(3,024,500)	(3,012,250)	(3,018,375)	(3,024,500)	(3,000,000)	(3,012,250)	(3,024,500)
	Change	-	-	-	(10,163)	-	-	12,250	6,125	-	-	-	-
224.14	CFC notes	1,427,595	1,427,595	1,427,595	1,417,106	1,417,106	1,417,106	1,406,503	1,406,503	1,406,503	1,051,029	1,051,028	1,051,028
	Prior year	1,813,189	1,813,189	1,813,189	1,803,144	1,803,144	1,803,144	1,792,990	1,792,990	1,792,990	1,437,971	1,437,971	1,440,971
	Change	(385,594)	(385,594)	(385,594)	(386,038)	(386,038)	(386,038)	(386,487)	(386,487)	(386,487)	(386,942)	(386,943)	(389,943)
224.16	CoBank notes	1,072,892	1,066,851	1,060,795	1,028,002	1,021,915	1,015,812	982,755	976,621	970,472	937,148	930,967	924,770
	Prior year	1,248,929	1,243,071	1,237,198	1,205,442	1,199,539	1,193,620	1,161,609	1,155,660	1,149,696	1,117,426	1,111,432	1,105,422
	Change	(176,037)	(176,220)	(176,403)	(177,440)	(177,624)	(177,808)	(178,854)	(179,039)	(179,224)	(180,278)	(180,465)	(180,652)
224.20	FFB notes	14,923,519	14,793,397	14,793,397	14,793,397	14,662,638	14,662,638	14,662,638	14,532,844	14,532,844	14,532,844	14,402,343	14,402,343
	Prior year	15,440,038	15,312,343	15,312,343	15,312,343	15,183,819	15,183,819	15,183,819	15,053,541	15,053,541	15,053,541	14,923,519	14,923,519
	Change	(516,519)	(518,946)	(518,946)	(518,946)	(521,181)	(521,181)	(521,181)	(520,697)	(520,697)	(520,697)	(521,176)	(521,176)
****	Total long term del	22,773,955	22,603,843	22,564,639	22,524,048	22,353,927	22,316,123	22,277,512	22,109,474	22,070,390	21,687,155	21,517,322	21,479,005
	Prior year	24,103,082	23,936,369	23,898,165	23,870,009	23,692,033	23,653,616	23,600,756	23,438,029	23,404,629	23,021,412	22,851,783	22,815,970
	Change	(1,329,127)	(1,332,526)	(1,333,526)	(1,345,961)	(1,338,106)	(1,337,493)	(1,323,244)	(1,328,555)	(1,334,239)	(1,334,257)	(1,334,461)	(1,336,965)
**** 228.3	Postretirement ber	3,761,831	3,758,090	3,758,080	3,755,009	3,749,502	3,743,465	3,738,785	3,735,447	3,729,410	3,724,730	3,720,050	3,714,137
	Prior year	3,800,765	3,797,995	3,793,860	3,790,639	3,786,152	3,782,876	3,780,962	3,779,039	3,775,755	3,773,832	3,770,355	3,765,573
	Change	(38,934)	(39,905)	(35,780)	(35,630)	(36,650)	(39,411)	(42,177)	(43,592)	(46,345)	(49,102)	(50,305)	(51,436)
**** 231.00	Notes payable - short term						650,000	650,000	650,000	650,000	650,000	650,000	650,000
	Prior year												
	Change	-	-	-	-	-	650,000	650,000	650,000	650,000	650,000	650,000	650,000
232.1	AP - general	235,485	407,722	415,945	237,505	223,529	292,104	285,727	306,374	254,715	230,800	232,355	187,068
	Prior year	262,678	176,794	281,860	128,161	145,795	269,338	207,060	171,918	358,846	183,705	213,853	334,566
	Change	(27,193)	230,928	134,085	109,344	77,734	22,766	78,667	134,456	(104,131)	47,095	18,502	(147,498)
232.70	MACED payables	120,598	118,935	118,155	114,356	113,595	112,850	108,507	107,755	107,851	107,097	106,333	105,576
	Prior year	117,234	120,040	119,307	118,562	117,825	117,087	123,282	115,574	114,820	114,083	113,325	115,290
	Change	3,364	(1,105)	(1,152)	(4,206)	(4,230)	(4,237)	(14,775)	(7,819)	(6,969)	(6,986)	(6,992)	(9,714)
232.25	AP - leases	324,593	316,526	308,443	300,344	292,229	284,097	275,949	267,775	259,594	251,396	243,182	234,951
	Prior year	217,755	211,345	204,923	198,490	192,045	185,589	179,121	140,142	173,491	167,087	160,672	154,244
	Change	106,838	105,181	103,520	101,854	100,184	98,508	96,828	127,633	86,103	84,309	82,510	80,707
232.30	AP - spraying	(9,152)	(6,652)	(4,434)	2,217		2,500	5,000	7,500	(3,670)	(17,506)	(15,006)	(12,506)
	Prior year	(21,044)	(8,438)	(21,727)	(9,121)		2,500	5,000	7,500	(14,781)	(16,652)	(14,152)	(11,652)
	Change	11,892	1,786	17,293	11,338	-	-	-	-	11,111	(854)	(854)	(854)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
232.40	Purchased power	1,324,842	1,165,221	1,101,293	1,343,303	1,447,227	2,066,335	1,618,233	1,150,532	1,001,980	1,053,934	1,264,224	1,473,180
	Prior year	1,452,538	1,232,619	1,126,520	1,748,712	1,789,508	2,069,151	2,226,542	1,560,899	1,019,437	1,105,664	1,370,673	1,455,984
	Change	(127,696)	(67,398)	(25,227)	(405,409)	(342,281)	(2,816)	(608,309)	(410,367)	(17,457)	(51,730)	(106,449)	17,196
232.50	PSC assessment	(28,369)	(25,532)	(22,695)	(19,858)	(17,021)	(14,184)	(11,348)	(8,511)	(5,674)	(2,837)	(31,861)	(29,205)
	Prior year	(29,330)	(26,397)	(23,464)	(20,531)	(17,598)	(14,665)	(11,732)	(8,799)	(5,867)	(2,933)	(34,043)	(31,206)
	Change	961	865	769	673	577	481	384	288	193	96	2,182	2,001
232.60	Other payables	5,023	(7,875)	(7,219)	(6,891)	(6,750)	(6,375)	(6,000)	(5,625)	(5,250)	(4,875)	(4,760)	(4,125)
	Prior year	(2,502)	(3,375)	(3,000)	(2,625)	(2,250)	(1,875)	(1,500)	(1,125)	(750)	(375)		375
	Change	7,525	(4,500)	(4,219)	(4,266)	(4,500)	(4,500)	(4,500)	(4,500)	(4,500)	(4,500)	(4,760)	(4,500)
****	Total Payables	1,973,020	1,968,345	1,909,488	1,970,976	2,052,809	2,737,327	2,276,068	1,825,800	1,609,546	1,618,009	1,794,467	1,954,939
	Prior year	1,997,329	1,702,588	1,684,419	2,161,648	2,225,325	2,627,125	2,727,773	1,986,109	1,645,196	1,550,579	1,810,328	2,017,601
	Change	(24,309)	265,757	225,069	(190,672)	(172,516)	110,202	(451,705)	(160,309)	(35,650)	67,430	(15,861)	(62,662)
**** 235	Customer deposits	659,033	646,358	647,233	643,063	640,413	642,723	633,058	639,358	627,408	619,928	623,583	623,358
	Prior year	674,333	668,908	669,708	674,308	677,958	684,493	666,038	669,583	665,133	661,583	657,008	659,233
	Change	(15,300)	(22,550)	(22,475)	(31,245)	(37,545)	(41,770)	(32,980)	(30,225)	(37,725)	(41,655)	(33,425)	(35,875)
236.1	Acc property taxes	83,487	107,777	(54,641)	(26,655)	14,500	40,034	51,860	74,873	100,686	123,087	148,900	72,164
	Prior year	86,831	93,760	51,908	76,405	108,000	119,157	144,159	166,552	97,195	120,998	138,397	58,918
	Change	(3,344)	14,017	(106,549)	(103,060)	(93,500)	(79,123)	(92,299)	(91,679)	3,491	2,089	10,503	13,246
236.2	Acc FUTA tax	33		22	54		1,143	1,633		25	29	(3)	7
	Prior year	70		30	32		1,044	1,577		30	56		7
	Change	(37)	-	(8)	22	-	99	56	-	(5)	(27)	(3)	-
236.3	Acc FICA tax		78								(14,366)	(14,780)	
	Prior year	(86)	(86)	(86)	(86)	(366)	(366)	(281)					
	Change	86	164	86	86	366	366	281	-	-	(14,366)	(14,780)	-
236.4	Acc SUTA tax	158	(50)	82	191		3,979	6,974		263	427	(11)	23
	Prior year	357		196	266		3,578	6,656		269	497		70
	Change	(199)	(50)	(114)	(75)	-	401	318	-	(6)	(70)	(11)	(47)
236.5	Sales tax	191	191	191	191							(2)	(2)
	Prior year						(17)	(67)	(17)	(18)	191	191	191
	Change	191	191	191	191	-	17	67	17	18	(191)	(193)	(193)
237.10	RUS interest												
	Prior year												
	Change	-	-	-	-	-	-	-	-	-	-	-	-
237.20	FFB interest	44,210		21,995	43,990		21,733	43,466		22,831	45,662		22,538
	Prior year	45,937		22,968	45,936		22,571	45,142		21,979	43,959		22,105
	Change	(1,727)	-	(973)	(1,946)	-	(838)	(1,676)	-	852	1,703	-	433

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237.30	CFC interest		6,781	13,562		6,727	13,454		6,690	13,380		5,105	10,209
	Prior year		8,512	17,024		8,425	16,851		8,111	16,641		6,852	13,705
	Change	-	(1,731)	(3,462)	-	(1,698)	(3,397)	-	(1,421)	(3,261)	-	(1,747)	(3,496)
237.50	Interest on custom	476	521	572	625	6	197	375	445	612	776	941	1,106
	Prior year	521	573	593	654	(1)	66	129	192	252	311	369	445
	Change	(45)	(52)	(21)	(29)	7	131	246	253	360	465	572	661
237.60	CoBank interest		1,436	2,872		1,362	2,725		1,288	2,577		1,189	2,378
	Prior year		1,740	3,474		1,653	3,306		1,581	3,162		1,460	2,920
	Change	-	(304)	(602)	-	(291)	(581)	-	(293)	(585)	-	(271)	(542)
241.00	Federal withholding	850	995	1,050	1,200		100	200	350	400	(10,991)	(11,562)	800
	Prior year	750	800	900	1,000	1,150	100	200	350	400	500	650	800
	Change	100	195	150	200	(1,150)	-	-	-	-	(11,491)	(12,212)	-
241.10	Martin school	119	6	40	83		58	112		56	110	(33)	58
	Prior year	112		46	84		40	82		45	87		82
	Change	7	6	(6)	(1)	-	18	30	-	11	23	(33)	(24)
241.20	City tax withholding			603	1,193		720	1,339		648	1,283	(305)	629
	Prior year			516	1,028		575	1,100		593	1,189		965
	Change	-	-	87	165	-	145	239	-	55	94	(305)	(336)
241.30	State tax withholding		17								(4,926)		
	Prior year	(179)	(179)										
	Change	179	196	-	-	-	-	-	-	-	(4,926)	-	-
241.90	Johnson occupation	1,918	3	687	1,389		781	1,492		718	1,419	(380)	735
	Prior year	1,651		695	1,346		696	1,398		704	1,372		1,248
	Change	267	3	(8)	43	-	85	94	-	14	47	(380)	(513)
242.11	Flex accounts	(3,145)	(1,014)	(13,138)	(11,093)	(7,369)	(6,969)	(5,210)	(5,468)	(4,752)	(10,960)	(10,662)	(639)
	Prior year	(2,412)	(237)	2,133	(9,776)	(7,447)	(7,554)	(8,460)	(8,268)	(7,254)	(6,108)	(5,501)	(4,131)
	Change	(733)	(777)	(15,271)	(1,317)	78	585	3,250	2,800	2,502	(4,852)	(5,161)	3,492
242.12	401(k)												
	Prior year												
	Change	-	-	-	-	-	-	-	-	-	-	-	-
242.20	Accrued payroll	33,798	51,953	69,491	81,452	17,930	26,061	36,340	62,440	70,857	94,778	114,014	27,860
	Prior year	26,294	42,868	68,982	69,498	8,287	25,335	25,167	42,521	58,102	77,208	89,829	24,185
	Change	7,504	9,085	509	11,954	9,643	726	11,173	19,919	12,755	17,570	24,185	3,675
242.22	ROW accrual	92,976	80,481	83,413	46,808		35,293	45,199	(26,748)	(30,067)	(6,694)	1,176	13,554
	Prior year	(73,837)	(67,482)	(69,959)	(52,198)		21,297	41,157	79,710	71,528	82,474	100,670	75,373
	Change	166,813	147,963	153,372	99,006	-	13,996	4,042	(106,458)	(101,595)	(89,168)	(99,494)	(61,819)
242.30	Vacation	117,120	121,664	122,328	119,761	97,954	108,189	116,029	124,175	126,265	128,854	133,444	128,196

Big Sandy Rural Electric Cooperative
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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
	Prior year	109,693	113,128	114,470	111,355	93,728	102,802	112,116	119,760	118,143	120,631	118,678	113,600
	Change	7,427	8,536	7,858	8,406	4,226	5,387	3,913	4,415	8,122	8,223	14,766	14,596
242.31	Sick leave	156,991	156,991	156,991	156,991	143,422	143,422	143,422	143,422	143,422	143,422	143,422	143,422
	Prior year	148,381	148,381	148,381	148,381	156,991	156,991	156,991	156,991	156,991	156,991	156,991	156,991
	Change	8,610	8,610	8,610	8,610	(13,569)	(13,569)	(13,569)	(13,569)	(13,569)	(13,569)	(13,569)	(13,569)
242.40	Acc network testing							2,167					
	Prior year								3,250	4,333	5,417	6,500	7,583
	Change						-	2,167	(3,250)	(4,333)	(5,417)	(6,500)	
242.50	Acc annual audit &	8,667	9,750	10,833	11,917	9,250	3,542	4,399	7,436	10,492	(11,025)	(8,189)	(4,647)
	Prior year	4,902	6,050	6,700	7,350	9,000	13,600	6,100	9,866	3,071	(21,300)	(18,979)	(12,088)
	Change	3,765	3,700	4,133	4,567	250	(10,058)	(1,701)	(2,430)	7,421	10,275	10,790	7,441
242.60	Acc annual mtg	(18,630)	(15,113)	(7,009)	1,096								
	Prior year	970	4,470	5,970	7,485								
	Change	(19,600)	(19,583)	(12,979)	(6,389)	-	-	-	-	-	-	-	-
242.80	Credit union	6	7	6	6	5	2		3			(110)	
	Prior year	1	4	(5,712)	(5,712)						3		4
	Change	5	3	5,718	5,718	5	2	-	3	-	(3)	(110)	(4)
242.90	Union dues		(12)	(12)	(16)		(23)	(23)				(240)	
	Prior year			(23)	(23)								
	Change	-	(12)	11	7	-	(23)	(23)	-	-	-	(240)	-
****	Total Current & Acc	519,225	522,462	409,938	429,183	283,787	394,441	449,774	388,906	458,413	480,885	501,914	418,391
	Prior year	349,956	352,302	369,206	403,025	379,420	480,072	533,166	580,599	546,166	584,476	596,107	462,973
	Change	169,269	170,160	40,732	26,158	(95,633)	(85,631)	(83,392)	(191,693)	(87,753)	(103,591)	(94,193)	(44,582)
**** 252.00	Consumer advance	24,444	23,528	23,362	19,926	19,926	19,584	19,854	19,854	19,657	19,148	19,130	17,919
	Prior year	28,495	26,900	26,734	24,659	24,432	24,432	24,248	24,248	24,051	26,063	26,046	25,123
	Change	(4,051)	(3,372)	(3,372)	(4,733)	(4,506)	(4,848)	(4,394)	(4,394)	(4,394)	(6,915)	(6,916)	(7,204)
*****	Total Equities & Lia	51,499,601	51,299,677	51,037,406	50,993,596	52,168,418	53,864,814	53,525,644	52,897,067	52,653,807	52,252,531	52,204,920	52,231,899
	Prior year	50,416,630	49,983,716	49,998,363	50,594,657	52,047,930	52,840,926	53,111,243	52,354,893	52,055,652	51,561,762	51,565,639	51,517,563
	Change	1,082,971	1,315,961	1,039,043	398,939	120,488	1,023,888	414,401	542,174	598,155	690,769	639,281	714,336

Big Sandy Rural Electric Cooperative
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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
440.10	Residential	1,444,158	1,206,351	1,173,356	1,438,956	1,571,564	2,474,838	1,873,422	1,347,615	1,153,344	1,133,743	1,389,276	1,613,385	17,820,008
	Prior year	1,504,403	1,244,393	1,277,165	1,919,166	1,981,763	2,409,720	2,439,541	1,677,559	1,118,493	1,213,224	1,405,484	1,579,294	19,770,205
	Change	(60,245)	(38,042)	(103,809)	(480,210)	(410,199)	65,118	(566,119)	(329,944)	34,851	(79,481)	(16,208)	34,091	(1,950,197)
442.10	Small commercial	132,051	123,215	121,397	120,867	132,796	153,054	129,813	121,186	116,290	113,755	123,885	131,828	1,520,137
	Prior year	136,248	124,556	124,887	137,479	140,699	155,670	151,946	133,283	116,275	121,259	129,233	139,379	1,610,914
	Change	(4,197)	(1,341)	(3,490)	(16,612)	(7,903)	(2,616)	(22,133)	(12,097)	15	(7,504)	(5,348)	(7,551)	(90,777)
442.20	Large commercial	343,983	319,857	306,243	291,847	319,754	345,461	315,997	299,371	278,985	285,933	306,602	331,434	3,745,467
	Prior year	407,615	377,987	375,696	378,326	367,097	389,032	369,873	331,736	299,823	321,686	326,240	353,205	4,298,316
	Change	(63,632)	(58,130)	(69,453)	(86,479)	(47,343)	(43,571)	(53,876)	(32,365)	(20,838)	(35,753)	(19,638)	(21,771)	(552,849)
450.00	Forfeit Discounts	29,239	25,437	21,285	21,213	25,451	34,931	43,131	32,076	27,926	21,509	20,100	24,974	327,272
	Prior year	26,875	25,334	21,201	23,198	35,645	41,859	40,462	42,057	29,861	20,152	19,632	22,784	349,060
	Change	2,364	103	84	(1,985)	(10,194)	(6,928)	2,669	(9,981)	(1,935)	1,357	468	2,190	(21,788)
451.00	Miscellaneous Services	5,365	5,335	3,466	3,254	2,024	1,289	5,353	4,620	7,381	3,529	6,219	3,005	50,840
	Prior year	5,701	5,663	4,638	3,281	4,104	4,622	2,765	4,118	4,371	5,200	4,234	2,536	51,233
	Change	(336)	(328)	(1,172)	(27)	(2,080)	(3,333)	2,588	502	3,010	(1,671)	1,985	469	(393)
454.00	Rent form electric prop	29,266	29,634	29,634	29,633	50,211	30,515	30,515	30,515	30,515	30,515	30,515	30,515	381,983
	Prior year	30,084	30,083	30,084	30,083	14,686	29,634	29,634	29,634	29,634	29,633	29,634	29,634	342,457
	Change	(818)	(449)	(450)	(450)	35,525	881	881	881	881	882	881	881	39,526
456.00	Other electric revenue	90	150	30	30			60	120	60	30	30	120	720
	Prior year	90	60		60	30	90	30	60		60	90	30	600
	Change	0	90	30	(30)	(30)	(90)	30	60	60	(30)	(60)	90	120
457.00	Prepay meter fee	1,808	1,603	1,607	1,649	1,647	1,678	1,655	1,754	1,864	1,492	1,468	1,563	19,788
	Prior year		1,392	1,457	1,405	1,379	1,377	1,304	1,320	1,393	1,495	1,487	1,517	15,526
	Change	1,808	211	150	244	268	301	351	434	471	(3)	(19)	46	4,262
***	Total Revenues	1,985,960	1,711,582	1,657,018	1,907,449	2,103,447	3,041,766	2,399,946	1,837,257	1,616,365	1,590,506	1,878,095	2,136,824	23,866,215
	Prior year	2,111,016	1,809,468	1,835,128	2,492,998	2,545,403	3,032,004	3,035,555	2,219,767	1,599,850	1,712,709	1,916,034	2,128,379	26,438,311
	Change	(126,864)	(98,097)	(178,260)	(585,793)	(442,224)	9,461	(635,960)	(382,944)	16,044	(122,200)	(37,920)	8,399	(2,576,358)
***555	Total Purchase Power	1,324,882	1,165,261	1,101,333	1,343,343	1,447,267	2,066,375	1,618,273	1,150,572	1,002,020	1,053,974	1,264,264	1,473,220	16,010,784
	Prior year	1,452,538	1,232,619	1,126,520	1,748,712	1,789,508	2,069,151	2,226,542	1,560,899	1,019,437	1,105,684	1,370,713	1,456,024	18,158,347
	Change	(127,656)	(67,358)	(25,187)	(405,369)	(342,241)	(2,776)	(608,269)	(410,327)	(17,417)	(51,710)	(106,449)	17,196	(2,147,563)
580.00	Operations - Supervisic	9,550	10,356	9,439	9,918	10,017	11,327	11,780	11,189	11,462	11,312	12,036	11,964	130,350
	Prior year	9,569	11,098	8,987	8,500	3,718	9,085	8,773	10,004	10,820	9,264	11,290	9,119	110,227
	Change	(19)	(742)	452	1,418	6,299	2,242	3,007	1,185	642	2,048	746	2,845	20,123

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
583.00	Overhead Line Exp	6,831	5,240	6,337	16,581	14,245	11,824	15,097	14,089	6,323	7,852	5,283	4,913	114,615
	Prior year	9,019	5,107	8,492	8,587	6,776	5,493	6,906	5,638	6,776	8,810	10,554	8,238	90,396
	Change	(2,188)	133	(2,155)	7,994	7,469	6,331	8,191	8,451	(453)	(958)	(5,271)	(3,325)	24,219
586.00	Meter	67,512	56,243	41,585	42,161	77,523	40,776	56,314	55,534	57,122	39,796	52,468	44,547	631,581
	Prior year	63,046	5,854	55,983	56,144	63,128	62,950	62,469	62,644	41,566	49,014	28,677	57,392	608,867
	Change	4,466	50,389	(14,398)	(13,983)	14,395	(22,174)	(6,155)	(7,110)	15,556	(9,218)	23,791	(12,845)	22,714
587.00	Consumer Installation	1,657	750	750	1,235	1,235	774	1,498	774	1,033	1,202	821	797	12,526
	Prior year	1,807	1,151	872	1,039	948	1,648	1,098	1,173	750	750	750	808	12,794
	Change	(150)	(401)	(122)	196	287	(874)	400	(399)	283	452	71	(11)	(268)
588.00	Miscellaneous Distribu	14,277	17,606	18,979	12,007	13,082	13,187	16,084	16,851	11,531	17,794	32,179	21,902	205,479
	Prior year	18,308	16,662	16,329	12,657	21,882	20,776	21,270	19,864	11,306	15,766	14,253	20,530	209,603
	Change	(4,031)	944	2,650	(650)	(8,800)	(7,589)	(5,186)	(3,013)	225	2,028	17,926	1,372	(4,124)
***	Total Operations	99,827	90,195	77,090	81,902	116,102	77,888	100,773	98,437	87,471	77,956	102,787	84,123	1,094,551
	Prior year	101,749	39,872	90,663	86,927	96,452	99,952	100,516	99,323	71,218	83,604	65,524	96,087	1,031,887
	Change	(1,922)	50,323	(13,573)	(5,025)	19,650	(22,064)	257	(886)	16,253	(5,648)	37,263	(11,964)	62,664
590.00	Engineering & supervis	15,946	18,190	16,593	16,237	17,982	19,794	19,092	20,108	18,473	19,109	18,452	18,840	218,816
	Prior year	16,361	17,478	15,494	15,235	11,125	17,503	15,865	18,146	19,014	16,849	19,671	16,322	199,063
	Change	(415)	712	1,099	1,002	6,857	2,291	3,227	1,962	(541)	2,260	(1,219)	2,518	19,753
593.00	Maintenance of overh	32,493	(29,402)	34,128	47,572	53,855	47,154	53,548	56,518	44,868	(37,533)	72,461	67,663	443,325
	Prior year	66,420	23,507	59,881	30,706	(2,422)	14,889	31,094	35,030	45,727	60,635	62,646	148,658	576,771
	Change	(33,927)	(52,909)	(25,753)	16,866	56,277	32,265	22,454	21,488	(859)	(98,168)	9,815	(80,995)	(133,446)
593.10	Right-of-way maintane	6,364	7,997	8,647	7,365	7,905	8,718	8,039	8,213	8,207	9,576	8,569	9,203	98,803
	Prior year	9,239	7,849	6,833	7,412	7,485	6,945	8,012	7,593	4,982	7,229	8,794	7,809	90,182
	Change	(2,875)	148	1,814	(47)	420	1,773	27	620	3,225	2,347	(225)	1,394	8,621
593.20	Contract right-of-way	69,873	72,912	57,614	32,121	12,131	90,415	47,498	63,700	63,424	65,574	63,310	63,193	701,765
	Prior year	66,888	66,124	63,939	68,717	56,630	47,046	53,833	61,173	56,599	65,673	61,092	71,312	739,026
	Change	2,985	6,788	(6,325)	(36,596)	(44,499)	43,369	(6,335)	2,527	6,825	(99)	2,218	(8,119)	(37,261)
595.00	Transformer maintena	2,443	1,266	4,535	5,128	6,302	2,034	5,898	1,106	1,531	1,471	8,044	1,464	41,222
	Prior year	3,695	3,019	18,158	3,228	2,021	4,942	1,332	1,581	5,770	1,759	2,357	1,691	49,553
	Change	(1,252)	(1,753)	(13,623)	1,900	4,281	(2,908)	4,566	(475)	(4,239)	(288)	5,687	(227)	(8,331)
597.00	Meter maintenance						518							518
	Prior year							227				274		501
	Change	0	0	0	0	0	518	(227)	0	0	0	(274)	0	17

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
598.00	Miscellaneous distribut	1,069	517	1,471	1,474	2,641	823	335	1,259	1,400	8,632	(7,768)		11,853
	Prior year	3,737	2,125	3,171	2,417	3,719	2,613	1,299	3,354	4,064	4,114	2,505	1,934	35,052
	Change	(2,668)	(1,608)	(1,700)	(943)	(1,078)	(1,790)	(964)	(2,095)	(2,664)	4,518	(10,273)	(1,934)	(23,199)
***	Total Maintenance	128,188	71,480	122,988	109,897	100,816	169,456	134,410	150,904	137,903	66,829	163,068	160,363	1,516,302
	Prior year	166,340	120,102	167,476	127,715	78,558	93,938	111,662	126,877	136,156	156,259	157,339	247,726	1,690,148
	Change	(38,152)	(48,622)	(44,488)	(17,818)	22,258	75,518	22,748	24,027	1,747	(89,430)	5,729	(87,363)	(173,846)
902.00	Meter reading	7,923	7,524	5,731	14,901	21,374	16,696	8,435	9,634	6,546	7,988	8,846	4,760	120,358
	Prior year	8,570	15,364	4,284	8,004	14,818	10,868	6,845	7,521	3,452	2,266	7,681	2,496	92,169
	Change	(647)	(7,840)	1,447	6,897	6,556	5,828	1,590	2,113	3,094	5,722	1,165	2,264	28,189
903.00	Consumer records & cc	59,567	51,577	56,857	58,921	52,282	59,226	64,760	67,074	62,133	62,623	60,519	57,255	712,794
	Prior year	58,298	56,928	57,836	57,209	54,307	67,222	60,596	64,627	67,048	56,843	60,444	57,487	718,845
	Change	1,269	(5,351)	(979)	1,712	(2,025)	(7,996)	4,164	2,447	(4,915)	5,780	75	(232)	(6,051)
903.10	Cash short/over	23	(111)		(4)	(121)	(53)	12	5	70	100	10	(7)	(76)
	Prior year	128	183	(64)	41	123	(125)	35	(11)	12	33	30	30	415
	Change	(105)	(294)	64	(45)	(244)	72	(23)	16	58	67	(20)	(37)	(491)
904.00	Uncollectibles	5,000	5,000	5,000	5,000	5,000	4,167	4,167	4,167	4,167	4,167	4,167	4,167	54,169
	Prior year	4,849	4,849	4,849	4,849	4,843	5,000	5,000	5,000	5,000	5,000	5,000	5,000	59,239
	Change	151	151	151	151	157	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(5,070)
***	Total Consumer Account	72,513	63,990	67,588	78,818	78,535	80,036	77,374	80,880	72,916	74,878	73,542	66,175	887,245
	Prior year	71,845	77,324	66,905	70,103	74,091	82,965	72,476	77,137	75,512	64,142	73,155	65,013	870,668
	Change	668	(13,334)	683	8,715	4,444	(2,929)	4,898	3,743	(2,596)	10,736	387	1,162	16,577
908.00	Consumer Assistance	8,319	9,317	1,942	3,379	(5,450)	3,584	5,180	1,203	3,410	(5,661)	(1,973)	6,529	29,779
	Prior year	11,159	9,246	4,034	9,538	5,948	9,770	8,323	(9,496)	3,132	9,380	4,555	6,855	72,444
	Change	(2,840)	71	(2,092)	(6,159)	(11,398)	(6,186)	(3,143)	10,699	278	(15,041)	(6,528)	(326)	(42,665)
***	Total Customer Service	8,319	9,317	1,942	3,379	(5,450)	3,584	5,180	1,203	3,410	(5,661)	(1,973)	6,529	29,779
	Prior year	11,159	9,246	4,034	9,538	5,948	9,770	8,323	(9,496)	3,132	9,380	4,555	6,855	72,444
	Change	(2,840)	71	(2,092)	(6,159)	(11,398)	(6,186)	(3,143)	10,699	278	(15,041)	(6,528)	(326)	(42,665)
913.00	Advertising	150	1,468				255	436	2,845		150		100	5,404
	Prior year	(2,420)	(2,485)			150	285	229	190		150			(3,901)
	Change	2,570	3,953	0	0	(150)	(30)	207	2,655	0	0	0	100	9,305
***	Total Sales	150	1,468	0	0	0	255	436	2,845	0	150	0	100	5,404
	Prior year	(2,420)	(2,485)	0	0	150	285	229	190	0	150	0	0	(3,901)
	Change	2,570	3,953	0	0	(150)	(30)	207	2,655	0	0	0	100	9,305

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
920.00	Administrative salaries	54,624	56,210	53,346	52,027	55,564	58,420	58,947	56,767	57,650	64,087	59,784	55,759	683,185
	Prior year	54,720	51,867	49,927	53,654	54,725	57,360	54,225	56,264	55,484	50,116	51,770	50,775	640,887
	Change	(96)	4,343	3,419	(1,627)	839	1,060	4,722	503	2,166	13,971	8,014	4,984	42,298
921.00	Office supplies & exp	18,002	11,316	16,690	13,909	6,338	21,614	13,916	18,315	13,464	13,400	15,954	17,264	180,182
	Prior year	13,033	7,094	12,578	14,275	8,152	22,068	13,892	13,173	18,382	14,857	17,694	17,629	172,827
	Change	4,969	4,222	4,112	(366)	(1,814)	(454)	24	5,142	(4,918)	(1,457)	(1,740)	(365)	7,355
923.00	Outside services	1,567	1,269	1,268	2,782	3,859	1,293	1,293	1,293	6,123	(3,537)	1,358	793	19,361
	Prior year	2,979	2,436	9,677	10,464	10,970	2,492	1,984	3,000	2,492	3,117	767	1,266	51,644
	Change	(1,412)	(1,167)	(8,409)	(7,682)	(7,111)	(1,199)	(691)	(1,707)	3,631	(6,654)	591	(473)	(32,283)
925.00	Injuries & damages	4,838	4,838	4,839	5,641	4,839	4,815	4,815	4,815	4,815	4,815	4,815	4,815	58,700
	Prior year	4,824	4,824	4,825	4,825	4,825	4,839	4,839	4,839	4,839	4,838	4,838	4,838	57,993
	Change	14	14	14	816	14	(24)	(24)	(24)	(24)	(23)	(23)	(23)	707
926.00	Employee benefits	512	244	211	(6)	258	1,025	(312)	(344)	77	(161)	123	(96)	1,531
	Prior year	(423)	(58)	428	26	191	364	647	(734)	516	(404)	246	(529)	270
	Change	935	302	(217)	(32)	67	661	(959)	390	(439)	243	(123)	433	1,261
930.10	General advertising		30		24						812			866
	Prior year											812		812
	Change	0	30	0	24	0	0	0	0	0	812	(812)	0	54
930.11	Directors per diem	2,400	2,650	2,650	5,650	4,150	3,400	2,650	3,150	2,900	5,550	5,186	5,435	45,771
	Prior year	8,230	2,650	7,300	3,900	1,773	2,250	2,900	2,650	2,400	5,050	8,150	3,400	50,653
	Change	(5,830)	0	(4,650)	1,750	2,377	1,150	(250)	500	500	500	(2,964)	2,035	(4,882)
930.12	Directors mileage	102	102	102	102	102	96	96	96	95	191	96	633	1,813
	Prior year	297	99	284	99	99	91	102	102	327	204	102	102	1,908
	Change	(195)	3	(182)	3	3	5	(6)	(6)	(232)	(13)	(6)	531	(95)
930.14	Directors expenses	999	1,093	2,845	4,222	4,709	1,594	219	910	4,652	5,448	3,315	3,093	33,099
	Prior year	3,015	(3,338)	937	1,775	4,393	797	4,476	769	4,229	7,778	822	695	26,348
	Change	(2,016)	4,431	1,908	2,447	316	797	(4,257)	141	423	(2,330)	2,493	2,398	6,751
930.20	Miscellaneous general	17,959	18,148	22,530	26,078	26,064	18,542	18,538	18,569	18,535	18,529	18,522	18,627	240,641
	Prior year	18,134	18,138	18,115	16,122	19,271	17,923	18,137	18,281	18,014	17,987	18,002	17,978	216,102
	Change	(175)	10	4,415	9,956	6,793	619	401	288	521	542	520	649	24,539
931.00	Rents	500	500	500	600	500	511	500	2,149	527	500	1,011	563	8,361
	Prior year	555	555	554	655	554	1,110	545	2,028	1,755	500	500	500	9,811
	Change	(55)	(55)	(54)	(55)	(54)	(599)	(45)	121	(1,228)	0	511	63	(1,450)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
935.00	Maintenance of general	3,103	5,216	4,727	21,148	14,042	9,266	7,651	6,194	4,220	3,015	4,740	7,478	90,800
	Prior year	6,817	5,941	1,321	1,666	5,551	9,430	2,118	4,826	4,426	1,636	3,548	6,091	53,371
	Change	(3,714)	(725)	3,406	19,482	8,491	(164)	5,533	1,368	(206)	1,379	1,192	1,387	37,429
***	Total Administrative &	104,606	101,616	109,708	132,177	120,425	120,576	108,313	111,914	113,058	112,649	114,904	114,364	1,364,310
	Prior year	112,181	90,208	105,946	107,461	110,504	118,724	103,865	105,198	112,864	105,679	107,251	102,745	1,282,626
	Change	(7,575)	11,408	3,762	24,716	9,921	1,852	4,448	6,716	194	6,970	7,653	11,619	81,684
403.60	Distribution depreciation	176,230	176,981	177,355	177,745	178,005	178,360	177,872	178,322	178,637	179,089	179,154	179,272	2,137,022
	Prior year	171,061	171,740	172,452	172,730	173,375	173,871	174,207	174,371	174,946	175,389	175,828	175,892	2,085,862
	Change	5,169	5,241	4,903	5,015	4,630	4,489	3,665	3,951	3,691	3,700	3,326	3,380	51,160
403.70	General depreciation	11,139	11,139	11,145	11,145	11,145	11,194	11,198	11,866	11,961	11,964	10,885	10,900	135,681
	Prior year	10,673	10,673	11,051	10,809	10,809	11,633	11,367	11,386	11,061	11,067	11,146	11,150	132,825
	Change	466	466	94	336	336	(439)	(169)	480	900	897	(261)	(250)	2,856
***	Total Depreciation	187,369	188,120	188,500	188,890	189,150	189,554	189,070	190,188	190,598	191,053	190,039	190,172	2,272,703
	Prior year	181,734	182,413	183,503	183,539	184,184	185,504	185,574	185,757	186,007	186,456	186,974	187,042	2,218,687
	Change	5,635	5,707	4,997	5,351	4,966	4,050	3,496	4,431	4,591	4,597	3,065	3,130	54,016
408.70	Regulatory	2,837	2,837	2,837	2,836	2,837	2,836	2,837	2,836	2,837	2,837	2,837	2,655	33,859
	Prior year	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,837	35,100
	Change	(96)	(96)	(96)	(97)	(96)	(97)	(96)	(97)	(96)	(96)	(96)	(182)	(1,241)
***	Total Tax Expense - Other	2,837	2,837	2,837	2,836	2,837	2,836	2,837	2,836	2,837	2,837	2,837	2,655	33,859
	Prior year	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,933	2,837	35,100
	Change	(96)	(96)	(96)	(97)	(96)	(97)	(96)	(97)	(96)	(96)	(96)	(182)	(1,241)
427.10	RUS interest	27,017	25,720	26,521	25,609	26,395	27,968	27,968	27,337	26,513	28,407	26,445	27,475	323,375
	Prior year	27,598	26,650	27,479	26,542	26,425	27,312	24,615	27,185	26,249	27,198	26,264	27,073	320,590
	Change	(581)	(930)	(958)	(933)	(30)	656	3,353	152	264	1,209	181	402	2,785
427.20	CFC interest	6,639	6,781	6,781	6,619	6,727	6,727	6,616	6,690	6,690	6,683	5,105	5,105	77,163
	Prior year	5,288	8,512	8,512	8,252	8,425	8,425	8,111	8,111	8,530	8,579	6,852	6,852	94,449
	Change	1,351	(1,731)	(1,731)	(1,633)	(1,698)	(1,698)	(1,495)	(1,421)	(1,840)	(1,896)	(1,747)	(1,747)	(17,286)
427.30	FFB interest	22,105	21,775	21,995	21,995	21,209	21,733	21,733	25,027	22,831	22,831	21,953	22,538	267,725
	Prior year	22,969	22,967	22,969	22,968	21,777	22,571	22,571	20,796	21,979	21,979	22,356	22,105	268,007
	Change	(864)	(1,192)	(974)	(973)	(568)	(838)	(838)	4,231	852	852	(403)	433	(282)
427.4	CoBank interest	2,967	2,999	2,934	2,747	2,829	2,862	2,624	2,663	2,740	2,380	2,608	2,547	32,900
	Prior year	3,467	3,492	3,416	3,205	3,303	3,343	3,112	3,080	3,224	2,793	3,071	3,005	38,511
	Change	(500)	(493)	(482)	(458)	(474)	(481)	(488)	(417)	(484)	(413)	(463)	(458)	(5,611)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
***	Total Interest on Long-	58,728	57,275	58,231	56,970	57,160	59,290	58,941	61,717	58,774	60,301	56,111	57,665	701,163
	Prior year	59,322	61,621	62,376	60,967	59,930	61,651	58,409	59,172	59,982	60,549	58,543	59,035	721,557
	Change	770	(2,661)	(2,689)	(2,566)	(1,728)	(1,042)	1,858	(1,269)	(1,576)	(687)	(1,566)	(1,345)	(14,501)
431.00	Interest - customer dep	41	65	65	64	64	193	190	80	188	186	187	187	1,510
	Prior year	67	67	30	67	68	68	67	67	67	66	66	66	766
	Change	(26)	(2)	35	(3)	(4)	125	123	13	121	120	121	121	744
431.10	Short-term loans							932	1,326	1,425	1,377	1,424	1,384	7,868
	Prior year													0
	Change	0	0	0	0	0	0	932	1,326	1,425	1,377	1,424	1,384	7,868
431.20	Other interest	4,109	4,573	4,556	4,541	4,524	4,507	4,491	4,465	4,459	4,442	4,425	4,409	53,501
	Prior year	4,231	709	4,208	4,197	7,695	4,174	4,162	4,150	4,251	4,144	4,132	4,121	50,174
	Change	(122)	3,864	348	344	(3,171)	333	329	315	208	298	293	288	3,327
***	Total Interest - Other	4,150	4,638	4,621	4,605	4,588	4,700	5,613	5,871	6,072	6,005	6,036	5,980	62,879
	Prior year	4,298	776	4,238	4,264	7,763	4,242	4,229	4,217	4,318	4,210	4,198	4,187	50,940
	Change	(148)	3,862	383	341	(3,175)	458	1,384	1,654	1,754	1,795	1,838	1,793	11,939
421.10	Gain on disposition								(11,350)	662	(2,808)			(13,496)
	Prior year		(3,502)	(14,782)					(15,673)	(3,847)				(37,804)
	Change	0	3,502	14,782	0	0	0	0	4,323	4,509	(2,808)	0	0	24,308
426.00	Donations	1,150	350	(500)	711	400	1,000	1,237	2,530	1,950	9,000	700	710	19,238
	Prior year	1,756		179	100	695	267	1,225	300	1,585	7,400	665	125	14,297
	Change	(606)	350	(679)	611	(295)	733	12	2,230	365	1,600	35	585	4,941
426.5	Other deductions					263								263
	Prior year													0
	Change	0	0	0	0	263	0	0	0	0	0	0	0	263
***	Total Other Deductions	1,150	350	(500)	711	663	1,000	1,237	(8,820)	2,612	6,192	700	710	6,005
	Prior year	1,756	(3,502)	(14,603)	100	695	267	1,225	(15,373)	(2,262)	7,400	665	125	(23,507)
	Change	(606)	3,852	14,103	611	(32)	733	12	6,553	4,874	(1,208)	35	585	29,512
****	Total Cost of Electric Se	1,992,719	1,756,547	1,734,338	2,003,528	2,112,093	2,775,550	2,302,457	1,848,547	1,677,671	1,647,163	1,972,315	2,162,056	23,984,984
	Prior year	2,163,435	1,811,127	1,799,991	2,402,259	2,410,716	2,729,382	2,875,983	2,196,834	1,669,297	1,786,446	2,031,850	2,227,676	26,104,996
	Change	(170,716)	(54,580)	(65,653)	(398,731)	(298,623)	46,168	(573,526)	(348,287)	8,374	(139,283)	(59,535)	(65,620)	(2,120,012)
****	Operating Margins	(6,759)	(44,965)	(77,320)	(96,079)	(8,646)	266,216	97,489	(11,290)	(61,306)	(56,657)	(94,220)	(25,232)	(118,769)
	Prior year	(52,419)	(1,659)	35,137	90,739	134,687	302,622	159,572	22,933	(69,447)	(73,737)	(115,816)	(99,297)	333,315
	Change	45,660	(43,306)	(112,457)	(186,818)	(143,333)	(36,406)	(62,083)	(34,223)	8,141	17,080	21,596	74,065	(452,084)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
419.00	Interest income	15,371	14,260	14,262	14,840	14,170	14,178	14,815	14,250	14,219	15,184	14,180	14,180	173,909
	Prior year	15,451	14,376	14,375	15,005	14,401	14,362	26,854	8,268	8,307	15,446	14,344	14,308	175,497
	Change	(80)	(116)	(113)	(165)	(231)	(184)	(12,039)	5,982	5,912	(262)	(164)	(128)	(1,588)
***	Total Non Operating M	15,371	14,260	14,262	14,840	14,170	14,178	14,815	14,250	14,219	15,184	14,180	14,180	173,909
	Prior year	15,451	14,376	14,375	15,005	14,401	14,362	26,854	8,268	8,307	15,446	14,344	14,308	175,497
	Change	(80)	(116)	(113)	(165)	(231)	(184)	(12,039)	5,982	5,912	(262)	(164)	(128)	(1,588)
424.40	Patronage capital - East KY					1,400,000								1,400,000
	Prior year					1,433,471				173,030				1,606,501
	Change	0	0	0	0	(33,471)	0	0	0	(173,030)	0	0	0	(206,501)
***	Total G & T Capital Cre	0	0	0	0	1,400,000	0	0	0	0	0	0	0	1,400,000
	Prior year	0	0	0	0	1,433,471	0	0	0	173,030	0	0	0	1,606,501
	Change	0	0	0	0	(33,471)	0	0	0	(173,030)	0	0	0	(206,501)
424.10	Patronage capital - other		12,035						34,815					46,850
	Prior year		15,601						57,673					73,274
	Change	0	(3,566)	0	0	0	0	0	(22,858)	0	0	0	0	(26,424)
***	Total Other Patronage	0	12,035	0	0	0	0	0	34,815	0	0	0	0	46,850
	Prior year	0	15,601	0	0	0	0	0	57,673	0	0	0	0	73,274
	Change	0	(3,566)	0	0	0	0	0	(22,858)	0	0	0	0	(26,424)
*****	Net Margins	8,612	(18,670)	(63,058)	(81,239)	1,405,524	280,394	112,304	37,775	(47,087)	(41,473)	(80,040)	(11,052)	1,501,990
	Prior year	(36,968)	28,318	49,512	105,744	1,582,559	316,984	186,426	88,874	111,890	(58,291)	(101,472)	(84,989)	2,188,587
	Change	45,580	(46,988)	(112,570)	(186,983)	(177,035)	(36,590)	(74,122)	(51,099)	(158,977)	16,818	21,432	73,937	(686,597)

ACCOUNT	DESCRIPTION	AMOUNT
107.10	CWIP CONTRACTOR	0.00
107.20	CWIP FORCE ACCOUNT	8,405.14
107.21	CWIP - INDIRECT	0.00
107.30	CWIP SPECIAL EQUIPMENT	0.00
108.60	ACCUM PROV DEPR DIST PLANT	8,117,152.89
108.61	ACCUM.DEPR.DIST.PLANT A/C 364	8,079,076.76-
108.62	ACCUM DEPR.DIST.PLANT A/C 365	7,067,975.79-
108.63	ACCUM.DEPR.DIST.PLANT A/C 366	220,824.19-
108.64	ACCUM DEPR.DIST.PLANT. A/C 367	121,539.10-
108.65	ACCUM.DEPR.DIST.PLANT A/C 368	3,172,991.64-
108.66	ACCUM.DEPR.DIST.PLANT. A/C 369	2,454,828.86-
108.67	ACCUM.DEPR.DIST.PLANT.A/C 370	2,239,659.42-
108.68	ACCUM PERP.DIST.PLANT A/C 371	1,197,043.18-
108.69	ACCUM DEPR.DIST.PLANT A/C 362	126,387.60-
108.70	ACCUM PROV DEPR GENERAL PLANT	1,422,395.23-
108.71	ACCUM.DEPR.GEN.PLANT A/C 390.10	499,683.01-
108.72	ACCUM.DEPR.GEN.PLANT A/C 391	453,359.09-
108.73	ACCUM.DEPR.GEN.PLANT A/C 394	72,941.51-
108.74	ACCUM.DEPR.GEN.PLANT.A/C 395	118,663.25-
108.75	ACCUM.DEPR.GEN.PLANT A/C 396	9,166.91-
108.76	ACCUM.DEPR.GEN.PLANT A/C 397	65,730.60-
108.77	ACCUM.DEPR.GEN.PLANT A/C 398	29,615.37-
108.80	RETIREMENT WIP	688.33
108.81	RETIREMENT WIP - INDIRECT	0.00
123.10	PATR CAP ASSOC CO OPS	14,358,304.30
123.22	INVEST.CAP.TERM CERT. CFC	472,200.23
123.23	OTHER INVEST.ASSOC.ORGIZ.	2,205.00
124.00	OTHER INVESTMENTS	500.00
131.10	CASH GENERAL PAYROLL CHECKS	0.00
131.12	CASH GENERAL CITIZENS GEN CHECK	494,107.13
131.13	CASH-GENERAL BSRECC FLEX-SPEND.	3,945.34
131.14	CASH GENERAL HOW\$MART	1,275.00
131.20	CASH CONST.FUND TRUSTEE	406.50
134.00	OTHER SPECIAL DEPOSITS	120.00
135.00	WORKING FUND PETTY CASH/SANDRA	100.00
135.10	CHANGE FUND PRESTONSBURG OFFICE	100.00
135.11	WORKING FUND-CHANGE	100.00
135.12	WORKING FUND-CHANGE/	100.00
135.13	WORKING FUND-CHANGE	100.00
135.20	WORKING FUND-CHANGE	100.00
135.30	CHANGE FUND-PAINTSVILLE OFFICE	500.00
135.40	WORKING FUND-CHANGE	100.00
135.60	WORKING FUND-CHANGE PRESTONSBURG	100.00
136.00	TEMPORARY CASH INVESTMENTS	51,027.40
136.20	TEMP.CASH INVST.MONEY MARKET	76,761.92
142.10	CONS.ACCTS.RECEIVABLE ELECTRIC	2,835,161.39
142.20	CASH PAYMT'S/CAP VOUCHERS	0.00
142.30	CONS RECEIVABLE DEBT MNGMT	20,861.36
143.00	OTHER ACCOUNTS RECEIVABLE	504,386.38

ACCOUNT	DESCRIPTION	AMOUNT
143.30	ACCTS.REC.NRECA PERSONAL LOAN	0.00
143.40	AMERICAN FUNDS LOANS	0.23
143.70	ACCOUNTS RECEIVABLE - MACED PROG	723.97
143.80	MACED - NOTES RECEIVABLE	105,576.04
144.10	ACCUM PROV UNCOLLECT ACCTS CR	98,115.96-
154.00	PLANT MATERIAL & OPERATING SUPPLY	310,509.30
163.00	STORES EXPENSE UNDISTRIBUTED	0.00
163.10	MINOR MATERIAL/ STORES EXPENSE	0.00
165.10	PREPAYMENTS-INSURANCE	48,514.86
165.30	OTHER PREPAY-REGISTRATIONS	6,374.59
165.40	OTHR PREPAY/MRG,OFFC,DIRC,INS	1,168.70
165.50	OTHER PREPAY-DUES	16,523.48
165.60	PREPAY- IVR SYSTEM SUPPORT	4,402.40
171.00	INTEREST & DIVIDENDS RECEIVABLE	7,135.90
183.00	PRELIM SERVAYS & INVESTGAT. CHGE	10,270.73
184.00	TRANSPOTATION EXP. - INDIRECT	1,587.02
184.10	TRANSPORTATION EXP CLEARING	0.00
200.10	MEMBERSHIPS	227,590.00-
201.10	PATRONS CAPITAL CREDITS	24,674,564.06-
208.00	DONATED CAPITAL	49,015.02-
208.10	DONATED CAPITAL/CAPITAL CREDITS	14,686.04-
215.30	OTHER COMPREHENSIVE INCOME/FASB	2,315,159.00
217.00	RETIRED CAPITAL CREDIT-GAIN	105,374.43-
217.10	RETIRED CAP.CR. GAIN-DISCOUNT \$	337,993.72-
219.10	OPERATING MARGINS	0.00
219.20	NON OPERATING MARGINS	0.00
219.30	OTHER MARGINS	29,260.55-
224.12	OTHER LONG TERM DEBT-CFC	16,761.57-
224.13	CFC NOTES EXUC.-DEBIT/REFINANCED	1,034,266.55-
224.16	CO-BANK NOTES EXECUTED	924,769.98-
224.20	FFB NOTES EXUC.	14,402,342.71-
224.30	LONG TERM DEBT-RUS NOTES EXUC	8,125,364.06-
224.60	ADV PAY UNAPPLYD LONG TERM DEBT	3,024,500.00
224.70	MACED - NOTES PAYABLE	105,576.04-
228.30	ACCUM PROV PENSIONS/BENEFITS	3,714,136.85-
231.00	NOTES PAYABLE	650,000.00-
232.10	ACCOUNTS PAYABLE GENERAL	187,068.21-
232.25	ACCTS.PAYABLE LEASED VEH CO-BANK	172,648.67-
232.26	ACCTS. PAYABLE LEASED VEH ENTERP	62,302.06-
232.30	ACCTS PAYABLE POLE INSPECTION	12,506.00
232.40	ACCTS PAYABLE-WHOLESALE POWER	1,473,180.00-
232.50	ACCTS PAYABLE/PSC ASSMT	29,205.47
232.70	ACCTS PAYABLE/SECURE WORKS IPS	4,125.00
232.80	ACCTS PAY CHILD SUP/WAGE GARNISH	0.00
235.00	CONSUMER DEPOSITS	398,040.50-
235.10	CONSUMER DEPOSITS-COMMERCIAL	225,317.00-
236.10	ACCURED PROPERTY TAX	72,164.46-
236.20	ACCRD US SOC SECURITY UNEMPLYMEN	6.79-
236.30	ACCRD US SOC SECURITY TAX FICA	0.00

ACCOUNT	DESCRIPTION	AMOUNT
236.40	ACCRD STATE SOC SECURITY UNEMP	22.73-
236.50	ACCRUED STATE SALES TAX	2.06
237.10	ACCRUED RUS INT CONST OBLIG	0.00
237.20	FFB INTEREST ACCRUED	22,538.18-
237.30	OTHER INTEREST ACCRUED	10,209.48-
237.50	OTHER INT ACCRUED CONSUMER DEP	1,106.46-
237.60	CO-BANK - ACCRUED INTEREST	2,378.40-
241.00	TAX COLLECTION PAYBLE FEDERAL	800.00-
241.10	SCHOOL TAX -MARTIN COUNTY	0.00
241.11	MARTIN COUNTY OCCUPATIONAL TAX	58.39-
241.20	TAX COLLECTION PAY-CITY TAX	629.23-
241.30	TAX COLLECT PAYBLE ST INCOME TAX	0.00
241.40	SCHOOL TAX-BREATHITT COUNTY	0.00
241.50	SCHOOL TAX-JOHNSON COUNTY	0.00
241.60	SCHOOL TAX LAWRENCE COUNTY	0.00
241.80	SCHOOL TAX-KNOTT COUNTY	0.00
241.90	JOHNSON COUNTY OCCUPATIONAL TAX	734.94-
242.10	BSRECC FLEX-SPENDING PLAN	940.03-
242.11	CUR/ACCRUED LIAB-CANCER INS	881.39-
242.12	CURR.ACCR.D.LIAB-ALLSTATE INS	0.07-
242.14	CURR.ACCR.D.LIAB/DENTAL INS	0.16-
242.15	CURR.ACCR.D.LIAB/TWACS SUPPORT	2,442.35
242.16	CURR.ACCR.D.LIAB/AUTO USE	0.00
242.17	CURR.ACCR.D.LIAB 401K ALL EMP	0.00
242.19	AMERICAN FUNDS 401-K OUTSIDE %	17.82
242.20	ACCRUED PAYROLL	27,859.85-
242.22	R/W BIDWORK EXPENSE ACCRUAL	63,445.82
242.23	ACCRUED R/W SPRAY EXPENSE	77,000.00-
242.30	ACCRUED EMPLOYEE VACATION	128,195.63-
242.31	ACCRUED EMPLOYEE SICK LEAVE	143,421.87-
242.50	CURR.ACCR.D.LIAB.MEETNG/AUDIT	4,647.48
242.60	CURR.ACCR.D.LIAB/DEPENDENT LIFE	0.35-
242.80	CURR.ACCR.D.LIAB/CREDIT UNION	0.00
242.90	CURR.ACCR.D.LIAB/UNION DUES	0.00
252.00	CONSUMER ADVANCE CONSTRUCTION	17,908.51-
362.00	STATION EQUIPMENT	400,204.65
364.00	POLES,TOWERS &FIXTURES	14,209,216.84
365.00	OVERHEAD CONDUCTORS & DEVICES	13,008,336.73
366.00	UNDERGROUND CONDUIT	606,272.04
367.00	UNDERGROUND COND.& DEVICES	400,641.27
368.00	LINE TRANSFORMERS	6,417,073.02
369.00	SERVICES	5,081,014.96
370.00	METERS	3,482,974.69
371.00	INST. ON CONSUMER PREMISES	2,471,802.55
389.00	LAND & LAND RIGHTS	292,419.25
390.10	STRUCTURES & IMPROVEMENTS	2,991,476.77
391.00	OFFICE FURNITURE & EQUIPMENT	702,483.84
392.00	TRANSPORTATION EQUIPMENT	1,783,881.81
394.00	TOOLS,SHOP,GARAGE EQUIPMENT	124,890.76

BIG SANDY RECC
PRG. TRBALSUM

SUMMARIZED ACCOUNT TRIAL BALANCE
FROM 01/16 TO 07/16

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EX44
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ACCOUNT	DESCRIPTION	AMOUNT
395.00	LABORATORY EQUIPMENT	154,634.38
396.00	POWER OPERATED EQUIPMENT	11,902.53
397.00	COMMUNICATIONS EQUIPMENT	50,173.46
398.00	MISCELLANEOUS EQUIPMENT	30,873.27
403.60	DEPR EXPENSE DISTRIBUTION PLANT	2,137,023.18
403.70	DEPR EXPENSE GENERAL PLANT	135,681.30
408.70	TAXES OTHER REGULATORY COMMSION.	33,860.82
419.00	INTEREST & DIVIDEND INCOME	173,911.20-
421.10	GAIN ON DISPOSITION OF PROPERTY	14,158.00-
421.20	LOSS ON DISPOSITION OF PROPERTY	662.08
424.00	OTHR CAP.CR.& PATR.CAP.ALLOC	1,446,850.07-
426.10	DONATIONS	19,237.85
426.30	PENALTIES	262.51
427.10	INT.ON RUS CONSTRUCTION LOAN	323,374.76
427.20	INT.ON OTHER LONG TERM DEBT	77,164.15
427.30	INTEREST ON PFB NOTES	267,724.40
427.40	INTEREST ON CO-BANK NOTES	32,900.68
431.00	OTHER INTEREST EXPENSE	1,509.63
431.10	OTHER INT EXP.SHORT TERM LOAN	7,868.59
431.20	INTEREST EKP INEZ 69KV LINE PROJ	42,126.96
431.30	INT.EXP.FARM CREDIT LEASE/TRUCK	6,409.09
431.40	INTEREST EXP ENTERPRISE LEASE	4,963.56
440.10	RESIDENTIAL SALES-RURAL	17,821,654.65-
442.10	COMM.& INDUST.SALES-SMALL	1,520,137.53-
442.20	COMM. & INDUST.SALES-LARGE	3,745,466.12-
450.00	FORFEITED DISCOUNTS	327,271.03-
451.00	MISC.SERVICE REVENUES	50,839.50-
454.00	RENT FROM ELECTRIC PROPERTY	381,982.82-
456.00	OTHER ELECTRIC REVENUE	720.00-
457.00	PREPAID METER PROGRAM FEE	18,140.03-
555.00	PURCHASED POWER	16,010,784.00
580.00	OPERATIONS & SUPERVSON ENGR.	130,351.49
583.00	OVERHEAD LINE EXPENSE	114,615.08
586.00	METER EXPENSE	502,147.01
586.10	METER EXPENSE TWACS SYSTEM	109,934.47
586.20	PREPAID METERING	19,500.13
587.00	CONSUMER INSTALLATION EXPENSE	12,525.91
588.00	MIS.DISTRIBUTION EXPENSE	75,616.48
588.10	MAPPING EXPENSE/GPS SYSTEM	129,862.74
590.00	MAINT.SUPERVSN.ENGR.	218,815.84
593.00	MAINT.OVERHEAD LINES	443,326.37
593.10	MAINT.OVERHEAD LINES R/W	98,794.92
593.11	BSRECC/ROW SUPPLIES	8.46
593.20	OVERHEAD LINES R/W-CONTRACTOR	360,628.33
593.21	BRUSH CONTROL R/W	71,615.56
593.22	TICKET WORK R/W	29,059.50
593.23	HOT SPOTS R/W	252,052.11
593.27	STORM WORK R/W	17,097.76-

BIG SAL__ RECC
PRG. TRBALSUM

SUMMARIZED ACCOUNT BALANCE
FROM 08/15 TO 07/16

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EX4 Y
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ACCOUNT	DESCRIPTION	AMOUNT
593.28	MAINT.OVERHEAD MUTUAL AID WORK	5,508.69
595.00	MAINT.LINE TRANSFORMERS	41,222.67
597.00	MAINT. OF METERS	518.04
598.00	MAINT.MISC.DISTRIBUTION PLANT	11,851.70
902.00	METER READING EXPENSE	120,358.80
903.00	CONSUMER RECD'S COLLECTION EXP	712,793.37
903.10	CONS.RECD'S EXP.OVER/SHORT	75.44-
904.00	UNCOLLECTIBLE ACCOUNTS	54,169.00
908.00	CONSUMER ASSISTANCE EXPENSE	29,781.07
913.00	ADVERTISING EXPENSE	5,402.85
920.00	ADMINISTRATIVE SALARIES	683,186.07
921.00	OFFICE SUPPLIES & EXPENSE	180,182.46
923.00	OUTSIDE SERVICE EMPLOYED	19,361.59
925.00	INJURIES & DAMAGES	58,703.91
926.00	EMPLOYEE PENSIONS & BENEFITS	1,530.73
930.10	GENERAL ADVERTISING EXPENSE	866.09
930.11	DIRECTORS PER DIEM	45,771.42
930.12	DIRECTORS MILEAGE	1,811.38
930.13	DIRECTORS EXPENSES	33,098.37
930.20	MISC. GENERAL EXPENSE	240,643.71
931.00	RENTS	8,361.13
935.00	MAINT.GENERAL PLANT	89,663.21
935.10	OPERATION CENTER EXPENSES	1,135.38

ACCOUNTS 000.00 TO 399.99	1,501,974.55
ACCOUNTS 400.00 TO 999.99	1,501,974.55-

Big Sandy Rural Electric Cooperative
Case No. 2017 - 00171
Comparative Capital Structure (Excluding JDIC)
For the Periods as Shown
"000" Omitted

Line No.	Type of Capital	2005 8th Year		2006 7th Year		2007 6th Year		2008 5th Year		2009 6th Year		2010 5th Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	20,314	60%	19,639	58%	20,384	60%	22,472	63%	21,644	58%	22,804	60%
2	Short Term Debt		0%	300	1%	800	2%		0%	1,300	3%		0%
3	Memberships	221	1%	225	1%	227	1%	229	1%	231	1%	232	1%
4	Patronage Capital	13,278	39%	13,635	40%	12,761	37%	12,819	36%	14,123	38%	15,204	40%
5	Other (Itemize by type)												
6	Total Capitalization	33,813	100%	33,799	100%	34,172	100%	35,520	100%	37,298	100%	38,240	100%

Line No.	Type of Capital	2011 2nd Year		2012 1st Year		2013 2nd Year		2014 1st Year		2015 Test year		Latest Quarter July 31, 2016		Average Test Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	22,263	56%	24,432	59%	239,126	93%	23,810	53%	22,468	49%	21,668	47%	22,341	49%
2	Short Term Debt	500	1%	515	1%		0%		0%		0%	650	1%	350	1%
3	Memberships	232	1%	233	1%	232	0%	232	1%	228	1%	228	0%	228	1%
4	Patronage Capital	17,051	43%	16,388	39%	18,792	7%	21,031	47%	22,840	50%	23,174	51%	22,529	50%
5	Other (Itemize by type)														
6	Total Capitalization	40,046	100%	41,568	100%	258,150	100%	45,073	100%	45,536	100%	45,719	100%	45,448	100%

Big Sandy Rural Electric Cooperative
Case No. 2017 - 00171
Calculation of Average Test Period Capital Structure
12 months ended July 31, 2016

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Memberships (e)	Common Stock (f)	Patronage Capital (g)	Total Common Equity (h)
1	Balance Beginning of Test year	44,584	22,813		229		21,542	
2	1st month	44,683	22,895		228		21,560	
3	2nd month	44,500	22,723		228		21,549	
4	3rd month	44,408	22,683		228		21,497	
5	4th month	44,289	22,638		228		21,423	
6	5th month	45,536	22,468		228		22,840	
7	6st month	46,440	22,429	650	228		23,133	
8	7th month	46,517	22,386	650	228		23,253	
9	8th month	46,395	22,217	650	229		23,299	
10	9th month	46,317	22,178	650	228		23,261	
11	10th month	45,897	21,794	650	228		23,225	
12	11th month	45,652	21,624	650	228		23,150	
13	12th month	45,609	21,585	650	228		23,146	
14	Total (Line 1 through Line 13)	590,827	290,433	4,550	2,966	-	292,878	-
15	Average balance (Line 14/13)	45,448	22,341	350	228	-	22,529	-
16	Average capitalization ratios	100%	49%	1%	1%	0%	50%	0%
17	End of period capitalization ratios	100%	47%	1%	0%	0%	51%	0%

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Test year July 31, 2016

Payroll Adjustment

To reflect the increase granted by the Board of Directors, the step increases granted and promotions during the year. To give recognition to employees terminated and employees hired during the test year. Overtime pay is calculated at 1-1/2 times regular pay rate for hours worked in excess of 8 hours per day.

Employees are granted wage rate increases on November 1 of each year. Generally all employees are granted wage increases based on the union contract. Outside, non-management employees, participate in the union.

Wage and salary increases are as follows:

	<u>Increase</u>		
	<u>Union</u>	<u>Non-Union</u>	
2011	2.00%	2.00%	
2010	2.00%	2.00%	
2009	\$0.50	\$0.50	per hour
2008	\$0.50	\$0.50	per hour
2007	4.00%	4.00%	

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

Projected wages	\$2,381,761
Actual wages for test year	<u>2,373,785</u>
Increase in normalized wages	<u><u>\$7,976</u></u>

The allocation is on the following page:

Big Sandy Rural Electric Cooperative
Case No. 2017-00171

Allocation of increase in payroll:

<u>Acct No.</u>		<u>Labor Distribution</u>	<u>Percent</u>	<u>Allocation</u>
107.20	Construction work in progress	408,330	17.2%	1,372
108.80	Retirement work in progress	169,119	7.1%	568
163.00	Stores	48,089	2.0%	162
184.10	Transportation	45,453	1.9%	153
242.32	Employee sick leave/vacation	148,532	6.3%	499
580.00	Supervision, operations	42,904		
583.00	Overhead line	29,779		
586.00	Meter	199,625		
587.00	Installations	994		
588.00	Miscellaneous distribution	57,318	13.9%	1,111
590.00	Supervision, maintenance	81,178		
593.00	Maintenance	248,991		
595.00	Transformers	7,176		
597.00	Meters	203		
598.00	Miscellaneous maintenance	3,458	14.4%	1,146
902.00	Meter reading	49,154		
903.00	Consumer records	217,473	11.2%	896
908.00	Consumer assistance	32,772	1.4%	110
920.00	Administrative	318,764		
930.00	Miscellaneous	249,500		
935.00	Maintenance general plant	<u>14,973</u>	<u>24.6%</u>	<u>1,960</u>
	Total	<u>2,373,785</u>	<u>100.0%</u>	<u>7,977</u>

Emp #	Hours Worked			Actual Test Year Wages					Wage Rate 11/1/16	Normalized Wages @ 2,080 Hours				
	Reg Hrs	OT Hrs	Vacation Payout	Regular	Overtime	Vacation Payout	Performance Compensation	Total		Regular	Overtime	Vacation Payout	Performance Compensation	Total
Salary Employees														
14	2,080.00		31.04	73,492		1,102	650	75,244	35.75	74,360		1,110	650	76,120
16	2,080.00		39.96	81,049		1,550	700	83,299	39.07	81,266		1,561	700	83,527
130	2,080.00		39.96	123,148		2,374		125,522	59.40	123,552		2,374		125,926
136	2,080.00			72,031			900	72,931	34.84	72,467			900	73,367
149	2,080.00			54,684			900	55,584	26.50	55,120			900	56,020
159	2,080.00			54,851			850	55,701	26.58	55,286			850	56,136
171	2,080.00			49,401			850	50,251	24.17	50,274			850	51,124
Subtotal	14,560.00	-	110.96	508,656	-	5,026	4,850	518,532		512,325	0	5,045	4,850	522,219
Hourly Employees:														
5	1,995.96	77.50		61,502	3,601			65,103	31.01	64,501	3,605			68,106
8	2,080.00	46.00	34.96	64,835	2,165	1,080		68,080	31.38	65,270	2,165	1,097		68,533
10	2,080.00	1,121.00	24.00	59,419	48,090	679		108,188	28.78	59,862	48,394	691		108,947
11	2,080.00	698.00	23.96	59,418	29,964	678		90,060	28.78	59,862	30,133	690		90,685
13	2,080.00	52.50		56,223	2,120			58,343	27.24	56,659	2,145			58,804
15	2,077.00	86.00	39.04	63,975	3,991	1,191		69,157	31.01	64,501	4,000	1,211		69,712
18	2,080.00	24.50		59,426	1,058			60,484	28.78	59,862	1,058			60,920
22	2,080.00	23.50		57,762	986			58,748	27.98	58,198	986			59,185
24	2,080.00	26.00	38.88	71,397	1,193	1,346		73,936	35.12	73,050	1,370	1,365		75,785
25	2,080.00	496.00		59,892	21,382			81,274	28.78	59,862	21,412			81,275
31	2,080.00	61.50		59,185	2,630			61,815	28.53	59,342	2,632			61,974
38	2,080.00	220.50		59,759	9,547			69,306	28.94	60,195	9,572			69,767
41	2,075.96	139.50		58,964	5,978			64,942	28.53	59,342	5,970			65,312
43	1,905.00	39.50		54,002	1,688			55,690	28.53	59,342	1,690			61,033
50	2,064.00	89.50		58,490	3,824			62,314	28.53	59,342	3,830			63,173
138	2,080.00	3.00		53,644	117		500	54,261	26.00	54,080	117		500	54,697
139	2,080.00	11.00		47,114	377		500	47,991	22.86	47,549	377		500	48,426
144	2,080.00	21.00		39,915	608		500	41,023	19.40	40,352	611		500	41,463
163	2,080.00			47,956			850	48,806	23.37	48,610	0		850	49,460
164	2,082.00	10.50		33,916	255		500	34,671	16.50	34,320	260		500	35,080
166	2,080.00	23.50		38,044	652			38,696	18.50	38,480	652			39,132
169	1,894.00	6.00		26,262	123		500	26,885	14.50	30,160	131		500	30,791
172	1,833.00			40,894			550	41,444	22.50	46,800	0		550	47,350
174	1,796.49	4.00		21,340	72		500	21,912	12.00	24,960	72		500	25,532
176	2,080.00	10.00		23,702	171		500	24,373	11.50	23,920	173		500	24,593

Emp #	Hours Worked			Actual Test Year Wages					Wage Rate 11/1/16	Normalized Wages @ 2,080 Hours				
	Reg Hrs	OT Hrs	Vacation Payout	Regular	Overtime	Vacation Payout	Performance Compensation	Total		Regular	Overtime	Vacation Payout	Performance Compensation	Total
182	2,080.00	62.00		41,963	1,995			43,958	22.10	45,968	2,055			48,023
185	2,080.00	58.00		51,017	2,171			53,188	25.04	52,083	2,178			54,262
187	2,064.00	137.00		47,587	4,817			52,404	24.03	49,982	4,938			54,921
188	2,076.00			52,442				52,442	25.50	53,040	0			53,040
189	2,080.00	38.00		46,884	1,297			48,181	22.75	47,320	1,297			48,617
191	1,045.50			7,933				7,933	8.50	17,680	0			17,680
192	1,952.00	7.50		22,120			500	22,620	11.50	23,920	129		500	24,549
193	1,540.50	123.50		47,686				47,686	27.74	57,699	5,139			62,838
Subtotal	65,921.41	3,716.50	160.84	1,594,669	150,872	4,973	5,400	1,755,914		1,656,117	157,091	5,053	5,400	1,823,661
Part Time & Summer Employees														
186	70.00			508				508	7.25	15,080	0			15,080
190	276.00			2,760				2,760	10.00	20,800	0			20,800
Subtotal	346.00	-	-	3,268	-	-	-	3,268		35,880	0	0	0	35,880
Retired Employees														
3	860.77			25,290				25,290	0.00					0
17	1,469.12	3.00		37,393	114			37,507	25.75					0
40	1,150.29	4.50		33,078	196			33,274	28.94					0
Subtotal	3,480.18	7.50	-	95,761	310	-	-	96,071		0	0	0	0	0
Total	84,307.59	3,724.00	271.80	2,202,354	151,182	9,999	10,250	2,373,785		2,204,322	157,091	10,098	10,250	2,381,761

Big Sandy Rural Electric Cooperative
Case No. 2017-00171

Exhibit 1
page 5 of 8
Witness: Jim Adkins

Analysis of Salaries and Wages
For the calendar years 2007 through 2009
and the Test Year ended July 31, 2016

Line No	Item (a)	Twelve Months Ended						Test year 2016	
		2013		2014		2015		Amount (l)	%
		Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)		
1	Wages charged to expense:								
2	Distribution expense	612	-7%	703	15%	751	7%	671	-11%
3	Customer accounts expense	244	-6%	273	12%	263	-4%	267	2%
4	Customer service and and infor	41	-7%	44	7%	46	5%	33	-28%
5	Sales expense								
6	Administrative and general expenses:								
	(a) Administrative and general	287	-3%	297	3%	309	4%	319	3%
	(b) Office supplies and expense								
	(h) Miscellaneous general	233	34%	238	2%	252	6%	250	-1%
	(i) Maintenance of general plan	12	0%	8	-33%	7	-13%	15	114%
7	Total administrative and general expenses L6(a) to L6(i)	532	11%	543	-3%	568	5%	584	-3%
8	Charged to clearing and others	241	-5%	265	10%	253	-5%	242	-4%
9	Total salaries and wages charged to expense and other L2 to L6 + L7 + L8	1,670	-2%	1,828	9%	1,881	3%	1,797	-4%
10	Wages capitalized	468	-8%	489	4%	528	8%	577	9%
11	Total salaries and wages	2,138	-3%	2,317	8%	2,409	4%	2,374	-1%
12	Ratio of salaries and wages charged to expense to total wages L9 / L	78%		79%		78%		76%	
13	Ratio of salaries and wages capitalized to total wages L10 / L11	22%		21%		22%		24%	
14	Overtime wages	121	-45%	192	59%	211	10%	151	-28%
15	Overtime hours	3,135	-45%	4,656	49%	5,092	9%	3,724	-27%

Emp #	Wage Rate 11/1/14	Wage Rate 11/1/15	Percent change	Wage Rate 11/1/16	Percent change	Reason for increase
Salary Employees						
14	35.00	35.50	1.4%	35.75	0.7%	
16	38.32	38.80	1.3%	39.07	0.7%	
130	59.40	59.40	0.0%	59.40	0.0%	
136	33.84	34.34	1.5%	34.84	1.5%	
149	25.50	26.00	2.0%	26.50	1.9%	
159	25.58	26.08	2.0%	26.58	1.9%	
171	22.17	23.17	4.5%	24.17	4.3%	Step increase
Subtotal						
Hourly Employees:						
5	30.26	30.51	0.8%	31.01	1.6%	
8	28.48	30.88	8.4%	31.38	1.6%	Job change p/y
10	28.03	28.28	0.9%	28.78	1.8%	
11	28.03	28.28	0.9%	28.78	1.8%	
13	26.49	26.74	0.9%	27.24	1.9%	
15	30.26	30.51	0.8%	31.01	1.6%	
18	28.03	28.28	0.9%	28.78	1.8%	
22	27.23	27.48	0.9%	27.98	1.8%	
24	29.38	34.62	17.8%	35.12	1.4%	Promotion p/y
25	28.03	28.28	0.9%	28.78	1.8%	
31	27.78	28.03	0.9%	28.53	1.8%	
38	28.03	28.44	1.5%	28.94	1.8%	
41	27.78	28.03	0.9%	28.53	1.8%	
43	27.78	28.03	0.9%	28.53	1.8%	
50	27.78	28.03	0.9%	28.53	1.8%	
138	24.29	25.50	5.0%	26.00	2.0%	
139	21.19	22.36	5.5%	22.86	2.2%	
144	18.40	18.90	2.7%	19.40	2.6%	
163	22.12	22.62	2.3%	23.37	3.3%	
164	15.00	16.00	6.7%	16.50	3.1%	
166	16.00	18.00	12.5%	18.50	2.8%	Promotion p/y
169	12.25	12.75	4.1%	14.50	13.7%	Promotion
172	21.85	22.10	1.1%	22.50	1.8%	
174	11.50	11.75	2.2%	12.00	2.1%	
176	11.00	11.25	2.3%	11.50	2.2%	
182	20.11	20.61	2.5%	22.10	7.2%	Step increase
185	23.53	24.54	4.3%	25.04	2.0%	
187	22.68	23.18	2.2%	24.03	3.7%	
188	24.00	25.00	4.2%	25.50	2.0%	
189	0.00	22.25	0.0%	22.75	2.2%	
191	0.00	7.25	0.0%	8.50	17.2%	Step increase
192	11.00	11.00	0.0%	11.50	4.5%	Step increase
193	0.00	27.24	0.0%	27.74	1.8%	

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Compensation of Executive Officers
Test year July 31, 2016

	<u>Test Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Manager/CEO	123,552	123,552	123,552	118,560
Percent Increase	0.0%	0.0%	4.2%	5.4%
VP of Operations	81,266	80,746	79,706	77,626
Percent Increase	0.6%	1.3%	2.7%	6.9%
Accounting & Finance Manager	50,274	48,194	46,114	44,034
Percent Increase	4.3%	4.5%	4.7%	2.4%
VP of Customer Services	55,120	54,080	53,040	52,000
Percent Increase	1.9%	2.0%	2.0%	0.0%

Witness: Brian Frasure

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Duties and Responsibilities of Officers

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

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

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

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

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Payroll Taxes

The employer's portion of FICA and medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and medicare is 1.45%. The wage limit increases from \$117,000 in 2015 to \$118,500 in 2016 for FICA; all wages are subject to medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 1.29% for the first \$10,200 of wages.

Proposed FICA amounts			
FICA	147,209		
Medicare	34,536		
	181,744		
Proposed FUTA	2,352		
Proposed SUTA	5,526	189,623	
Test year amount			
FICA and Medicare	179,935		
Test year FUTA	2,318		
Test year SUTA	5,500	187,753	
Increase		1,870	

Adjustment:		Percent	Amount
107	Capitalized	24.3%	455
163 - 416	Clearing and others	10.2%	191
580	Operations	13.9%	260
590	Maintenance	14.4%	269
901	Consumer accounts	11.2%	210
908	Customer service	1.4%	26
910	Sales	0.0%	0
920	Administrative and general	24.6%	459
		100.0%	\$1,870

State unemployment (SUTA) wage rates are as follows:

2016	1.29%
2015	1.29%
2014	1.40%
2013	1.50%
2012	1.50%

Emp #	Normalized Wages	Social Security		Medicare Wages		Federal Unemployment		State Unemployment	
		Up to	@	All	@	Up to	@	Up to	@
		\$118,500	6.20%	Wages	1.45%	\$7,000	0.80%	\$10,200	1.29%
Salary Employees									
14	76,120	76,120	4,719	76,120	1,104	7,000	56	10,200	132
16	83,527	83,527	5,179	83,527	1,211	7,000	56	10,200	132
130	125,926	118,500	7,347	125,926	1,826	7,000	56	10,200	132
136	73,367	73,367	4,549	73,367	1,064	7,000	56	10,200	132
149	56,020	56,020	3,473	56,020	812	7,000	56	10,200	132
159	56,136	56,136	3,480	56,136	814	7,000	56	10,200	132
171	51,124	51,124	3,170	51,124	741	7,000	56	10,200	132
Subtotal	522,219	514,794	31,917	522,219	7,572	49,000	392	71,400	921
Hourly Employees:									
5	68,106	68,106	4,223	68,106	988	7,000	56	10,200	132
8	68,533	68,533	4,249	68,533	994	7,000	56	10,200	132
10	108,947	108,947	6,755	108,947	1,580	7,000	56	10,200	132
11	90,685	90,685	5,622	90,685	1,315	7,000	56	10,200	132
13	58,804	58,804	3,646	58,804	853	7,000	56	10,200	132
15	69,712	69,712	4,322	69,712	1,011	7,000	56	10,200	132
18	60,920	60,920	3,777	60,920	883	7,000	56	10,200	132
22	59,185	59,185	3,669	59,185	858	7,000	56	10,200	132
24	75,785	75,785	4,699	75,785	1,099	7,000	56	10,200	132
25	81,275	81,275	5,039	81,275	1,178	7,000	56	10,200	132
31	61,974	61,974	3,842	61,974	899	7,000	56	10,200	132
38	69,767	69,767	4,326	69,767	1,012	7,000	56	10,200	132
41	65,312	65,312	4,049	65,312	947	7,000	56	10,200	132
43	61,033	61,033	3,784	61,033	885	7,000	56	10,200	132
50	63,173	63,173	3,917	63,173	916	7,000	56	10,200	132
138	54,697	54,697	3,391	54,697	793	7,000	56	10,200	132
139	48,426	48,426	3,002	48,426	702	7,000	56	10,200	132
144	41,463	41,463	2,571	41,463	601	7,000	56	10,200	132
163	49,460	49,460	3,066	49,460	717	7,000	56	10,200	132
164	35,080	35,080	2,175	35,080	509	7,000	56	10,200	132
166	39,132	39,132	2,426	39,132	567	7,000	56	10,200	132

Emp #	Normalized Wages	Social Security		Medicare Wages		Federal Unemployment		State Unemployment	
		Up to \$118,500	@ 6.20%	All Wages	@ 1.45%	Up to \$7,000	@ 0.80%	Up to \$10,200	@ 1.29%
169	30,791	30,791	1,909	30,791	446	7,000	56	10,200	132
172	47,350	47,350	2,936	47,350	687	7,000	56	10,200	132
174	25,532	25,532	1,583	25,532	370	7,000	56	10,200	132
176	24,593	24,593	1,525	24,593	357	7,000	56	10,200	132
182	48,023	48,023	2,977	48,023	696	7,000	56	10,200	132
185	54,262	54,262	3,364	54,262	787	7,000	56	10,200	132
187	54,921	54,921	3,405	54,921	796	7,000	56	10,200	132
188	53,040	53,040	3,288	53,040	769	7,000	56	10,200	132
189	48,617	48,617	3,014	48,617	705	7,000	56	10,200	132
191	17,680	17,680	1,096	17,680	256	7,000	56	10,200	132
192	24,549	24,549	1,522	24,549	356	7,000	56	10,200	132
193	62,838	62,838	3,896	62,838	911	7,000	56	10,200	132
Subtotal	1,823,661	1,823,661	113,067	1,823,661	26,443	231,000	1,848	336,600	4,342
Part Time & Summer Employees									
186	15,080	15,080	935	15,080	219	7,000	56	10,200	132
190	20,800	20,800	1,290	20,800	302	7,000	56	10,200	132
Subtotal	35,880	35,880	2,225	35,880	520	14,000	112	20,400	263
Retired Employees									
3	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0
40	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0
Total	2,381,761	2,374,335	147,209	2,381,761	34,536	294,000	2,352	428,400	5,526

Witness: James Adkins

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

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. Big Sandy had a depreciation study performed as of December 31, 2007.

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

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

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

July 31, 2016

Depreciation Adjustment

Normalized depreciation accrual:

Distribution plant	2,151,672	
General plant	291,533	
Less charged to clearing	<u>(157,230)</u>	2,285,975

Test year depreciation accrual:

Distribution plant	2,137,023	
General plant	283,311	
Less charged to clearing	<u>(147,630)</u>	2,272,704
		<u><u>13,271</u></u>

Transportation clearing:

Normalized	157,230
Test year	<u>147,630</u>
	<u><u>9,600</u></u>

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

<u>Account</u>	<u>%</u>	<u>Amount</u>
Construction and retirement WIP	34%	\$3,305
Others	1%	113
Distribution - operations	15%	1,445
Distribution - maintenance	27%	2,583
Consumer accounts	7%	664
Consumer service and information	6%	548
Sales	0%	0
Administrative and general	10%	<u>942</u>
Total	<u>100%</u>	<u><u>\$9,600</u></u>

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
July 31, 2016

Schedule 3
page 3 of 6

Account Number	Description	Test Year Balance	Rate	Normalized Expense	Test Year Accrual	Exclude Items Fully Depreciated
Distribution plant:						
362	Station equipment	400,205	2.86%	11,446	11,446	
364	Poles, towers & fixtures	14,209,217	4.99%	709,040	701,943	
365	Overhead conductors & devices	13,008,337	4.84%	629,604	628,290	
366	Underground conduit	606,272	4.84%	29,344	28,448	
367	Underground conductor & devices	400,641	3.13%	12,540	11,667	
368	Line transformers	6,417,073	3.46%	222,031	221,026	
369	Services	5,081,015	4.02%	204,257	202,261	
370	Meters	3,482,975	6.67%	232,314	233,762	
371	Installations on customer premises	2,471,803	4.09%	101,097	98,180	
		<u>46,077,538</u>		<u>2,151,672</u>	<u>2,137,023</u>	
General plant:						
389	Land	292,419				
390	Structures and improvements	2,991,477	3.00%	74,967	74,667	492,577
391	Office furn and eqt	702,484	6.00%	42,149	44,327	
392	Transportation	1,783,882	16.00%	157,230	147,630	801,195
393	Stores	-	5.00%	-		
394	Tools, shop and garage	124,891	5.00%	6,245	6,078	
395	Laboratory	154,634	5.00%	7,732	7,738	
396	Power operated	11,903	14.00%	-	-	11,903
397	Communications	50,173	7.00%	2,215	2,075	18,530
398	Miscellaneous	30,873	5.00%	996	796	10,953
		<u>6,142,736</u>		<u>291,533</u>	<u>283,311</u>	
	Total electric plant	<u>\$ 52,220,274</u>		<u>\$ 2,443,205</u>	<u>\$ 2,420,334</u>	

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

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
July 31, 2016

Exhibit 3
page 4 of 6

			<u>Begin</u>				<u>End</u>
Changes in electric plant:			<u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfer</u>	<u>Balance</u>
362	Station equipment		400,205	0	0		400,205
364	Poles, towers and fixtures		13,924,761	432,301	147,845		14,209,217
365	Overhead conductor and devices		12,721,268	462,873	175,804		13,008,337
366	Underground conduit		569,253	42,494	5,475		606,272
367	Underground conductor and devices		344,864	61,891	6,114		400,641
368	Line transformers		6,359,017	100,990	42,934		6,417,073
369	Services		4,981,740	178,172	78,897		5,081,015
370	Meters		3,526,368	122,069	165,462		3,482,975
371	Security lights		2,329,156	398,607	255,960		2,471,803
Subtotal distribution plant			45,156,632	1,799,397	878,491	0	46,077,538
389	Land		292,419	0			292,419
390	Structures and improvements		2,991,477	0			2,991,477
391	Office furn and eqt		731,222	62,119	90,857		702,484
392	Transportation		1,496,998	354,081	67,197		1,783,882
393	Stores						
394	Tools, shop and garage		119,348	5,543			124,891
395	Laboratory		154,634	0			154,634
396	Power operated		11,903	0			11,903
397	Communication		68,872	49,789	68,488		50,173
398	Miscellaneous		30,873	0			30,873
Subtotal general plant			5,897,746	471,532	226,542	0	6,142,736
Total electric plant in service			51,054,378	2,270,929	1,105,033	0	52,220,274

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
July 31, 2016

Exhibit 3
page 5 of 6

Changes in reserve for depreciation:

	<u>Begin Balance</u>	<u>Accrual</u>	<u>Original Cost</u>	<u>Removal Cost</u>	<u>Gain/Loss Salvage</u>	<u>Net Charge</u>	<u>End Balance</u>
Distribution plant	15,631,274	2,137,023	878,491	409,216	82,584	1,205,123	16,563,174
Land							
Structures and improvements	425,016	74,667	0			0	499,683
Office furn and eqt	409,032	44,327	90,857			90,857	362,502
Transportation	1,489,453	147,630	67,197		1,096	66,101	1,570,982
Stores	66,864	0	0			0	66,864
Tools, shop and garage	0	6,078	0			0	6,078
Laboratory	110,925	7,738	0			0	118,663
Power operated	9,167	0	0			0	9,167
Communication	63,655	2,075	68,488			68,488	(2,758)
Other tangible	28,819	796	0			0	29,615
Subtotal general plant	2,602,931	283,311	226,542	0	1,096	225,446	2,660,796
Retirement WIP	129,748			56,487		56,487	186,235
Total accumulated depreciation	18,104,457	2,420,334	1,105,033	352,729	83,680	1,374,082	19,037,735

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Depreciation Guideline Curve
July 31, 2016

		Distribution	Accumulated Deprec	Reserve	Ratio of Current Distribution Plant to Distribution Plant 10 Years Prior
	Year	Plant in	for		
	<u>Ended</u>	<u>Service</u>	<u>Distribution</u>	<u>Ratio</u>	<u>Plant 10 Years Prior</u>
	2016	46,580,201	16,910,829	36.30%	1.36
	2015	45,673,125	16,116,695	35.29%	1.43
	2014	44,489,613	14,980,548	33.67%	1.48
	2013	43,307,142	13,744,287	31.74%	1.50
	2012	42,151,671	12,481,493	29.61%	1.51
	2006	34,137,274	7,382,959	21.63%	
	2005	31,940,918	7,213,319	22.58%	
	2004	30,123,866	7,026,718	23.33%	
	2003	28,915,792	6,576,124	22.74%	
	2002	27,879,333	6,095,301	21.86%	

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

July 31, 2016

	<u>2014</u>	<u>2015</u>
Payments:		
Ky State Treas	10.00	10.00
Ky State Treas, Public Service Company	105,115.99	104,481.63
Floyd County	65,642.75	64,898.85
Johnson County	100,593.97	102,708.80
Martin County	11,569.26	13,835.73
Lawrence County	10,028.36	9,455.40
Knott County	7,967.33	8,894.86
Morgan County	666.93	712.39
Breathitt County	203.91	220.18
Magoffin County	46.79	10.34
Paintsville City	5,993.33	7,176.72
	<u>307,838.62</u>	<u>312,404.90</u>
Amount of Adjustment		<u>4,566</u>
Allocation of adjustment:		
Overhead line exp	583	82% 3,730
Meter exp	586	4% 175
Customer installation exp	587	4% 166
Miscellaneous distribution exp	588	5% 220
Consumer records	903	4% 165
Office supply and exp	921	2% 109
	100%	4,565

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Analysis of Other Operating Taxes
12 Months Ended
July 31, 2016

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (c)	Charged to Other Accounts (d)	Amounts Accrued (e)	Amount Paid (f)
1.	Kentucky Retail:					
	(a) State Income					
	(b) Franchise Fees					
	(c) Ad Valorem	312,405			312,405	321,491
	(d) Payroll (Employer's Portion)	145,732	50,225	15,045	211,002	211,002
	(e) Other Taxes	34,769			34,769	34,769
2.	Total Retail (L1(a) through L1(e))	492,906	50,225	15,045	558,176	567,262
3.	Other Jurisdictions					
	Total Per Books (L2 and L3)	492,906	50,225	15,045	558,176	567,262

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

July 31, 2016

Adjustment for Interest on Long Term Debt

The adjustment for interest on long-term debt results in a decrease of \$8,668.

Interest on short term borrowings of \$7,869 has been removed.

This adjustment has been calculated by multiplying the test year end debt amounts by the interest rates in effect at the end of the test year for each loan.

RUS loans	327,752
FFB loans	273,658
CFC loans	61,973
CoBank loans	<u>29,112</u>
Total annualized interest	692,496
Test year interest expense	<u>701,164</u>
Adjustment	<u><u>(8,668)</u></u>

Big Sandy Rural Electric Cooperative

Exhibit 5

Case No. 2017-00171

page 2 of 3

Schedule of Outstanding Long-Term Debt

July 31, 2016

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
RUS loans						
RET-6-1	Jan-96	Jan-31	\$ 237,540	3.375%	\$ 8,017	\$ 7,960
RET-6-2	Jan-96	Jan-31	115,634	0.250%	289	289
RET-6-3	Jan-96	Jan-31	285,567	3.875%	11,066	10,987
RET-6-4	Jan-96	Jan-31	137,050	3.750%	5,139	5,124
RET-6-5	Jan-96	Jan-31	274,592	0.875%	2,403	2,397
RET-6-6	Jan-96	Jan-31	510,430	4.250%	21,693	21,548
RET-7-1	Nov-04	Oct-39	1,122,502	2.200%	24,695	24,468
RET-7-2	Nov-04	Oct-39	1,682,837	4.630%	77,915	76,777
RET-7-3	Nov-04	Oct-39	1,280,562	4.930%	63,132	62,176
RET-7-4	Nov-04	Oct-39	1,286,997	4.580%	58,944	58,009
RET-7-5	Nov-04	Oct-39	1,191,653	4.570%	54,459	53,640
Advance payment unapplied			(3,024,500)			
			<u>5,100,864</u>		<u>327,752</u>	<u>323,375</u>
FFB loans						
H0010	Jan-99	Dec-33	5,169,701	4.597%	237,651	240,698
H0035	Sep-09	Sep-44	<u>9,232,642</u>	<u>0.390%</u>	<u>36,007</u>	<u>27,026</u>
			<u>14,402,343</u>		<u>273,658</u>	<u>267,724</u>
CFC loans						
9014	Mar-82	Feb-17	21,956	6.30%	1,383	1,401
9018002	Sep-84	Aug-19	203,737	6.30%	12,835	12,996
9018003	Sep-89	Aug-24	135,825	6.35%	8,625	8,733
9021012	Jun-03	May-16	-	6.46%	-	14,904
9021013	Jun-03	May-17	344,755	5.65%	19,479	19,479
9021014	Jun-03	May-18	<u>344,755</u>	<u>5.70%</u>	<u>19,651</u>	<u>19,651</u>
			<u>1,051,028</u>		<u>61,973</u>	<u>77,164</u>
CoBank loans						
204343	Dec-11	Nov-19	379,744	3.260%	12,380	14,979
224152	Dec-12	Nov-22	<u>545,026</u>	<u>3.070%</u>	<u>16,732</u>	<u>17,922</u>
			<u>924,770</u>		<u>29,112</u>	<u>32,901</u>
Total long term debt and annualized interest cost			<u>\$ 21,479,005</u>		<u>\$ 692,496</u>	<u>\$ 701,164</u>
Annualized cost rate [Total Col. (j) / Total Col. (d)]					3.22%	
Actual test year cost rate [Total Col (k) / Total Reported in Col (d)]						3.26%

Schedule of Short Term Debt

July 31, 2016

Adjustment for Short Term Interest

This adjustment is to remove interest on short term borrowings. It is presumed that the short term borrowings will be repaid as a result of additional revenues generated from this Application.

Type of Debt <u>Instrument</u>	Date of <u>Issue</u>	Date of <u>Maturity</u>	Amount <u>Outstanding</u>	Interest <u>Rate</u>	Annualized <u>Cost</u>
(a)	(b)	(c)	(d)	(e)	(f)
CoBank	5/16/2015	7/31/2016	600,000	3.38%	20,280
Annualized cost rate [Total col. (f) / Total col. (d)]					3.38%
Actual interest paid, or accrued on Short Term Debt during the Test Year					7,869

Big Sandy pays East Kentucky Power Cooperative \$3,510.58 per month in interest charges for a 69 KR transmission line to Inez, instead of building a substation in that area.

Other interest expense during the test year is as follows:

431.00, Customer deposits	1,509.63
431.10, Short term borrowings	7,868.59
431.20, EKPC Inez line	42,126.96
431.30, Truck lease	11,372.65
	<u>62,877.83</u>

Big Sandy Rural Electric Cooperative
Case No. 2017-00171

Retirement and Security and 401(k) Plans

Big Sandy provides pension benefits for substantially all employees through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security (R&S) Program and the NRECA Savings Plan 401(k). It is the policy of Big Sandy to fund pension costs accrued. R&S contributions are based on base salary at a rate determined by NRECA. Employees hired after August 2002 can only participate in the 401(k) plan at a rate of 10%.

The R&S rate for 2015 was 30.66% of base wages. For 2016 the rate increased to 33.11% and remained at that level for 2016. The adjustment is to normalize the R&S and 401(k) contributions using the rate for 2016 and normalized based wages for full-time salary and hourly employees.

Normalized on base wages:

R&S and 401(k) contributions	420,146
------------------------------	---------

Test year on base wages:

R&S contributions	265,918	
401(k) contributions	144,028	409,946
Proposed adjustment	10,200	10,200

The adjustment is allocated as follows:

		<u>Percent</u>	<u>Amount</u>
107-108	Capitalized	24.3%	2,481
163 - 416	Clearing and others	10.2%	1,040
580	Operations	13.9%	1,421
590	Maintenance	14.4%	1,465
901	Consumer accounts	11.2%	1,146
908	Customer service	1.4%	141
910	Sales	0.0%	0
920	Administrative and general	24.6%	2,506
		100.0%	10,200

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Test year July 31, 2016

Exhibit 6
page of 3
Witness: Jim Adkins

Emp #	Normalized Wages	Retirement Cost	
		Rate	Accrual
Salary Employees			
14	74,360	33.11%	24,621
16	81,266	33.11%	26,907
130	123,552	33.11%	40,908
136	72,467	33.11%	23,994
149	55,120	33.11%	18,250
159	55,286	33.11%	18,305
171	50,274	33.11%	16,646
Subtotal	512,325		169,631
Hourly Employees:			
5	64,501	10.00%	6,450
8	65,270	33.11%	21,611
10	59,862	10.00%	5,986
11	59,862	10.00%	5,986
13	56,659	10.00%	5,666
15	64,501	10.00%	6,450
18	59,862	10.00%	5,986
22	58,198	10.00%	5,820
24	73,050	33.11%	24,187
25	59,862	10.00%	5,986
31	59,342	10.00%	5,934
38	60,195	10.00%	6,020
41	59,342	10.00%	5,934
43	59,342	10.00%	5,934
50	59,342	10.00%	5,934
138	54,080	33.11%	17,906
139	47,549	33.11%	15,743
144	40,352	33.11%	13,361
163	48,610	33.11%	16,095
164	34,320	10.00%	3,432
166	38,480	33.11%	12,741
169	30,160	10.00%	3,016
172	46,800	10.00%	4,680
174	24,960	10.00%	2,496
176	23,920	10.00%	2,392
182	45,968	10.00%	4,597
185	52,083	10.00%	5,208

Emp #	Normalized Wages	Retirement Cost	
		<u>Rate</u>	<u>Accrual</u>
187	49,982	10.00%	4,998
188	53,040	10.00%	5,304
189	47,320	10.00%	4,732
191	17,680	10.00%	1,768
192	23,920	10.00%	2,392
193	57,699	10.00%	5,770
Subtotal	1,656,117		250,516
Part Time & Summer Employees			
186	15,080		0
190	20,800		
Subtotal	35,880		0
Retired Employees			
3			0
17			0
40			0
Subtotal	0		0
Total	2,204,322		420,146

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Donations - Account 426.

DATE	CHECK	VENDOR NAME	AMOUNT	DESCRIPTION
08/06/15	53891	FLOYD CO EMERGENCY & RESCUE	100.00	DONATION FLOYD CO RESCUE
08/10/15	53892	PAUL B HALL SCHOLARSHIP FUND	200.00	PBH HOLE SPONSORSHIP GOLF TOURN
08/18/15	53907	HIGHLANDS FOUNDATION	750.00	HIGHLANDS GOLF CLASSIC SPONORSHI
08/27/15	53975	RICEVILLE NEW BETHEL FREEWIL	100.00	RUN FOR THE SON 5K-DONATION
09/10/15	54044	THE FAST BREAK CLUB	200.00	JCHS BOY'S BASKET BALL SPOT ON B
09/21/15	54076	FLOYD CO HOMELESS	150.00	5K WALK-SPONSORSHIP HOMELESS SHE
11/13/15	54395	MID-SOUTH DIVISION INC	50.00	2015 ANNUAL FUND PAINTSVILLE DRI
11/16/15	54398	MAYTOWN VOLUNTEER FIRE DEPT	100.00	MAYTOWN FIRE-SANTA RUN DONATION
11/18/15	54537	VISA	100.00	GIFT CARD CARL PERKINS-DONATION
11/18/15	54537	VISA	279.20	CANDY & BIKE MEADE SCHOOL
11/18/15	54537	VISA	182.12	SOUL FOOD-DONATION BOB GOUND
12/01/15	54469	EAST KENTUCKY POWER COOP	262.51	LATE PAYMENT POWER BILL-EKPC
12/15/15	54548	FIRST CHURCH OF GOD	300.00	DONATION-FOOD BANK EKPC SHARED
12/15/15	54549	HEAVEN'S HARVEST FOOD PANTRY	300.00	DONATION-FOOD BANK EKPC SHARED
12/15/15	54550	APPALACHIA REACH OUT	300.00	DONATION-FOOD BANK EKPC SHARED
02/11/16	54871	JOHNSON CENTRAL HIGH SCHOOL	100.00	SWAP MEET SPONSORSHIP JCHS FISH
02/11/16	54873	SPECIAL OLYMPICS KENTUCKY	290.00	DONATION-SPECIAL OLYMPICS
02/12/16	54876	JOHNSON CENTRAL HOMERUN	400.00	JCHS BASEBALL-HOMEROOM BOOST DE
02/22/16	54952	KENTUCKY ASSN ELECTRIC COOP	196.53	2016 KY CHAMBER COMMERCE DUES
02/23/16	54900	MID-SOUTH DIVISION INC	50.00	2016 ANNUAL FUND PAINTSVILLE DRI
02/29/16	54953	KENTUCKY COUNCIL OF COOP	200.00	2016 MSHIP DUES
03/04/16	54989	AMS DANCE CATS	100.00	AMS-DANCE TEAM-DONATION
03/08/16	55007	MELVIN GOINS	100.00	HONOR TROOPS & VETERANS NW
03/15/16	55044	JOHNSON CENTRAL HIGH SCHOOL	750.00	JCHS-DONATION SOFTBALL
03/30/16	55106	KIWANIS CLUB OF PAINTSVILLE	80.00	PLACEMAT AD NW
03/30/16	55069	ALLEN CENTRAL HIGH SCHOOL	500.00	SPONSORSHIP-ARCHERY TOURN/ ACHS
04/05/16	55156	PAINTSVILLE LITTLE LEAGUE	250.00	P-VILLE LIL LEAGUE SPONSOR (AD)
04/06/16	55170	ALLEN CENTRAL HIGH SCHOOL	150.00	DONATION-JRTOC/ ACHS
04/13/16	55190	THE JORDAN LIGHT FOUNDATION	200.00	DONATION-2016 JLF GOLF /AD
04/14/16	55194	KRISTEN SERGENT	500.00	PORTER ELEM CMPS-DONATION/DE
04/19/16	55227	JCHS PROJECT PROM	100.00	PROJECT PROM DONATION-AD
04/19/16	55229	JCHS LADY EAGLES SOCCER	100.00	JCHS GIRLS SOCCER-SPONSORSHIP
04/25/16	55241	JOHNSON COUNTY MIDDLE SCHOOL	500.00	DONATION-JCMS ACADEMIC TEAM
04/28/16	55252	BIG SANDY SHRINE CLUB	100.00	DONATIONS-KIDS OPEN BASS TOURNEY
05/17/16	55378	CHASE SOLER	1,000.00	C SOLER 2016 SCHOLARSHIP-ACHS
05/17/16	55379	AMANDA WRIGHT	1,000.00	A WRIGHT-2016 SCHOLARSHIP JCHS
05/17/16	55380	CHELSEY NOEL COUCH	1,000.00	C COUCH-2016 SCHOLARSHIP-KCC
05/17/16	55381	JOHN TATE HALL	1,000.00	J HALL 2016 SCHOLARSHIP-LCHS
05/17/16	55373	EMILY WILLIAMS	1,000.00	E WILLIAMS-2016 SCHOLARSHIP-PHS
05/17/16	55374	DYLAN SLONE	1,000.00	D SLONE-2016 SCHOLARSHIP-PHS
05/17/16	55375	HALEY LEMASTER	1,000.00	H LEMASTER-2016 SCHOLARSHIP-SCHS
05/17/16	55376	SANTANA SPRADLIN	1,000.00	S SPRADLIN-2016 SCHOLARSHIP-PIAR
05/17/16	55377	SHELBI CANTRELL	1,000.00	S CANTRELL-2016 SCHOLARSHIP-JCHS
06/01/16	55581	PAUL B HALL SCHOLARSHIP FUND	300.00	PAUL B HALL SPONSORSHIP GOLF TOU
06/21/16	55571	JOHNSON CO CAL RIPKEN YOUTH	300.00	CAL-RIPKEN TEAM SPONSOR/BANNER
06/28/16	55580	FLOYD CO EMERGENCY & RESCUE	100.00	FLOYD CO EMERGENCY & RESCUE-DONA
07/12/16	55707	VAN LEAR HISTORICAL SOCIETY	200.00	AD DONATION
07/12/16	55702	KENTUCKY STATE POLICE	260.00	TROOPER ISLAND GOLF TOUR. (4) PL
07/13/16	55708	EAST KENTUCKY GEARHEADS	250.00	DONATION-DE
07/19/16	55737	FOOTPRINT MINISTRY OF	200.00	4 MAN GOLF SCRAMBLE-DONATION HOL
07/19/16	55871	VISA	750.00	HRMC GOLF CLASSIC-DONATION
07/28/16	55842	HIGHLANDS CANCER CENTER	100.00	HRMC-12TH ANNUAL SURVIVORS-DONAT
TOTAL TO REMOVE			19,500.36	

Big Sandy Rural Electric Cooperative
Case No. 2017-00171

Professional Services
July 31, 2016

<u>Line No</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1	Legal	\$ -	\$ -	\$ 9,562	\$ 9,562
2	Engineering	\$ -	\$ -	\$ -	\$ -
3	Accounting	\$ -	\$ 9,500	\$ -	\$ 9,500
4	Other	\$ -	\$ -	\$ 300	\$ 300
5	Total	\$ -	\$ 9,500	\$ 9,862	\$ 19,362

Witness: James Adkins

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Professional Fees, Account 923

<u>DATE</u>	<u>CHECK</u>	<u>VENDOR NAME</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	
08/01/15	53816	HEALTHSMART BENEFIT	300.00	CONSULTING FEES	
08/31/15		LANCE DANIELS	500.00	RETAINER FEE	
09/30/15		LANCE DANIELS	500.00	RETAINER FEE	
10/01/15	54204	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
10/31/15		LANCE DANIELS	500.00	RETAINER FEE	
11/01/15	54277	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
11/17/15		LANCE DANIELS	500.00	KAEC ANNUAL MEETING PER DI	x
11/18/15	54537	VISA	233.33	ATTORNEY- CHRISTMAS GIFT	x
11/18/15	54537	VISA	167.53	KAEC MTG LODGING	x
11/18/15	54537	VISA	113.49	ATTORNEY-CLOTHING	x
11/24/15	54416	LANCE DANIELS	500.00	SPECIAL MEETING PER DIEM	
11/30/15		LANCE DANIELS	500.00	RETAINER FEE	
12/01/15	54449	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
12/01/15	54473	K-VA-T FOOD STORIES, INC	71.24	ATTNY FOOD CITY GIFT CARD	x
12/02/15	54639	KENTUCKY ASSN ELECTRIC COOP	121.00	KAEC ATTORNEY MEETING	x
12/07/15	54639	KENTUCKY ASSN ELECTRIC COOP	37.00	KAEC ANNUAL MTG MEAL	x
12/20/15	54688	VISA	198.50	CHRISTMAS GIFT CARD	x
12/21/15	54572	FEDERATED RURAL ELECT.INS.	2,106.00	LAWSUIT TRISH B	
12/31/15		LANCE DANIELS	500.00	RETAINER FEE	
01/01/16	54641	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
01/31/16		LANCE DANIELS	500.00	RETAINER FEE	
02/01/16	54772	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
02/29/16		LANCE DANIELS	500.00	RETAINER FEE	
03/01/16	54926	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
03/31/16		LANCE DANIELS	500.00	RETAINER FEE	
04/01/16	55094	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
04/20/16	55311	ALAN ZUMSTEIN, CPA	9,500.00	ANNUAL AUDIT	
04/30/16		LANCE DANIELS	500.00	RETAINER FEE	
05/01/16	55269	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
05/31/16		LANCE DANIELS	500.00	RETAINER FEE	
06/01/16	55452	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
06/21/16		LANCE DANIELS	500.00	STRATEGIC PLANNING PER DIEM	
07/01/16	55618	NATIONAL RURAL ELECTRIC COOP	1.35	ATTNY. ACCDT. INS PD	
	TOTAL		19,361.59		
	REMOVE FOR RATE MAKING PURPOSES		1,442.09		

Ex 11 8
3 of 5

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
POLICY STATEMENT NO. 400-005
SECTION D

**SUBJECT: FUNCTIONS AND COMPENSATION OF
COOPERATIVE ATTORNEYS**

- PURPOSE:**
- A. To recognize the need for continuing legal guidance and counsel in the regular and special activities of the Cooperative, to insure maximum protection of the legal rights of the Cooperative, and to maintain operational conformity to the limitations prescribed by law.
 - B. To provide for the functions of the legal consultant employed as the regular Cooperative Attorney(s) or a monthly retainer fee basis and for additional counsel as required from time to time.

POLICY:

It shall be the policy of Big Sandy RECC to maintain a continuing relationship with the Attorney or firm of attorneys for the purpose of procuring the necessary legal assistance and advice to protect the corporate interests of the Cooperative.

The Board of Directors shall designate the Cooperative Attorney(s) upon the recommendation of the President/General Manager.

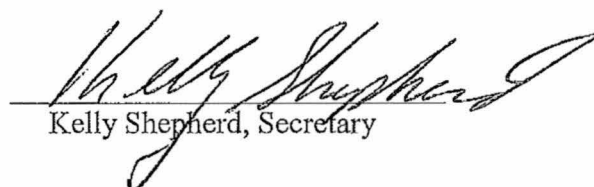
- FUNCTIONS:**
- The services required of the Attorney(s) will vary in nature and extent according to the conditions and problems that arise. These services can be divided into routine and special services.
- A. Routine services shall be rendered on an annual retainer fee basis and shall include the following:
 - 1. Attendance at regular and special Board Meetings, or meetings of committees of the Board, when requested by the Board or President/General Manager.
 - 2. Review of minutes of all Board Meetings, regular or special, to check conformity with the bylaws and applicable state and federal law and regulations.

3. Review of minutes, resolutions, bylaw amendments, notice of meetings, and review of the proceedings of the Annual Meeting of Members, or of Special Meeting of Members, and attending such meetings to be available for consultation and participation if events warrant.
 4. Normal assistance and advice on tax matters, including reports and claims for exemption.
 5. Review and legal approval of contracts and other documents as to form, substance and execution.
 6. Miscellaneous letters and legal matters of a Minor nature not requiring an unusual amount of time, study and attention.
 7. Advice and consultation concerning Miscellaneous matters of cooperative business, including policy and personnel actions, as requested by the Board or President/General Manager.
 8. Attendance at association meetings pertaining to The activities of the Cooperative where special services are not required, and the choice of attending is left to the discretion of the attorney(s).
 9. Handling of loan documents and mortgages.
- B.
1. Attorney(s) may be requested by the Board of Directors to attend legal seminars, NRECA Annual Meetings and Regional Meetings. Such Meetings shall be compensated for at the rate of \$250.00 per day plus expenses. Expenses shall be reimbursed as described in Policy No. 400-010. This amount shall become effective January 1, 2011.
 2. Routine services shall be compensated for and included in the retainer fee of **\$500.00** per month. This amount shall become effective July 23, 2015.
 3. The following benefits will be paid 100% of the Premium cost.
 - (1) Business travel accident insurance.

RESPONSIBILITY: The Board of Directors.

SOURCE:

REVISED	January 15, 1988
REVISED	June 17, 1994
REVISED	October 16, 1996
REVISED	January 19, 2001
REVISED	February 16, 2001
REVISED	November 16, 2004
REVISED	November 24, 2010
REVISED	JULY 23, 2015


Kelly Shepherd, Secretary

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Director Fees and Expenses
July 31, 2016

Exhibit 9
page 1 of 7
Witness: Brian Frasure

Director	Meeting Fees		Per Diem	Mileage	Registration	Hotel	Meals	Other		Total
	Regular	Special						Allow	Disallow	
Director Wallen	\$ 4,900	\$ 900	\$ 2,000	\$ 400	\$ 187	\$ 809	\$ 212	\$ -	\$ -	\$ 9,408
Director Davis	\$ 4,900	\$ 650	\$ -	\$ 426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,976
Director Shepherd	\$ 4,900	\$ 650	\$ 750	\$ 115	\$ -	\$ 585	\$ 212	\$ 159	\$ -	\$ 7,370
Director Moore	\$ 4,900	\$ 650	\$ 1,750	\$ 223	\$ 3,528	\$ 1,781	\$ 212	\$ -	\$ -	\$ 13,044
Director May	\$ 4,500	\$ 650	\$ 2,750	\$ 1,236	\$ 7,933	\$ 4,545	\$ 843	\$ -	\$ -	\$ 22,457
Director Maxey	\$ 4,900	\$ 650	\$ 2,750	\$ 173	\$ -	\$ 1,617	\$ 461	\$ -	\$ -	\$ 10,551
Total General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,686	\$ 6,797	\$ 3,392	\$ 11,875
Total General	\$ 29,000	\$ 4,150	\$ 10,000	\$ 2,573	\$ 11,648	\$ 9,338	\$ 3,624	\$ 6,956	\$ 3,392	\$ 80,681

Big Sandy Rural Electric Coop
Case No. 2017-00171
Director Fees and Expenses
July 31, 2016

Exhibit 9
page 4 of 7
Witness: Brian Frasure

	Date	Check Number	Vendor Name	Description	Meeting Fees				Registration Fees	Hotel	Meals	Other		Total
					Regular	Special	Per Diem	Mileage				Allow	Disallow	
8	08/25/15		DANNY WALLEN		400.00			13.80						413.80
9	09/22/15		DANNY WALLEN		400.00			13.80						413.80
10	10/20/15		DANNY WALLEN		400.00			13.80						413.80
11	11/17/15		DANNY WALLEN		400.00			13.80						413.80
12	11/17/15		DANNY WALLEN	KAEC ANNUAL MEETING			1,000.00							1,000.00 x
13	11/17/15	54400	DANNY WALLEN	KAEC ANNUAL MEETING				227.70		670.12				897.82 x
14	12/02/15	54639	KAEC	KAEC TRAINING COORDINATED					187.00		148.00			335.00
15	12/14/15	54547	DANNY WALLEN	ANNUAL BID OPENINGS		250.00								250.00
16	12/15/15		DANNY WALLEN		400.00			13.80						413.80
17	01/12/16	54707	DANNY WALLEN	CFC FINANCIAL FORUM			500.00							500.00
18	01/26/16		DANNY WALLEN		400.00			12.96						412.96
19	02/23/16		DANNY WALLEN		400.00			12.96						412.96
20	03/14/16	55034	DANNY WALLEN	KAEC BOARD MEETING			500.00							500.00
21	03/22/16		DANNY WALLEN		400.00			12.96						412.96
22	04/26/16		DANNY WALLEN		400.00			12.96						412.96
23	05/17/16	55363	DANNY WALLEN	ANNUAL MEETING		400.00		12.96						412.96
24	05/24/16		DANNY WALLEN		400.00			12.96						412.96
25	06/21/16		DANNY WALLEN		400.00			12.96						412.96
26	06/21/16		DANNY WALLEN	STRATEGIC PLANNING MTG		250.00								250.00
27	06/28/16	55674	AMERICAN EXPRESS	KAEC ANNUAL MTG						139.28	63.50			202.78 x
28	07/26/16		DANNY WALLEN		500.00			12.96						512.96
29														
30				TOTAL DANNY WALLEN	4,900.00	900.00	2,000.00	400.38	187.00	809.40	211.50	.00	.00	9,408.28
31														
32	08/25/15		GREG DAVIS		400.00			36.80						436.80
33	09/22/15		GREG DAVIS		400.00			36.80						436.80
34	10/20/15		GREG DAVIS		400.00			36.80						436.80
35	11/17/15		GREG DAVIS		400.00			36.80						436.80
36	12/15/15		GREG DAVIS		400.00			36.80						436.80
37	01/26/16		GREG DAVIS		400.00			34.56						434.56
38	02/23/16		GREG DAVIS		400.00			34.56						434.56
39	03/22/16		GREG DAVIS		400.00			34.56						434.56
40	04/26/16		GREG DAVIS		400.00			34.56						434.56
41	05/17/16	55361	GREG DAVIS	ANNUAL MEETING		400.00		34.56						400.00
42	05/24/16		GREG DAVIS		400.00			34.56						434.56
43	06/21/16		GREG DAVIS		400.00			34.56						434.56
44	06/21/16		GREG DAVIS	STRATEGIC PLANNING MTG		250.00								250.00
45	07/26/16		GREG DAVIS		500.00			34.56						534.56
46														
47				TOTAL GREG DAVIS	4,900.00	650.00	.00	425.92	.00	.00	.00	.00	.00	5,975.92
48														
49	08/19/15	54002	VISA	BACKGROUND CHECK								111.00		111.00
50	08/25/15		KELLY SHEPHERD		400.00			9.20						409.20
51	09/22/15		KELLY SHEPHERD		400.00			9.20						409.20
52	10/20/15		KELLY SHEPHERD		400.00			9.20						409.20
53	11/15/15	54479	KELLY SHEPHERD	KAEC ANNUAL MEETING						134.52				134.52 x
54	11/17/15		KELLY SHEPHERD		400.00			9.20						409.20
55	11/17/15		KELLY SHEPHERD	KAEC ANNUAL MEETING			750.00							750.00 x
56	11/28/15	54530	AMERICAN EXPRESS	KAEC ANNUAL MEETING						311.06				311.06 x
57	12/07/15	54639	KAEC	KAEC ANNUAL MEETING							148.00			148.00 x
58	12/15/15		KELLY SHEPHERD		400.00			9.20						409.20
59	01/26/16		KELLY SHEPHERD		400.00			8.64						408.64
60	02/23/16		KELLY SHEPHERD		400.00			8.64						408.64
61	03/22/16		KELLY SHEPHERD		400.00			8.64						408.64

	Date	Check Number	Vendor Name	Description	Meeting Fees				Registration Fees	Hotel	Meals	Other		Total
					Regular	Special	Per Diem	Mileage				Allow	Disallow	
62	04/26/16		KELLY SHEPHERD		400.00			8.64						408.64
63	05/17/16	55356	KELLY SHEPHERD	ANNUAL MEETING		400.00		8.64						408.64
64	05/24/16		KELLY SHEPHERD		400.00			8.64						408.64
65	06/01/16	55582	GENERAL INFORMATION SERV	BACKGROUND CHECK								48.00		48.00
66	06/21/16		KELLY SHEPHERD	STRATEGIC PLANNING MTG		250.00								250.00
67	06/21/16		KELLY SHEPHERD		400.00			8.64						408.64
68	06/28/16	55674	AMERICAN EXPRESS	KAEC ANNUAL MTG						139.28	63.50			202.78 x
69	07/26/16		KELLY SHEPHERD		500.00			8.64						508.64
71				TOTAL KELLY SHEPHERD	4,900.00	650.00	750.00	115.12	.00	584.86	211.50	159.00	.00	7,370.48
73	08/25/15		ROBERT N MOORE		400.00			17.83						417.83
74	09/22/15		ROBERT N MOORE		400.00			17.83						417.83
75	10/20/15		ROBERT N MOORE		400.00			17.83						417.83
76	11/17/15		ROBERT N MOORE	KAEC ANNUAL MTG			750.00							750.00 x
77	11/17/15		ROBERT N MOORE		400.00			17.83						417.83
78	11/28/15	54530	AMERICAN EXPRESS	KAEC ANNUAL MTG						334.14				334.14 x
79	12/07/15	54639	KAEC	KAEC ANNUAL MTG							148.00			148.00 x
80	12/15/15		ROBERT N MOORE		400.00			17.83						417.83
81	01/26/16		ROBERT N MOORE		400.00			16.74						416.74
82	02/23/16		ROBERT N MOORE		400.00			16.74						416.74
83	03/22/16		ROBERT N MOORE		400.00			16.74						416.74
84	03/22/16		ROBERT N MOORE	NRECA DIR CONFERENCE			750.00							750.00
85	04/18/16	55304	VISA	NRECA DIR CONFERENCE						1,273.05				1,273.05
86	04/26/16		ROBERT N MOORE		400.00			16.74						416.74
87	05/17/16	55362	ROBERT N MOORE	ANNUAL MEETING		400.00		16.74						416.74
88	05/19/16	55515	NRECA	NRECA DIR CONFERENCE					3,528.00					3,528.00
89	05/24/16		ROBERT N MOORE		400.00			16.74						416.74
90	06/14/16		ROBERT N MOORE	EKPC ANNUAL MTG			250.00							250.00
91	06/21/16		ROBERT N MOORE		400.00			16.74						416.74
92	06/21/16		ROBERT N MOORE	STRATEGIC PLANNING MTG		250.00								250.00
93	06/27/16	55579	SANDRA SHEPHERD	NRECA DIR CONFERENCE						35.00				35.00
94	06/28/16	55674	AMERICAN EXPRESS	KAEC ANNUAL MTG						139.28	63.50			202.78 x
95	07/26/16		ROBERT N MOORE		500.00			16.74						516.74
97				TOTAL ROBERT MOORE	4,900.00	650.00	1,750.00	223.07	3,528.00	1,781.47	211.50	.00	.00	13,044.04
99	08/25/15		VELMA MAY		400.00			10.35						410.35
100	09/22/15		VELMA MAY		400.00			10.35						410.35
101	10/19/15	54318	VISA	NRECA WINTER SCHOOL					2,005.00	220.32				2,225.32
102	10/20/15		VELMA MAY		400.00			10.35						410.35
103	11/17/15		VELMA MAY		400.00			10.35						410.35
104	12/10/15	54578	VELMA MAY	NRECA WINTER SCHOOL				393.88		504.11	91.04			989.03
105	12/15/15	54589	VELMA MAY	NRECA WINTER SCHOOL			1,250.00							1,250.00
106	12/15/15		VELMA MAY		400.00			10.35						410.35
107	12/20/15	54688	VISA	NRECA WINTER SCHOOL						753.99				753.99
108	01/12/16	54708	VELMA MAY	CFC FINANCIAL FORUM			500.00	184.78						684.78
109	01/19/16	54870	VISA	KAEC ANNUAL MTG						146.25	112.60			258.85 x
110	01/19/16	54870	VISA	NRECA DIR CONFERENCE						41.83				41.83
111	01/26/16		VELMA MAY		400.00			9.72						409.72
112	02/23/16		VELMA MAY		400.00			9.72						409.72
113	03/22/16		VELMA MAY		400.00			9.72						409.72
114	04/18/16	55304	VISA	NRECA DIR CONFERENCE						1,268.05	450.86			1,718.91
115	05/17/16	55371	VELMA MAY	ANNUAL MEETING		400.00		9.72						409.72

Big Sandy Rural Electric Coop
Case No. 2017-00171
Director Fees and Expenses
July 31, 2016

Exhibit 9
page 7 of 7
Witness: Brian Frasure

	Date	Check Number	Vendor Name	Description	Meeting Fees				Registration Fees	Hotel	Meals	Other		Total
					Regular	Special	Per Diem	Mileage				Allow	Disallow	
116	05/19/16	55515	NRECA	NRECA DIR CONFERENCE					3,528.00					3,528.00
117	05/24/16		VELMA MAY		400.00			9.72						409.72
118	06/14/16		VELMA MAY	EKPC ANNUAL MTG			250.00							250.00 x
119	06/21/16		VELMA MAY		400.00			9.72						409.72
120	06/21/16		VELMA MAY	STRATEGIC PLANNING MTG		250.00								250.00
121	06/28/16	55674	AMERICAN EXPRESS	KAEC ANNUAL MTG						139.28	63.50			202.78 x
122	07/26/16		VELMA MAY		500.00			9.72						509.72
123	07/27/16	55751	VELMA MAY	NRECA SUMMER SCHOOL			750.00	537.84	2,400.00	1,471.11	125.03			5,283.98
124														
125				TOTAL VELMA MAY	4,500.00	650.00	2,750.00	1,236.29	7,933.00	4,544.94	843.03	.00	.00	22,457.26
126														
127	08/25/15		WILLIAM A MAXEY		400.00			13.80						413.80
128	09/20/15		WILLIAM A MAXEY	KAEC BOARD MTG			250.00							250.00
129	09/22/15		WILLIAM A MAXEY		400.00			13.80						413.80
130	09/28/15	54195	AMERICAN EXPRESS	KAEC BOARD MTG						145.09	42.37			187.46
131	10/20/15		WILLIAM A MAXEY		400.00			13.80						413.80
132	10/20/15		WILLIAM A MAXEY	KAEC BOARD MTG			250.00							250.00
133	11/17/15		WILLIAM A MAXEY	KAEC ANNUAL MTG			750.00							750.00
134	11/17/15		WILLIAM A MAXEY		400.00			13.80						413.80
135	11/18/15	54537	VISA	KAEC BOARD MTG						145.09	62.11			207.20
136	11/28/15	54530	AMERICAN EXPRESS	KAEC ANNUAL MTG						311.06				311.06
137	12/07/15	54639	KAEC	KAEC ANNUAL MTG							148.00			148.00
138	12/14/15		WILLIAM A MAXEY	KAEC BOARD MTG			250.00							250.00
139	12/15/15		WILLIAM A MAXEY		400.00			13.80						413.80
140	12/20/15	54688	VISA	KAEC BOARD MTG							23.19			23.19
141	12/28/15	54675	AMERICAN EXPRESS	KAEC BOARD MTG						145.09				145.09
142	01/19/16	54870	VISA	KAEC MTG						146.25				146.25
143	01/26/16		WILLIAM A MAXEY		400.00			12.96						412.96
144	02/02/16	54791	WILLIAM A MAXEY	LEGISLATIVE SEMINAR			250.00							250.00 x
145	02/17/16	55000	VISA	KAEC BOARD MTG							5.83			5.83
146	02/29/16	55072	AMERICAN EXPRESS	KAEC BOARD MTG						146.25				146.25
147	02/23/16		WILLIAM A MAXEY		400.00			12.96						412.96
148	03/14/16	55032	WILLIAM A MAXEY	KAEC BOARD MTG			250.00							250.00
149	03/22/16		WILLIAM A MAXEY		400.00			12.96						412.96
150	03/29/16	55171	AMERICAN EXPRESS	KAEC BOARD MTG						146.25				146.25
151	04/26/16		WILLIAM A MAXEY		400.00			12.96						412.96
152	05/16/16	55358	WILLIAM A MAXEY	KAEC BOARD MTG			250.00							250.00
153	05/17/16	55358	WILLIAM A MAXEY	ANNUAL MEETING		400.00		12.96						412.96
154	05/19/16	55515	VISA	KAEC BOARD MTG						146.25	57.55			203.80
155	05/24/16		WILLIAM A MAXEY		400.00			12.96						412.96
156	06/14/16		WILLIAM A MAXEY	EKPC ANNUAL MTG			250.00							250.00 x
157	06/20/16		WILLIAM A MAXEY	KAEC ANNUAL MTG			250.00							250.00
158	06/21/16		WILLIAM A MAXEY		400.00			12.96						412.96
159	06/21/16		WILLIAM A MAXEY	STRATEGIC PLANNING MTG		250.00								250.00
160	06/28/16	55674	AMERICAN EXPRESS	KAEC BOARD MTG						146.25	58.50			204.75
161	06/28/16	55674	AMERICAN EXPRESS	KAEC ANNUAL MTG						139.28	63.50			202.78
162	07/26/16		WILLIAM A MAXEY		500.00			12.96						512.96
163														
164				TOTAL WILLIAM MAXEY	4,900.00	650.00	2,750.00	172.68	.00	1,616.86	461.05	.00	.00	10,550.59
165	General Expenses:													
166	VAR	VAR	NRECA	DIR ACCIDENT INSURANCE								117.03		117.03
167	08/19/15	54002	VISA	BOARD MEAL							86.17			86.17
168	08/19/15	54002	VISA	BOARD MEAL							69.51			69.51
169	08/20/15	54034	NRECA	RURAL MAGAZINE SUBSCRIPTION								258.00		258.00

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
POLICY STATEMENT NO. 400-010
SECTION D

SUBJECT: **BOARD OF DIRECTORS - COMPENSATION**

OBJECTIVE: To provide fair and equitable compensation for members of the Board of Directors.

- POLICY:**
- A. Per Diem of \$400.00 plus mileage from the Director's home shall be paid to each Director for attending a regular or special Board Meeting.
 - B. Directors authorized to attend any meeting, workshop, seminars, etc. shall be paid \$250.00 per day and shall be reimbursed for all legitimate expenses for attendance at such meetings. A detailed expense account, with receipts attached as appropriate shall be submitted to the Board for approval. No expenses will be paid for spouses of Directors accompanying them to meetings. Travel shall be reimbursed on the following basis.
 - 1. If commercial air travel is available, then without regard to the mode actually used, reimbursement shall be for the expenses actually incurred in an amount not to exceed round trip air coach fare, if the same is available; otherwise, first class fare, plus cost of transportation to and from airport and other expenses attendant to air travel.
 - 2. Mileage reimbursement, plus toll costs, for use of personal automobile shall be at the rate set forth in Policy No. 100-015, Section A.
 - 3. Expenses incurred for travel earlier than sufficient time to attend a meeting shall not be reimbursed.
 - C. The following benefits will be paid 100% of the premium cost:
 - 1. Business travel accident insurance.
 - 2. 24-Hour accident insurance.

RESPONSIBILITY: It shall be the responsibility of the Chairman of the Board to see that the provisions of the policy are carried out.

SOURCE:

ADOPTED: January 18, 1991

AMENDED: December 16, 1993

June 17, 1994

April 19, 1996

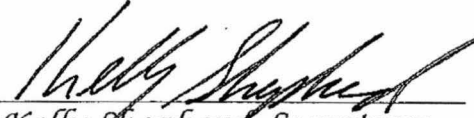
February 18, 2000

January 19, 2001

REVISED: February 16, 2001

REVISED: November 24, 2010

REVISED: JANUARY 24, 2013


Kelly Shepherd, Secretary

1 Big Sandy Rural Electric Cooperative
2 Case No. 2017-00171
3 List of Directors
4
5

Exhibit 9
Witness: Brian Frasure

6	Danny Wallen	Offutt, KY 41237	Chairman
7	Greg Davis	David KY 41616	Vice-Chair
8	Kelly Shepherd	Paintsville KY 41240	Sec-Treas EKPC
9	Velma May *	Leander KY 41228	Director
10	William Maxey	Lowmansville KY 41232	Director KAEC
11	Robert Moore	Prestonsburg KY 41653	Director

12
13
14 Note: Replaced Director May as of May, 2017
15 George Spriggs Flat Gap KY 41219
16

17
18 Note: There were no attendees at the NRECA annual meeting,
19 therefore, no NRECA representative.
20
21
22
23
24
25
26
27

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
Account 930 - Miscellaneous General Expenses
July 31 2016

Line
No

1	Industry Association Dues	\$ 39,464
2	Stockholder and Debt Servicing Expenses	-
3	Institutional Advertising	-
4	Conservation Advertising	-
5	Rate Department Load Studies	-
6	Director's Fees and Expenses	80,681
7	Dues and Subscriptions ("Kentucky Living")	61,765
8	Annual Meeting	46,887
9	Miscellaneous	<u>93,394</u>
10	Total	<u>\$ 322,191</u>

Witness: James Adkins

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

Account 930.20 - Miscellaneous and Annual Meeting Expenses

<u>DATE</u>	<u>CHECK</u>	<u>VENDOR NAME</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
08/20/15	53992	KAEC	5,214.48	KY LIVING MAGAZINE
09/17/15	54142	KAEC	5,176.91	KY LIVING MAGAZINE
10/21/15	54304	KAEC	5,149.89	KY LIVING MAGAZINE
11/18/15	54480	KAEC	5,144.66	KY LIVING MAGAZINE
12/16/15	54639	KAEC	5,130.59	KY LIVING MAGAZINE
01/21/16	54811	KAEC	5,125.87	KY LIVING MAGAZINE
02/15/16	54952	KAEC	5,122.22	KY LIVING MAGAZINE
03/08/16	55131	KAEC	5,125.87	KY LIVING MAGAZINE
03/30/16	55101	MOUNTAIN CITIZENS	27.00	1YR SUBSCRIPTION
04/21/16	55293	KAEC	5,118.04	KY LIVING MAGAZINE
05/18/16	55478	KAEC	5,112.80	KY LIVING MAGAZINE
06/15/16	55644	KAEC	5,105.52	KY LIVING MAGAZINE
07/20/16	55810	KAEC	5,210.99	KY LIVING MAGAZINE
09/08/15	54064	NRECA	17,997.00	ANNUAL DUES
01/16/16	54811	KENTUCKY ASSN ELECTRIC CO	21,466.91	ANNUAL DUES
VAR	VAR	PROPERTY/CRIME INS	18,166.17	
VAR	VAR	PROPERTY TAX ACCRUAL	74,361.87	
			<u>193,756.79</u>	

ANNUAL MEETING EXPENSES:

08/05/15	53992	KAEC	1,802.97	ENTERTAINMENT
08/05/15	53992	KAEC	7,573.42	CFL LIGHT BULBS
08/05/15	53992	KAEC	682.60	SERVICE FEE
02/11/16	54854	WILLIAM MORRIS ENDEAVO	2,000.00	ENTERTAINMENT/DOWN PMT
02/24/16	54904	DANNY WALTERS	109.45	NOMINATING COMMITTEE
02/24/16	54907	CLAY SPRADLIN	109.27	NOMINATING COMMITTEE
02/24/16	54905	JOE K COLVIN	112.66	NOMINATING COMMITTEE
02/24/16	54903	JOE SKAGGS	114.04	NOMINATING COMMITTEE
02/24/16	54902	AUDA BOLDEN JR	121.87	NOMINATING COMMITTEE
02/24/16	54908	JOHN WAYNE SHEPHERD	116.74	NOMINATING COMMITTEE
03/17/16	55061	KENTUCKY BREWED TEES	476.00	MEALS/DRINKS
04/21/16	55246	BLAIR CUSTOM EMBROIDER'	486.54	SHIRTS
05/02/16	55309	BLAIR CUSTOM EMBROIDER'	4,346.00	CAPS
05/02/16	55344	LOWE'S	4,244.24	CFL LIGHT BULBS
05/17/16	55370	WILLIAM MORRIS ENDEAVO	2,000.00	ENTERTAINMENT
05/17/16	55364	MOUNTAIN ARTS CENTER	2,475.00	FACILITY RENT
05/17/16	55367	PAM WALKER-MADE FROM !	1,575.16	MEALS/DRINKS
05/17/16	55366	AARON DAVIS	100.00	DOOR PRIZE

Witness: James Adkins

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

Account 930.20 - Miscellaneous and Annual Meeting Expenses

<u>DATE</u>	<u>CHECK</u>	<u>VENDOR NAME</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	
05/18/16	55400	PAM WALKER-MADE FROM :	47.25	MEALS/DRINKS	
05/19/16	55515	VISA	100.00	GIFT CARD	x
05/19/16	55515	VISA	400.00	GIVEAWAYS	x
05/19/16	55515	VISA	70.00	SHIRTS	
05/19/16	55515	VISA	13.17	EMPLOYEE NAME BADGES	
05/19/16	55515	VISA	707.10	GIVEAWAYS	x
05/20/16	55458	MOUNTAIN ARTS CENTER	1,552.00	MEALS/DRINKS	
05/31/16	55489	THE BIG SANDY NEWS	600.00	ADVERTISING	
05/31/16	55516	WQHY RADIO	486.00	ADVERTISING	
05/31/16	55513	WSIP BROADCASTING CO	465.00	ADVERTISING	
06/19/16	55686	VISA	706.24	ENTERTAINMENT MEAL/LODGING	
VAR	VAR	EMPLOYEE LABOR/BENEFITS	13,294.20		
			<u>46,886.92</u>		
			<u>240,643.71</u>		
REMOVE FOR RATE-MAKING PURPOSES			<u>1,307.10</u>		x

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

Rate Case Expenses

July 31, 2016

Estimated rate case costs:

Legal	\$	5,000
Consulting		68,000
Advertising		15,000
Supplies and miscellaneous		<u>2,000</u>
Total		90,000
Number of years		<u>3</u>
Adjustment	\$	<u><u>30,000</u></u>

In-house labor was not included in the above adjustment as the labor would be incurred in other accounts.

This amount is approximately the same as other rate requests filed before this Commission.

The monthly amounts filed for rate case expenses will include the labor, however, this amount is not included in the above adjustment.

Big Sandy Rural Electric Cooperative
Case No. 2017-00171
FEMA Reimbursement

During July 2015 Big Sandy experienced a severe flood that ultimately was determined to be eligible for FEMA disaster relief. All expenses associated with the flood were recording during July 2015, however, the FEMA reimbursements were recorded during the months of September and December 2015 and May 2016.

The result is that the expenses were recorded outside of the test year and the reimbursements were included during the test year. This adjustment is to remove the reimbursements from the test year.

The reimbursements were recorded as follows:

December 9, 2015	17,689.04
September 30, 2015	51,444.54
May 31, 2016	<u>86,041.48</u>
	<u><u>155,175.06</u></u>

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

July 31, 2016

This adjustment is to remove G&T capital credits allocated during the test year.

East Kentucky Power Cooperative

\$ 1,400,000

Big Sandy Rural Electric Cooperative
PSC Case No. 2017-00171
Non Recurring Charges
July 31, 2016

Additional Revenues Generated:

	Number	Charges		Revenue		Increase	
		Existing	Proposed	Existing	Proposed	Amount	Percent
Second Service Connect	11	\$30.00	\$40.00	\$330	\$440	\$110	33%
Temporary Disconnect/Reconnect	6	\$30.00	\$35.00	180	210	30	17%
Meter Test	19	\$30.00	\$40.00	570	760	190	33%
Returned Check	304	\$20.00	\$25.00	6,080	7,600	1,520	25%
Collection	624	\$30.00	\$35.00	18,720	21,840	3,120	17%
Reconnect	545	\$35.00	\$35.00	19,075	19,075	0	0%
" After Hours	32	\$52.50	\$65.00	1,680	2,080	400	24%
Credit card convenience				3,835	3,835		
Sales tax compensation/others				370	370		
Total				\$50,840	\$56,210	\$5,370	11%

		Second Service Connect	Temporary Disconnect Reconnect	Meter Test	Return Check	Collection	Reconnect	Overtime
Serviceman/other:								
Number of minutes		<u>35</u>	<u>30</u>	<u>30</u>	<u>25</u>	<u>30</u>	<u>30</u>	<u>60</u>
Direct labor charge - Accounting	\$22.86				\$9.53			
Direct labor charge - Lineman	\$28.78							\$28.78
Direct labor charge - FSR	\$28.78	\$16.79	\$14.39			\$14.39	\$14.39	
Direct labor charge - Meter Tech	\$28.94			\$14.39				
Other cost based on labor	35.88%	\$6.02	\$5.16	\$5.16	\$3.42	\$5.16	\$5.16	\$10.33
Other direct cost	\$7.17	\$4.18	\$3.58	\$3.58	\$2.99	\$3.58	\$3.58	\$7.17
Mileage	<u>10</u>	\$0.540	\$5.40	\$5.40		\$5.40	\$5.40	
Mileage	<u>20</u>	\$0.540						\$10.80
Office Clerical:								
Number of minutes		<u>15</u>	<u>15</u>	<u>25</u>	<u>20</u>	<u>15</u>	<u>15</u>	<u>20</u>
Direct labor charge - CSR	\$17.50	\$4.38	\$4.38	\$7.29	\$5.83	\$4.38	\$4.38	\$5.83
Other cost based on labor	35.88%	\$1.57	\$1.57	\$2.62	\$2.09	\$1.57	\$1.57	\$2.09
Other direct cost	\$7.17	\$1.79	\$1.79	\$2.99	\$2.39	\$1.79	\$1.79	\$2.39
Total		<u>\$40.13</u>	<u>\$36.27</u>	<u>\$41.43</u>	<u>\$26.24</u>	<u>\$36.27</u>	<u>\$36.27</u>	<u>\$67.39</u>
Proposed Charge		\$40.00	\$35.00	\$40.00	\$25.00	\$35.00	\$35.00	\$65.00
Existing Charge		\$ 30.00	\$ 30.00	\$ 30.00	\$ 20.00	\$ 30.00	\$ 35.00	\$ 52.50

Witness: Jim Adk

Big Sandy Rural Electric Cooperative
PSC Case No. 2017-00171
Non Recurring Charges
July 31, 2016

Direct Wage Expense:

	<u>Employee Number</u>	<u>Hourly Rate</u>
Accounting	139	\$22.86
Office clerical - CSR	164 - 166	\$17.50
Field Service Representative - FSR	10 - 11	\$28.78
After Hour FSR	10 - 11	\$28.78
Meter technician	38 - 40	\$28.94

Other Costs Based on Labor:

	<u>Total Charges</u>	<u>Percent of Labor</u>
Regular labor	<u>\$2,373,785</u>	
R&S pension	265,918	11.20%
401(k)	144,028	6.07%
Life, disability, and dental	39,251	1.65%
Payroll taxes	187,753	7.91%
Vacation, holiday, sick days	148,532	6.26%
Worker's compensation insurance	66,260	2.79%
Total		<u>35.88%</u>

Other Direct Costs:

Health and dental insurance premiums	\$475,934
Postretirement benefits	<u>120,244</u>
	596,178
Number of employees	<u>40</u>
Annual cost per employee	<u>\$14,904</u>
Regular hours worked	<u>2,080</u>
Per hour amount	<u>\$7.17</u>

Second Service Connect Fee

The Customer Service Representative ("CSR") produces an application for second services connect ticket and forwards to the Field Service Representative ("FSR"). The FSR arranges his route. Before a second service is connected, the FSR will visually inspect from the transformer to the meter to ensure that the service has not been tampered with, and that service can safely be connected. Tickets for connected services are returned to the CSR who keys the completed service order into the system for both monthly billing and to charge for the fee.

Note Per discussions with the parties involved, it takes the FSR approximately 45 minutes for each trip, including time to prepare the completed paperwork. The CSR spends approximately 15 to 20 minutes to prepare their paperwork and key payments and charges into the system.

Temporary Disconnect/Reconnection Fee

The CSR produces a ticket for either a temporary disconnect or reconnect and forwards to the FSR. The FSR arranges his route for a disconnect/reconnect of service. Before a service is disconnected or reconnected, the FSR will visually inspect from the transformer to the meter to ensure that the service has not been tampered with, and that service can safely be disconnected or reconnected. Tickets for disconnect/reconnect services are returned to the CSR who keys the completed service order into the system to charge for the fee.

Note Per discussions with the parties involved, it takes the FSR approximately 45 minutes for each trip, including time to prepare the completed paperwork. The CSR spends approximately 15 to 20 minutes to prepare their paperwork and key payments and charges into the system.

Meter Tests

Meter tests request originate with the CSR, usually as a result of a high bill complaint. The CSR prepares a Meter Change Service Order and receives and processes the Account Charge for payment for the request. After payment for the request is received, the CSR fills out the service order and passes on to the FSR.

The meter is re-read by the FSR and if indicated, the meter is pulled. The meter is brought to the meter shop where the technician will contact the consumer if indicated on the request form to schedule a time for the test. Three (3) separate tests are conducted to verify the accuracy. A written report is prepared documenting the results of the test, which is returned to the CSR for mailing.

Note Per discussions with the meter department, it requires approximately 30 minutes to test the meter and record the results. It takes the CSR approximately 20 minutes of clerical time.

Return Check

When a check is not honored by the bank and is returned, the check is stamped "*VOID*". The CSR reviews the return check, verifying the account number, name, accounts paid by the check, number of return checks for that customer, reason the check was returned, (i.e. NSF, Stop Payment, Account closed), whether it was collected by a FSR. The CSR will also ensure that there is no prior payment or billing arrangement or security deposit involved. The return check is then keyed to the account, as is the return check fee. The batch is balanced and the cash sheet is pulled. Totals are added to the daily balance sheet re-cap sheets. A letter is typed for mailing to the consumer notifying them of the return check and /or letter is typed notifying the consumer on a "*NO CHECK*" basis. The consumers' account is noted NC (if applicable) and if the consumer is on bank draft program, their account is taken off auto-payment and applicable notes are made to the account.

The letter is mailed to the consumer. A service order is issued to collect if the return check was collected by an FSR during a collection trip, or for an arrangement, or for security deposit, and the account is added to the call out list for the System Operators.

The account is monitored by the CSR to ensure that it is paid within ten days. If not paid, a service order is issued. Possible arrangements may be made by the CSR to extend time on the return check. If the return check is paid, the payment is processed by the CSR and the collection system is updated to clear out the field notification and the return check is pulled from the file and marked "*PAID*". The accounting department reconciles the return checks with the bank statement on a monthly basis and runs applicable reports.

Note Discussions with the departments involved indicate that it takes a minimum of 40 minutes to process and account for each return check.

Collection Fee

The CSR produces disconnect tickets and gives them to the Plant Supervisor to distribute the FSR. If payment is not received, or a call received to make arrangements, the ticket is released to the FSR.

The FSR arranges his route and attempts to collect a payment. If unable to collect, he disconnects the service. Tickets are returned to the CSR who key any payments collected plus key the service charge for the fee.

Note Per discussions with the parties involved, it takes the FSR approximately 25 minutes for each trip, including time the prepare the completed paperwork. The CSR spends approximately 15 to 20 minutes to prepare their paperwork and key payments and charges into the system.

Reconnection Fee

The CSR produces a reconnect for disconnect ticket and sends to the FSR. The FSR arranges his route for reconnects. Before a service is reconnected, the FSR will visually inspect from the transformer to the meter to ensure that the service has not been tampered with, and that service can safely be reconnected. Tickets for reconnected services are returned to the CSR who keys the completed service order into the system to charge for the fee.

Note Per discussions with the parties involved, it takes the FSR approximately 45 minutes for each trip, including time to prepare the completed paperwork. The CSR spends approximately 15 to 20 minutes to prepare their paperwork and key payments and charges into the system.

Overtime

This process includes the same as for regular time. The difference is that jobs can not be coordinated with other jobs, either by route or by service location, since these are isolated occurrences. There are generally more safety issues after regular hours since many of the trips are when it is dark while working. The after hour trips are isolated, that is the reason for the mileage to be doubled from reconnects during regular hours.

Mileage

Per discussion with the VP Engineering/Operations and service men, it is estimated that each trip is approximately 10-15 miles. Therefore, 10 miles per trip was used during regular working hours and 20 miles per trip for overtime.

Cost per Mile

The transportation system used by Big Sandy does not allow for the calculations of a cost per mile for its vehicles. The costs are allocated on a per-hour-of-use basis. Since most vehicles used on service calls, collections, and reconnects are service trucks, and not large bucket trucks, Big Sandy has chosen to use the Internal Revenue Service cost per mile of \$0.54 (fifty-four cents).

Big Sandy Rural Electric
Case No. 2017-00171
Purchased Power
July 31, 2016

EKPC Case No. 2006-00510

Billing Rates		
KW - Sch B Contract	\$7.17	
KW - Sch B Excess	\$9.98	
KW-Sch E2	\$6.02	
KWH-Sch B/C	\$0.042882	
KWH-Sch E2 On-Peak	\$0.053279	
KWH-Sch E2 Off-Peak	\$0.044554	
KVA 3000-7499	\$2,737	
KVA 7500-14999	\$3,292	
Metering Point	\$144	
Green Power	\$0.023750	\$0.025000

	Billing Demand				Total KWH Billing				Green Power	Metering Point	Substation Charge			Total from Base Rates	Fuel Adjustment	Environment Surcharge	Direct Load Control	Total
	Contract	Excess	Schedule E	Total	Schedule E	On-Peak	Off-Peak	Energy Charges			3000	7500	Total					
August	6,095	0	242,498	248,592	25,484	597,861	309,550	932,895	138	1,296	2,737	26,336	29,073	1,211,994	(67,359)	182,089	(1,842)	1,324,882
September	6,095	359	229,910	236,364	24,858	494,831	275,151	794,840	138	1,296	2,737	26,336	29,073	1,061,710	(57,754)	163,121	(1,816)	1,165,261
October	6,095	0	229,488	235,583	21,893	359,445	363,676	745,013	138	1,296	2,737	26,336	29,073	1,011,103	(68,771)	160,833	(1,832)	1,101,333
November	6,095	0	296,503	302,598	20,465	417,502	428,406	866,373	138	1,296	2,737	26,336	29,073	1,199,477	(64,364)	210,084	(1,854)	1,343,343
December	6,095	0	276,715	282,810	20,653	467,228	478,507	966,388	138	1,296	2,737	26,336	29,073	1,279,705	(59,973)	229,407	(1,872)	1,447,267
January	6,095	0	385,972	392,067	20,238	694,807	747,333	1,462,379	138	1,296	2,737	26,336	29,073	1,884,952	(138,105)	321,393	(1,865)	2,066,375
February	6,095	0	302,866	308,961	19,266	535,742	574,471	1,129,478	138	1,296	2,737	26,336	29,073	1,468,945	(72,300)	223,442	(1,814)	1,618,273
March	6,095	0	236,911	243,006	21,280	412,694	429,165	863,140	138	1,296	2,737	26,336	29,073	1,136,652	(97,774)	113,431	(1,737)	1,150,572
April	6,095	0	209,249	215,344	21,657	352,399	363,799	737,856	138	1,296	2,737	26,336	29,073	983,706	(105,464)	125,568	(1,790)	1,002,020
May	6,095	0	212,410	218,504	22,075	439,529	282,073	743,677	145	1,296	2,737	26,336	29,073	992,695	(94,798)	157,915	(1,838)	1,053,974
June	6,095	0	248,879	254,973	23,600	577,285	291,775	892,660	145	1,296	2,737	26,336	29,073	1,178,147	(114,061)	202,042	(1,864)	1,264,264
July	6,095	0	264,362	270,457	24,367	662,585	335,387	1,022,339	145	1,296	2,737	26,336	29,073	1,323,310	(89,929)	241,714	(1,875)	1,473,220
Total	<u>73,134</u>	<u>359</u>	<u>3,135,764</u>	<u>3,209,257</u>	<u>265,836</u>	<u>6,011,909</u>	<u>4,879,294</u>	<u>11,157,038</u>	<u>1,675</u>	<u>15,552</u>	<u>32,844</u>	<u>316,032</u>	<u>348,876</u>	<u>14,732,398</u>	<u>(1,030,652)</u>	<u>2,331,039</u>	<u>(22,001)</u>	<u>16,010,784</u>

Normalized using rates effective August 1, 2007

<u>73,134</u>	<u>359</u>	<u>3,135,764</u>	<u>3,209,257</u>	<u>265,836</u>	<u>6,011,909</u>	<u>4,879,294</u>	<u>11,157,038</u>	<u>1,740</u>	<u>15,552</u>	<u>32,844</u>	<u>316,032</u>	<u>348,876</u>	<u>14,732,463</u>
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Normalized Adjustment

65

Big Sandy Rural Electric
Case No. 2017-00171
Purchased Power
Test Year Billing Determinants
July 31, 2016

	<u>Billing Demand</u>			<u>Total KWH Billing</u>			<u>Total</u>	<u>Green</u>	<u>Metering</u>	<u>Substation Charge</u>	
	<u>Schedule B</u>		<u>Schedule E</u>	<u>Schedule E</u>		<u>2598</u>				<u>3125</u>	
	<u>Contract</u>	<u>Excess</u>		<u>Schedule B</u>	<u>On-Peak</u>						<u>Off-Peak</u>
							<u>Kwh</u>	<u>Power</u>	<u>Point</u>		
August	850	0	40,282	594,289	11,221,318	6,947,759	18,763,366	5,800	9	1	8
September	850	36	38,191	579,677	9,287,552	6,175,673	16,042,902	5,800	9	1	8
October	850	0	38,121	510,532	6,746,464	8,162,586	15,419,582	5,800	9	1	8
November	850	0	49,253	477,236	7,836,140	9,615,439	17,928,815	5,800	9	1	8
December	850	0	45,966	481,634	8,769,456	10,739,933	19,991,023	5,800	9	1	8
January	850	0	64,115	471,950	13,040,923	16,773,653	30,286,526	5,800	9	1	8
February	850	0	50,310	449,277	10,055,398	12,893,804	23,398,479	5,800	9	1	8
March	850	0	39,354	496,249	7,745,912	9,632,472	17,874,633	5,800	9	1	8
April	850	0	34,759	505,038	6,614,224	8,165,357	15,284,619	5,800	9	1	8
May	850	0	35,284	514,782	8,249,579	6,331,036	15,095,397	5,800	9	1	8
June	850	0	41,342	550,341	10,835,137	6,548,797	17,934,275	5,800	9	1	8
July	850	0	43,914	568,241	12,436,141	7,527,643	20,532,025	5,800	9	1	8
Total	10,200	36	520,891	6,199,246	112,838,244	109,514,152	228,551,642	69,600	108	12	96

Big Sandy Rural Electric
Case No. 2017-00171
Summary of Fuel Adjustment and Environmental Surcharge
July 31, 2016

An analysis of fuel adjustment and environmental surcharge follows:

Month	Sales to Consumers		Purchases from EKPC	
	Fuel	Environmental Surcharge	Fuel	Environmental Surcharge
September	(48,922)	186,927	(67,359)	182,089
October	(59,702)	152,153	(57,754)	163,121
November	(65,101)	154,838	(68,771)	160,833
December	(80,120)	187,293	(64,364)	210,084
January	(63,833)	218,308	(59,973)	229,407
February	(78,757)	304,736	(138,105)	321,393
March	(84,555)	206,438	(72,300)	223,442
April	(77,890)	120,006	(97,774)	113,431
May	(101,705)	132,583	(105,464)	125,568
June	(121,287)	160,247	(94,798)	157,915
July	(115,237)	202,554	(114,061)	202,042
August	(109,706)	237,736	(89,929)	241,714
Total	(1,006,816)	2,263,819	(1,030,652)	2,331,039

The fuel purchased and environmental surcharge from East Kentucky Power Cooperative are passed on to the consumers using the Fuel Adjustment and Environmental Procedures established by this Commission.

Big Sandy Rural Electric
Case No. 2017-00171
Normalize Revenue Adjustment

Normalized base rate revenues	\$ 21,848,397
Test year base rate revenues	<u>21,848,397</u>
Adjustment	<u><u>\$ -</u></u>

Big Sandy Rural Electric
Case No. 2017-00171
End of Test Year Customer Adjustment

	Sch A-1 Farm & <u>Home</u>	Sch A-1 Prepay <u>Metering</u>	Sch A-2 Small <u>Commercial</u>	LP Large <u>Power</u>	LPR Large <u>Power</u>	Security <u>Lights</u>
August	11,871	0	926	154	8	7,093
September	11,734	174	928	154	8	7,107
October	11,678	184	924	155	8	7,084
November	11,677	190	927	155	7	7,093
December	11,681	193	935	154	7	7,098
January	11,657	191	937	154	7	7,062
February	11,622	191	938	153	7	7,072
March	11,691	196	923	157	7	7,039
April	11,653	203	922	154	7	7,048
May	11,596	217	933	154	7	7,048
June	11,589	222	939	155	7	7,058
July	11,819	237	941	154	7	7,162
August	11,564	241	928	154	7	7,084
Average	11,679	188	931	154	7	7,081
Increase	<u>(115)</u>	<u>53</u>	<u>(3)</u>	<u>0</u>	<u>0</u>	<u>3</u>
Test year base revenue	15,767,885	295,306	1,364,664	2,471,001	660,811	892,342
kwh useage	153,566,711	2,684,641	10,498,917	28,183,005	8,480,093	5,966,892
Average per kwh	0.10268	0.11000	0.12998	0.08768	0.07792	0.14955
Total billings	139,961	2,439	11,175	1,853	86	84,955
Average monthly kwh use	1,097	1,101	940	15,209	98,606	70
Increase in consumers, times average use, times average rate, times 12 months, equals additional revenues						
Increase in revenues	(155,470)	77,005	(4,396)	0	0	378
Increase in consumers, times average use, times average cost per kwh purchased, times 12 months, equals additional power cost						
Increase in power cost	(97,602)	45,125	(2,180)	0	0	163
Net increase	(57,868)	31,879	(2,216)	0	0	215
Adjustment	<u>(27,989)</u>					
Base power cost				14,732,398		
Kwh purchased				228,551,642		
Cost per kwh purchased				0.06446		

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	13,053	13,102	13,177	13,199	13,213	-1.2 %
BLUE GRASS ENERGY	56,584	56,075	55,725	55,297	55,087	2.7
CLARK ENERGY COOP	26,085	25,989	25,985	25,980	26,041	0.2
CUMBERLAND VALLEY	23,586	23,619	23,659	23,613	23,684	-0.4
FARMERS	24,987	24,894	24,816	24,710	24,683	1.2
FLEMING-MASON	24,010	23,885	23,833	23,758	23,827	0.8
GRAYSON	15,344	15,338	15,391	15,389	15,470	-0.8
INTER-COUNTY	25,686	25,568	25,328	25,338	25,250	1.7
JACKSON ENERGY	51,359	51,435	51,360	51,250	51,224	0.3
LICKING VALLEY	17,323	17,400	17,408	17,426	17,428	-0.6
NOLIN	34,658	34,314	33,957	33,580	32,948	5.2
OWEN	59,409	58,840	58,095	57,809	57,596	3.1
SALT RIVER ELECTRIC	49,401	48,851	48,320	47,805	47,411	4.2
SHELBY ENERGY	15,854	15,638	15,457	15,360	15,315	3.5
SOUTH KENTUCKY	66,763	66,530	66,272	66,327	66,361	0.6
TAYLOR COUNTY	26,104	25,958	25,888	25,728	25,613	1.9
TOTAL EKPC	530,206	524,671	522,569	521,151	520,484	1.9 %
JACKSON PURCHASE	29,364	29,293	29,313	29,241	29,199	0.6 %
KENERGY	56,406	55,932	55,677	55,419	55,210	2.2
MEADE COUNTY	29,166	28,985	28,730	28,592	28,478	2.4
TOTAL BIG RIVERS	114,936	113,720	113,252	112,887	112,410	2.2 %
HICKMAN-FULTON	3,726	3,702	3,687	3,689	3,675	1.4 %
PENNYRILE	47,426	47,154	46,976	47,013	46,965	1.0
TRI-COUNTY	51,303	50,720	50,612	50,679	50,240	2.1
WARREN	62,658	61,958	61,316	60,641	60,265	4.0
WEST KENTUCKY	38,541	38,483	38,398	38,310	38,154	1.0
TOTAL TVA	203,654	200,989	200,332	199,299	199,224	2.2 %
OVERALL TOTAL	848,796	839,380	836,153	833,337	832,118	2.0 %

2015
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	1045	1,510	2,555	843	50	1,284	4,732	42	1,037	11,960	18,679,347	130.2
BLUE GRASS ENERGY COOP	610	1,411	2,021	562	167	969	3,719	100	4,731	53,808	83,902,592	129.9
CLARK ENERGY COOP	786	1,294	2,080	474	85	457	3,096	52	3,085	24,317	36,458,088	124.9
CUMBERLAND VALLEY ELECTRIC	535	1,107	1,642	750	36	580	3,008	49	2,643	21,982	31,119,699	118.0
FARMERS RECC	482	819	1,301	303	34	592	2,230	62	3,632	23,087	31,985,735	115.5
FLEMING-MASON ENERGY	501	801	1,302	454	40	421	2,217	49	3,595	22,308	30,262,759	113.1
GRAYSON RECC	448	1,295	1,743	454	100	834	3,131	47	2,465	14,117	23,009,195	135.8
INTER-COUNTY ENERGY	716	491	1,207	437	108	570	2,320	69	3,875	24,170	37,622,733	129.7
JACKSON ENERGY COOP	811	1,083	1,874	550	153	856	3,433	121	5,701	47,664	75,406,746	131.8
LICKING VALLEY RECC	882	1,327	2,209	437	8	714	3,368	44	2,062	16,212	20,838,229	107.1
NOLIN RECC	1445	1,284	2,729	825	241	1,433	5,228	98	3,023	32,678	48,140,251	122.8
OWEN EC	1038	907	1,945	854	145	1,025	3,969	129	4,522	56,754	83,000,218	121.9
SALT RIVER ELECTRIC	631	738	1,369	428	71	774	2,642	72	4,151	46,290	66,444,049	119.6
SHELBY ENERGY COOP	708	1,230	1,938	201	179	507	2,825	41	2,126	15,214	24,385,887	133.6
SOUTH KENTUCKY RECC	617	1,205	1,822	549	59	578	3,008	144	6,813	60,801	82,959,317	113.7
TAYLOR COUNTY RECC	579	595	1,174	418	8	450	2,050	54	3,248	22,935	29,711,247	108.0
EKPC GROUP AVERAGE	740	1,067	1,807	534	93	753	3,187	73	3,544	30,894	45,245,381	122.0
JACKSON PURCHASE ENERGY	927	1,107	2,034	439	20	788	3,281	71	2,945	25,347	37,547,205	123.4
KENERGY CORP	562	1,195	1,757	625	40	633	3,055	146	7,130	45,587	72,523,048	132.6
MEADE COUNTY RECC	934	970	1,904	499	45	571	3,019	62	3,216	27,038	35,511,355	109.5
BIG RIVERS GROUP AVERAGE	808	1,091	1,899	521	35	664	3,119	93	4,430	32,657	48,527,203	123.8
HICKMAN-FULTON COUNTIES RECC	848	1,952	2,800	312	31	1,170	4,313	15	729	2,880	5,391,652	156.0
PENNYRILE RECC	981	870	1,851	481	111	805	3,248	119	5,124	42,345	67,028,690	131.9
TRI-COUNTY EMC	889	1,095	1,984	468	122	421	2,995	126	5,483	41,625	65,431,598	131.0
WARREN RECC	952	997	1,949	631	144	930	3,654	157	5,658	52,123	92,518,423	147.9
WEST KENTUCKY RECC	944	1,505	2,449	673	37	757	3,916	93	4,124	30,319	54,783,894	150.6
TVA GROUP AVERAGE	923	1,284	2,207	513	89	817	3,626	102	4,224	33,858	57,030,851	140.4
OVERALL AVERAGE	786	1,115	1,901	528	85	755	3,269	82	3,797	31,732	48,110,815	128.4

KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2015 - 2014 ANNUAL COMPARISON

AVERAGE EXPENSE PER CONSUMER EKPC				AVERAGE EXPENSE PER CONSUMER TVA			
	2015	2014	CHANGE		2015	2014	CHANGE
DISTRIBUTION OPERATION	\$ 81.00	\$ 78.00	\$ 3.00	DISTRIBUTION OPERATION	\$ 111.00	\$ 106.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 120.00	\$ -	DISTRIBUTION MAINTENANCE	\$ 169.00	\$ 178.00	\$ (7.00)
ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)	ACCOUNTING	\$ 58.00	\$ 56.00	\$ 2.00
CONSUMER INFORMATION	\$ 10.00	\$ 13.00	\$ (3.00)	CONSUMER INFORMATION	\$ 10.00	\$ 11.00	\$ (1.00)
ADMINISTRATION	\$ 81.00	\$ 80.00	\$ 1.00	ADMINISTRATION	\$ 105.00	\$ 93.00	\$ 12.00
TOTAL PER CONSUMER	\$ 350.00	\$ 350.00	\$ -	TOTAL PER CONSUMER	\$ 453.00	\$ 442.00	\$ 11.00

OTHER STATISTICAL INFORMATION				OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	1,173	1,172	1	NUMBER OF EMPLOYEES	510	512	(2)
MILES OF LINE	56,709	56,515	194	MILES OF LINE	21,118	21,048	70
CONSUMERS BILLED	530,206	527,438	2,770	CONSUMERS BILLED	203,854	202,017	1,837
MILES OF LINE PER EMPLOYEE	48.5	48.4	0.1	MILES OF LINE PER EMPLOYEE	41.4	41.3	0.1
CONSUMER PER EMPLOYEE	454	452	2	CONSUMER PER EMPLOYEE	399	398	3
DENSITY CONSUMERS PER MILE	9.4	9.3	0.1	DENSITY CONSUMERS PER MILE	9.6	9.6	0.0

AVERAGE EXPENSE PER CONSUMER BIG RIVERS				AVERAGE EXPENSE PER CONSUMER OVERALL AVERAGE			
	2015	2014	CHANGE		2015	2014	CHANGE
DISTRIBUTION OPERATION	\$ 89.00	\$ 95.00	\$ (6.00)	DISTRIBUTION OPERATION	\$ 88.00	\$ 86.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 123.00	\$ 125.00	\$ (2.00)	DISTRIBUTION MAINTENANCE	\$ 130.00	\$ 132.00	\$ (2.00)
ACCOUNTING	\$ 59.00	\$ 59.00	\$ -	ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)
CONSUMER INFORMATION	\$ 4.00	\$ 7.00	\$ (3.00)	CONSUMER INFORMATION	\$ 9.00	\$ 12.00	\$ (3.00)
ADMINISTRATION	\$ 74.00	\$ 72.00	\$ 2.00	ADMINISTRATION	\$ 85.00	\$ 82.00	\$ 3.00
TOTAL PER CONSUMER	\$ 349.00	\$ 358.00	\$ (9.00)	TOTAL PER CONSUMER	\$ 370.00	\$ 371.00	\$ (1.00)

OTHER STATISTICAL INFORMATION				OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	279	284	(5)	NUMBER OF EMPLOYEES	1962	1968	(6)
MILES OF LINE	13,291	13,276	15	MILES OF LINE	91,118	90,839	279
CONSUMERS BILLED	114,836	114,210	726	CONSUMERS BILLED	848,796	843,663	5,133
MILES OF LINE PER EMPLOYEE	47.6	46.8	1.0	MILES OF LINE PER EMPLOYEE	46.3	46.2	0.1
CONSUMER PER EMPLOYEE	412	401	11	CONSUMER PER EMPLOYEE	431	429	2
DENSITY CONSUMERS PER MILE	8.6	8.5	0.0	DENSITY CONSUMERS PER MILE	9.3	9.3	0.0

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

COOPERATIVE	2015	2014	2013	2012	2011	% CHANGE FROM 2011
BIG SANDY	\$4,732	\$4,702	\$4,621	\$4,280	\$4,207	12.5 %
BLUE GRASS ENERGY	3,719	3,725	3,646	3,627	3,779	-1.6
CLARK ENERGY COOP	3,096	2,814	2,840	2,682	2,595	19.3
CUMBERLAND VALLEY	3,008	2,927	2,830	2,824	2,727	10.3
FARMERS	2,230	2,211	2,307	1,996	2,061	8.2
FLEMING-MASON	2,217	2,273	2,341	2,382	2,209	0.4
GRAYSON	3,131	3,472	2,988	3,047	2,963	5.7
INTER-COUNTY	2,320	2,387	2,285	2,326	2,341	-0.9
JACKSON ENERGY	3,433	3,383	3,368	3,410	3,348	2.5
LICKING VALLEY	3,368	3,359	3,001	2,818	2,710	24.3
NOLIN	5,228	5,448	4,613	4,484	4,527	15.5
OWEN	3,969	3,857	3,790	3,728	3,693	7.5
SALT RIVER ELECTRIC	2,642	2,606	2,702	2,539	2,711	-2.5
SHELBY ENERGY	2,825	2,676	2,608	2,548	2,542	11.1
SOUTH KENTUCKY	3,008	2,852	2,780	2,590	2,751	9.3
TAYLOR COUNTY	2,050	2,006	1,972	1,960	1,948	5.2
AVERAGE EKPC	\$3,187	\$3,044	\$2,953	\$2,946	\$2,919	9.2 %
JACKSON PURCHASE	\$3,281	\$3,577	\$3,400	\$3,340	\$3,532	-7.1 %
KENERGY	3,055	2,964	2,977	2,759	2,837	7.7
MEADE COUNTY	3,019	3,029	3,015	3,032	2,892	4.4
AVERAGE BIG RIVERS	\$3,119	\$3,130	\$3,044	\$3,087	\$2,970	5.0 %
HICKMAN-FULTON	\$4,313	\$4,069	\$3,708	\$3,395	\$4,037	6.8 %
PENNYRILE	3,248	3,165	3,080	2,945	3,000	8.3
TRI-COUNTY	2,995	2,897	2,800	2,761	2,674	12.0
WARREN	3,654	3,623	3,712	3,742	3,695	-1.1
WEST KENTUCKY	3,916	4,000	3,661	3,128	3,462	13.1
AVERAGE TVA	\$3,626	\$3,391	\$3,195	\$3,374	\$3,000	20.9 %
OVERALL AVERAGE	\$3,269	\$3,127	\$3,014	\$3,052	\$2,944	11.0 %

2015
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	1,037	1,034	1,035	1,033	1,030	0.7 %
BLUE GRASS ENERGY	4,731	4,710	4,693	4,682	4,650	1.7
CLARK ENERGY COOP	3,085	3,066	3,056	3,052	3,042	1.4
CUMBERLAND VALLEY	2,643	2,639	2,633	2,626	2,614	1.1
FARMERS	3,632	3,624	3,615	3,602	3,591	1.1
FLEMING-MASON	3,595	3,582	3,575	3,560	3,550	1.3
GRAYSON	2,465	2,470	2,478	2,485	2,485	-0.8
INTER-COUNTY	3,875	3,834	3,803	3,779	3,765	2.9
JACKSON ENERGY	5,701	5,685	5,673	5,668	5,676	0.4
LICKING VALLEY	2,062	2,057	2,053	2,047	2,039	1.1
NOLIN	3,023	3,017	3,011	3,011	2,991	1.1
OWEN	4,522	4,530	4,522	4,514	4,509	0.3
SALT RIVER ELECTRIC	4,151	4,123	4,095	4,068	4,040	2.7
SHELBY ENERGY	2,126	2,121	2,109	2,104	2,097	1.4
SOUTH KENTUCKY	6,813	6,787	6,771	6,759	6,755	0.9
TAYLOR COUNTY	<u>3,248</u>	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>1.2</u>
TOTAL EKPC	56,709	56,352	56,208	56,044	55,869	1.5 %
JACKSON PURCHASE	2,945	2,939	2,932	2,923	2,918	0.9 %
KENERGY	7,130	7,113	7,084	7,068	7,047	1.2
MEADE COUNTY	<u>3,216</u>	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>8.1</u>
TOTAL BIG RIVERS	13,291	12,998	12,961	12,939	12,893	3.1 %
HICKMAN-FULTON	729	726	727	704	691	5.5 %
PENNYRILE	5,124	5,095	5,079	5,092	5,089	0.7
TRI-COUNTY	5,483	5,464	5,458	5,451	5,449	0.6
WARREN	5,658	5,645	5,632	5,623	5,626	0.6
WEST KENTUCKY	<u>4,124</u>	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>1.1</u>
TOTAL TVA	21,118	21,007	20,961	20,934	20,926	0.9 %
OVERALL TOTAL	91,118	90,357	90,130	89,917	89,688	1.6 %

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL RESIDENTIAL REVENUES
STATISTICAL COMPARISONS

COOPERATIVE	2015	2014	2013	2012	% CHANGE	
					2011	FROM 2011
BIG SANDY	\$18,679,347	\$20,352,830	\$20,214,344	\$18,915,867	\$19,254,338	-3.0 %
BLUE GRASS ENERGY	83,902,592	90,335,203	86,731,904	82,219,020	85,884,006	-2.3
CLARK ENERGY COOP	36,458,088	39,274,668	37,408,399	35,261,019	36,708,481	-0.7
CUMBERLAND VALLEY	31,119,699	32,804,899	31,849,912	30,386,944	31,460,869	-1.1
FARMERS	31,985,735	35,189,349	34,021,119	31,180,284	32,782,120	-2.4
FLEMING-MASON	30,262,759	32,135,777	31,290,157	29,690,084	28,199,358	7.3
GRAYSON	23,009,195	24,408,364	23,854,195	21,816,428	21,978,172	4.7
INTER-COUNTY	37,622,733	42,209,063	39,836,984	36,934,661	38,974,091	-3.5
JACKSON ENERGY	75,406,746	84,922,276	81,972,647	77,832,875	81,135,113	-7.1
LICKING VALLEY	20,838,229	22,943,939	22,724,114	21,314,628	21,839,711	-4.6
NOLIN	48,140,251	53,001,534	51,335,752	47,495,013	48,149,006	0.0
OWEN	83,000,218	87,221,855	79,439,125	79,578,364	79,163,922	4.8
SALT RIVER ELECTRIC	66,444,049	71,348,351	69,064,012	65,507,556	66,517,122	-0.1
SHELBY ENERGY	24,385,887	26,276,277	25,519,497	23,937,841	25,853,776	-5.7
SOUTH KENTUCKY	82,959,317	90,207,014	86,420,326	80,375,682	84,493,130	-1.8
TAYLOR COUNTY	<u>29,711,247</u>	<u>32,121,022</u>	<u>30,403,252</u>	<u>28,434,719</u>	<u>29,703,937</u>	<u>0.0</u>
TOTAL EKPC	\$723,926,092	\$752,085,739	\$710,880,985	\$732,097,152	\$725,664,973	-0.2 %
JACKSON PURCHASE	\$37,547,205	\$39,086,440	\$34,338,887	\$31,043,685	\$29,070,144	29.2 %
KENERGY	72,523,048	74,095,848	65,362,048	58,093,381	56,283,522	28.9
MEADE COUNTY	<u>35,511,355</u>	<u>36,725,209</u>	<u>31,876,222</u>	<u>27,769,525</u>	<u>27,479,674</u>	<u>29.2</u>
TOTAL BIG RIVERS	\$145,581,608	\$131,577,157	\$116,906,591	\$112,833,340	\$114,563,582	27.1 %
HICKMAN-FULTON	\$5,391,652	\$5,688,518	\$5,499,579	\$5,599,551	\$5,999,873	-10.1 %
PENNYRILE	67,028,690	71,535,238	66,136,309	62,724,839	65,110,934	2.9
TRI-COUNTY	65,431,598	69,404,761	64,475,661	62,236,827	65,426,019	0.0
WARREN	92,518,423	96,944,907	87,750,045	86,515,348	89,954,828	2.8
WEST KENTUCKY	<u>54,783,894</u>	<u>57,249,601</u>	<u>53,582,845</u>	<u>54,479,631</u>	<u>57,812,187</u>	<u>-5.2</u>
TOTAL TVA	\$285,154,257	\$277,444,439	\$271,556,196	\$284,303,841	\$284,036,188	0.4 %
OVERALL TOTAL	\$1,154,661,957	\$1,161,107,335	\$1,099,343,772	\$1,129,234,333	\$1,124,264,743	2.7 %

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$376	\$371	\$363	\$335	\$328	14.6 %
BLUE GRASS ENERGY	311	313	307	307	319	-2.5
CLARK ENERGY COOP	366	332	334	315	303	20.8
CUMBERLAND VALLEY	337	327	315	314	301	12.0
FARMERS	324	322	336	291	300	8.0
FLEMING-MASON	332	341	351	357	329	0.9
GRAYSON	503	559	481	492	476	5.7
INTER-COUNTY	350	358	343	347	349	0.3
JACKSON ENERGY	381	374	372	377	371	2.7
LICKING VALLEY	401	397	354	331	317	26.5
NOLIN	456	479	409	402	411	10.9
OWEN	302	297	295	291	289	4.5
SALT RIVER ELECTRIC	222	220	229	216	231	-3.9
SHELBY ENERGY	379	363	356	349	348	8.9
SOUTH KENTUCKY	307	291	284	264	280	9.6
TAYLOR COUNTY	<u>255</u>	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>4.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	329	359	340	\$334	\$353	-6.8 %
KENERGY	386	377	379	352	362	6.6
MEADE COUNTY	<u>333</u>	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>10.3</u>
AVERAGE BIG RIVERS	\$349	\$345	\$333	\$340	\$329	6.1 %
HICKMAN-FULTON	844	798	731	\$648	\$759	11.2 %
PENNYRILE	351	342	333	319	325	8.0
TRI-COUNTY	320	312	302	297	290	10.3
WARREN	330	330	341	347	345	-4.3
WEST KENTUCKY	<u>419</u>	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>13.2</u>
AVERAGE TVA	\$453	\$419	\$390	\$419	\$357	26.9 %
OVERALL AVERAGE	\$370	\$355	\$341	\$346	\$329	12.5 %

2014
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	13,102	13,177	13,199	13,213	13,226	-0.9 %
BLUE GRASS ENERGY	56,075	55,725	55,297	55,087	54,980	2.0
CLARK ENERGY COOP	25,989	25,985	25,980	26,041	26,154	-0.6
CUMBERLAND VALLEY	23,619	23,659	23,613	23,684	23,749	-0.5
FARMERS	24,894	24,816	24,710	24,683	24,574	1.3
FLEMING-MASON	23,885	23,833	23,758	23,827	23,822	0.3
GRAYSON	15,338	15,391	15,389	15,470	15,533	-1.3
INTER-COUNTY	25,568	25,328	25,338	25,250	25,256	1.2
JACKSON ENERGY	51,435	51,360	51,250	51,224	51,338	0.2
LICKING VALLEY	17,400	17,408	17,426	17,428	17,493	-0.5
NOLIN	34,314	33,957	33,580	32,948	32,638	5.1
OWEN	58,840	58,095	57,809	57,596	57,478	2.4
SALT RIVER ELECTRIC	48,851	48,320	47,805	47,411	47,046	3.8
SHELBY ENERGY	15,638	15,457	15,360	15,315	15,311	2.1
SOUTH KENTUCKY	66,530	66,272	66,327	66,361	66,430	0.2
TAYLOR COUNTY	<u>25,958</u>	<u>25,888</u>	<u>25,728</u>	<u>25,613</u>	<u>25,456</u>	<u>2.0</u>
TOTAL EKPC	527,436	524,671	522,569	521,151	520,484	1.3 %
JACKSON PURCHASE	29,293	29,313	29,241	29,199	29,152	0.5 %
KENERGY	55,932	55,677	55,419	55,210	54,991	1.7
MEADE COUNTY	<u>28,985</u>	<u>28,730</u>	<u>28,592</u>	<u>28,478</u>	<u>28,267</u>	<u>2.5</u>
TOTAL BIG RIVERS	114,210	113,720	113,252	112,887	112,410	1.6 %
HICKMAN-FULTON	3,702	3,687	3,689	3,675	3,716	-0.4 %
PENNYRILE	47,154	46,976	47,013	46,965	46,984	0.4
TRI-COUNTY	50,720	50,612	50,679	50,240	50,340	0.8
WARREN	61,958	61,316	60,641	60,265	59,995	3.3
WEST KENTUCKY	<u>38,483</u>	<u>38,398</u>	<u>38,310</u>	<u>38,154</u>	<u>38,189</u>	<u>0.8</u>
TOTAL TVA	202,017	200,989	200,332	199,299	199,224	1.4 %
OVERALL TOTAL	843,663	839,380	836,153	833,337	832,118	1.4 %

2014
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	938	1,584	2,522	849	89	1,242	4,702	42	1,034	12,015	20,352,830	141.2
BLUE GRASS ENERGY COOP	571	1,345	1,916	583	214	1,012	3,725	104	4,710	53,336	90,335,203	141.1
CLARK ENERGY COOP	576	1,161	1,737	483	102	492	2,814	53	3,066	24,233	39,274,668	135.1
CUMBERLAND VALLEY ELECTRIC	546	1,029	1,575	716	63	573	2,927	51	2,639	22,024	32,804,899	124.1
FARMERS RECC	460	817	1,277	302	48	584	2,211	62	3,624	23,009	35,189,349	127.5
FLEMING-MASON ENERGY	553	787	1,340	493	47	393	2,273	51	3,582	22,196	32,135,777	120.7
GRAYSON RECC	472	1,633	2,105	460	118	789	3,472	46	2,470	14,113	24,408,364	144.1
INTER-COUNTY ENERGY	687	534	1,221	433	133	600	2,387	63	3,834	24,094	42,209,063	146.0
JACKSON ENERGY COOP	823	1,031	1,854	552	145	832	3,383	121	5,685	47,723	84,922,276	148.3
LICKING VALLEY RECC	905	1,210	2,115	482	51	711	3,359	44	2,057	16,235	22,943,939	117.8
NOLIN RECC	1217	1,604	2,821	864	284	1,479	5,448	96	3,017	32,333	53,001,534	136.6
OWEN EC	1117	818	1,935	857	169	896	3,857	130	4,530	56,186	87,221,855	129.4
SALT RIVER ELECTRIC	675	675	1,350	438	95	723	2,806	72	4,123	45,790	71,348,351	129.9
SHELBY ENERGY COOP	864	995	1,659	310	184	523	2,676	39	2,121	15,189	26,276,277	144.2
SOUTH KENTUCKY RECC	578	1,137	1,715	549	98	490	2,852	145	6,787	60,800	90,207,014	123.6
TAYLOR COUNTY RECC	594	594	1,188	337	24	457	2,006	53	3,236	22,796	32,121,022	117.4
EKPC GROUP AVERAGE	711	1,080	1,771	544	117	737	3,169	73	3,532	30,755	49,047,026	132.9
JACKSON PURCHASE ENERGY	1076	1,116	2,192	498	30	857	3,577	74	2,939	25,694	39,086,440	126.8
KENERGY CORP	582	1,227	1,809	550	39	566	2,964	150	7,113	45,311	74,095,848	136.3
MEADE COUNTY RECC	935	953	1,888	512	117	512	3,029	60	3,224	26,847	36,725,209	114.0
BIG RIVERS GROUP AVERAGE	864	1,099	1,963	520	62	645	3,190	95	4,425	32,617	49,969,166	127.7
HICKMAN-FULTON COUNTIES RECC	770	1,994	2,764	260	66	979	4,069	16	726	2,819	5,688,518	168.2
PENNYRILE RECC	916	1,009	1,925	481	102	657	3,165	115	5,095	42,085	71,535,238	141.7
TRI-COUNTY EMC	891	975	1,866	464	121	446	2,897	131	5,464	41,117	69,404,761	140.7
WARREN RECC	977	955	1,932	648	143	900	3,623	157	5,645	51,647	96,944,907	156.4
WEST KENTUCKY RECC	906	1,748	2,654	645	37	664	4,000	93	4,118	30,251	57,249,601	157.7
TVA GROUP AVERAGE	892	1,336	2,228	500	94	729	3,551	102	4,210	33,584	60,164,605	149.3
OVERALL AVERAGE	768	1,122	1,890	532	105	724	3,251	82	3,785	31,577	51,478,456	136.9

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<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	% CHANGE <u>FROM 2010</u>
BIG SANDY	13.0	13.0	13.0	13.0	12.9	0.8 %
BLUE GRASS ENERGY	11.9	11.9	11.8	11.8	11.9	0.0
CLARK ENERGY COOP	8.5	8.5	8.5	8.6	8.6	-1.2
CUMBERLAND VALLEY	9.0	9.0	9.0	9.1	9.1	-1.1
FARMERS	6.9	6.9	6.9	6.9	6.9	0.0
FLEMING-MASON	6.7	6.7	6.7	6.7	6.7	0.0
GRAYSON	6.2	6.2	6.2	6.2	6.3	-1.6
INTER-COUNTY	6.7	6.7	6.7	6.7	6.7	0.0
JACKSON ENERGY	9.1	9.1	9.0	9.0	9.1	0.0
LICKING VALLEY	8.5	8.5	8.5	8.6	8.6	-1.2
NOLIN	11.4	11.3	11.2	11.0	11.0	3.6
OWEN	13.0	12.9	12.8	12.8	12.8	1.6
SALT RIVER ELECTRIC	11.9	11.8	11.8	11.7	11.7	1.7
SHELBY ENERGY	7.4	7.3	7.3	7.3	7.3	1.4
SOUTH KENTUCKY	9.8	9.8	9.8	9.8	9.9	-1.0
TAYLOR COUNTY	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>0.0</u>
AVERAGE EKPC	9.3	9.3	9.3	9.3	9.3	0.0 %
JACKSON PURCHASE	10.0	10.0	10.0	10.0	10.0	0.0 %
KENERGY	7.9	7.9	7.8	7.8	7.8	1.3
MEADE COUNTY	<u>9.0</u>	<u>9.6</u>	<u>9.6</u>	<u>9.6</u>	<u>9.5</u>	<u>-5.3</u>
AVERAGE BIG RIVERS	8.6	8.7	8.7	8.7	8.7	-1.1 %
HICKMAN-FULTON	5.1	5.1	5.2	5.3	5.4	-5.6 %
PENNYRILE	9.3	9.3	9.2	9.2	9.2	1.1
TRI-COUNTY	9.3	9.3	9.3	9.2	9.2	1.1
WARREN	11.0	10.9	10.8	10.7	10.7	2.8
WEST KENTUCKY	<u>9.4</u>	<u>9.3</u>	<u>9.4</u>	<u>9.4</u>	<u>9.4</u>	<u>0.0</u>
AVERAGE TVA	9.6	9.6	9.6	9.5	9.5	1.1 %
OVERALL AVERAGE	9.3	9.3	9.3	9.3	9.3	0.0 %

2014
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	1,034	1,035	1,033	1,030	1,027	0.7 %
BLUE GRASS ENERGY	4,710	4,693	4,682	4,650	4,632	1.7
CLARK ENERGY COOP	3,066	3,056	3,052	3,042	3,036	1.0
CUMBERLAND VALLEY	2,639	2,633	2,626	2,614	2,616	0.9
FARMERS	3,624	3,615	3,602	3,591	3,577	1.3
FLEMING-MASON	3,582	3,575	3,560	3,550	3,537	1.3
GRAYSON	2,470	2,478	2,485	2,485	2,483	-0.5
INTER-COUNTY	3,834	3,803	3,779	3,765	3,748	2.3
JACKSON ENERGY	5,685	5,673	5,668	5,676	5,664	0.4
LICKING VALLEY	2,057	2,053	2,047	2,039	2,031	1.3
NOLIN	3,017	3,011	3,011	2,991	2,980	1.2
OWEN	4,530	4,522	4,514	4,509	4,493	0.8
SALT RIVER ELECTRIC	4,123	4,095	4,068	4,040	4,016	2.7
SHELBY ENERGY	2,121	2,109	2,104	2,097	2,096	1.2
SOUTH KENTUCKY	6,787	6,771	6,759	6,755	6,735	0.8
TAYLOR COUNTY	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>3,198</u>	<u>1.2</u>
TOTAL EKPC	56,515	56,352	56,208	56,044	55,869	1.2 %
JACKSON PURCHASE	2,939	2,932	2,923	2,918	2,909	1.0 %
KENERGY	7,113	7,084	7,068	7,047	7,010	1.5
MEADE COUNTY	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>2,974</u>	<u>8.4</u>
TOTAL BIG RIVERS	13,276	12,998	12,961	12,939	12,893	3.0 %
HICKMAN-FULTON	726	727	704	691	684	6.1 %
PENNYRILE	5,095	5,079	5,092	5,089	5,100	-0.1
TRI-COUNTY	5,464	5,458	5,451	5,449	5,451	0.2
WARREN	5,645	5,632	5,623	5,626	5,622	0.4
WEST KENTUCKY	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>4,069</u>	<u>1.2</u>
TOTAL TVA	21,048	21,007	20,961	20,934	20,926	0.6 %
OVERALL TOTAL	90,839	90,357	90,130	89,917	89,688	1.3 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$371	\$363	\$335	\$328	\$358	3.6 %
BLUE GRASS ENERGY	313	307	307	319	320	-2.2
CLARK ENERGY COOP	332	334	315	303	295	12.5
CUMBERLAND VALLEY	327	315	314	301	309	5.8
FARMERS	322	336	291	300	289	11.4
FLEMING-MASON	341	351	357	329	317	7.6
GRAYSON	559	481	492	476	423	32.2
INTER-COUNTY	358	343	347	349	328	9.1
JACKSON ENERGY	374	372	377	371	344	8.7
LICKING VALLEY	397	354	331	317	316	25.6
NOLIN	479	409	402	411	408	17.4
OWEN	297	295	291	289	292	1.7
SALT RIVER ELECTRIC	220	229	216	231	223	-1.3
SHELBY ENERGY	363	356	349	348	352	3.1
SOUTH KENTUCKY	291	284	264	280	291	0.0
TAYLOR COUNTY	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>237</u>	<u>5.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	359	340	\$334	\$353	\$319	12.5 %
KENERGY	377	379	352	362	372	1.3
MEADE COUNTY	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>294</u>	<u>14.6</u>
AVERAGE BIG RIVERS	\$358	\$345	\$333	\$340	\$329	8.8 %
HICKMAN-FULTON	798	731	\$648	\$759	\$522	52.9 %
PENNYRILE	342	333	319	325	287	19.2
TRI-COUNTY	312	302	297	290	284	9.9
WARREN	330	341	347	345	336	-1.8
WEST KENTUCKY	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>353</u>	<u>21.2</u>
AVERAGE TVA	\$442	\$419	\$390	\$419	\$357	23.8 %
OVERALL AVERAGE	\$371	\$355	\$341	\$346	\$329	12.8 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$4,702	\$4,621	\$4,280	\$4,207	\$4,611	2.0 %
BLUE GRASS ENERGY	3,725	3,646	3,627	3,779	3,798	-1.9
CLARK ENERGY COOP	2,814	2,840	2,682	2,595	2,542	10.7
CUMBERLAND VALLEY	2,927	2,830	2,824	2,727	2,805	4.3
FARMERS	2,211	2,307	1,996	2,061	1,985	11.4
FLEMING-MASON	2,273	2,341	2,382	2,209	2,135	6.5
GRAYSON	3,472	2,988	3,047	2,963	2,645	31.3
INTER-COUNTY	2,387	2,285	2,326	2,341	2,211	8.0
JACKSON ENERGY	3,383	3,368	3,410	3,348	3,118	8.5
LICKING VALLEY	3,359	3,001	2,818	2,710	2,721	23.4
NOLIN	5,448	4,613	4,484	4,527	4,469	21.9
OWEN	3,857	3,790	3,728	3,693	3,735	3.3
SALT RIVER ELECTRIC	2,606	2,702	2,539	2,711	2,612	-0.2
SHELBY ENERGY	2,676	2,608	2,548	2,542	2,572	4.0
SOUTH KENTUCKY	2,852	2,780	2,590	2,751	2,870	-0.6
TAYLOR COUNTY	<u>2,006</u>	<u>1,972</u>	<u>1,960</u>	<u>1,948</u>	<u>1,886</u>	<u>6.4</u>
AVERAGE EKPC	\$3,169	\$3,044	\$2,953	\$2,946	\$2,919	8.6 %
JACKSON PURCHASE	\$3,577	\$3,400	\$3,340	\$3,532	\$3,197	11.9 %
KENERGY	2,964	2,977	2,759	2,837	2,919	1.5
MEADE COUNTY	<u>3,029</u>	<u>3,015</u>	<u>3,032</u>	<u>2,892</u>	<u>2,794</u>	<u>8.4</u>
AVERAGE BIG RIVERS	\$3,190	\$3,130	\$3,044	\$3,087	\$2,970	7.4 %
HICKMAN-FULTON	\$4,069	\$3,708	\$3,395	\$4,037	\$2,835	43.5 %
PENNYRILE	3,165	3,080	2,945	3,000	2,644	19.7
TRI-COUNTY	2,897	2,800	2,761	2,674	2,623	10.4
WARREN	3,623	3,712	3,742	3,695	3,586	1.0
WEST KENTUCKY	<u>4,000</u>	<u>3,661</u>	<u>3,128</u>	<u>3,462</u>	<u>3,313</u>	<u>20.7</u>
AVERAGE TVA	\$3,551	\$3,391	\$3,195	\$3,374	\$3,000	18.4 %
OVERALL AVERAGE	\$3,251	\$3,127	\$3,014	\$3,052	\$2,944	10.4 %

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KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2014 - 2013 ANNUAL COMPARISON

	AVERAGE EXPENSE PER CONSUMER EKPC		
	2014	2013	CHANGE
DISTRIBUTION OPERATION	\$ 78.00	\$ 78.00	\$ -
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 109.00	\$ 11.00
ACCOUNTING	\$ 59.00	\$ 58.00	\$ 1.00
CONSUMER INFORMATION	\$ 13.00	\$ 13.00	\$ -
ADMINISTRATION	\$ 80.00	\$ 78.00	\$ 2.00
TOTAL PER CONSUMER	\$ 350.00	\$ 336.00	\$ 14.00

	AVERAGE EXPENSE PER CONSUMER TVA		
	2014	2013	CHANGE
DISTRIBUTION OPERATION	\$ 106.00	\$ 101.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 176.00	\$ 162.00	\$ 14.00
ACCOUNTING	\$ 56.00	\$ 58.00	\$ -
CONSUMER INFORMATION	\$ 11.00	\$ 11.00	\$ -
ADMINISTRATION	\$ 93.00	\$ 89.00	\$ 4.00
TOTAL PER CONSUMER	\$ 442.00	\$ 419.00	\$ 23.00

OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	1,172	1,188	(16)
MILES OF LINE	56,515	56,352	163
CONSUMERS BILLED	527,436	524,671	2,765
MILES OF LINE PER EMPLOYEE	48.4	47.6	0.8
CONSUMER PER EMPLOYEE	452	443	9
DENSITY CONSUMERS PER MILE	9.3	9.3	0

OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	512	505	\$ 7.00
MILES OF LINE	21,048	21,007	\$ 41.00
CONSUMERS BILLED	202,017	200,989	\$ 1,028.00
MILES OF LINE PER EMPLOYEE	41.3	41.6	\$ (0.30)
CONSUMER PER EMPLOYEE	396	398	\$ (2.00)
DENSITY CONSUMERS PER MILE	9.6	9.6	\$ -

	AVERAGE EXPENSE PER CONSUMER BIG RIVERS		
	2014	2013	CHANGE
DISTRIBUTION OPERATION	\$ 95.00	\$ 86.00	\$ 9.00
DISTRIBUTION MAINTENANCE	\$ 125.00	\$ 125.00	\$ -
ACCOUNTING	\$ 59.00	\$ 52.00	\$ 7.00
CONSUMER INFORMATION	\$ 7.00	\$ 7.00	\$ -
ADMINISTRATION	\$ 72.00	\$ 75.00	\$ (3.00)
TOTAL PER CONSUMER	\$ 358.00	\$ 345.00	\$ 13.00

	AVERAGE EXPENSE PER CONSUMER OVERALL AVERAGE		
	2014	2013	CHANGE
DISTRIBUTION OPERATION	\$ 86.00	\$ 84.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 132.00	\$ 122.00	\$ 10.00
ACCOUNTING	\$ 59.00	\$ 57.00	\$ 2.00
CONSUMER INFORMATION	\$ 12.00	\$ 12.00	\$ -
ADMINISTRATION	\$ 82.00	\$ 80.00	\$ 2.00
TOTAL PER CONSUMER	\$ 371.00	\$ 355.00	\$ 16.00

OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	284	278	6
MILES OF LINE	13,276	12,968	278
CONSUMERS BILLED	114,210	113,720	490
MILES OF LINE PER EMPLOYEE	46.8	46.6	0.0
CONSUMER PER EMPLOYEE	401	408	(7)
DENSITY CONSUMERS PER MILE	8.6	8.7	(0)

OTHER STATISTICAL INFORMATION			
NUMBER OF EMPLOYEES	1968	1971	(3)
MILES OF LINE	90,839	90,357	482
CONSUMERS BILLED	843,663	839,380	4,283
MILES OF LINE PER EMPLOYEE	46.2	45.9	0
CONSUMER PER EMPLOYEE	429	427	2
DENSITY CONSUMERS PER MILE	9.3	9.3	0

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AGREEMENT

BETWEEN

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

AND

LOCAL UNION NO. 317

OF THE INTERNATIONAL BROTHERHOOD

OF ELECTRICAL WORKERS

Effective: January 1, 2013 through December 31, 2015

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AGREEMENT

Effective: January 1, 2013

THIS AGREEMENT, made and entered into this _____ day of _____ by and between the BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION of Paintsville, Kentucky, hereinafter referred to as the COOPERATIVE and LOCAL UNION NO. 317 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, hereinafter referred to as the UNION, as the collective bargaining representatives for the employees of the COOPERATIVE in the classifications listed in Article V, Section 1, of this Agreement.

WITNESSETH

WHEREAS, the COOPERATIVE and the UNION have a common and sympathetic interest in the electrical industry, and together with the Public, will benefit from harmonious working arrangements for the adjustments of differences by rational and common sense methods, and therefore, for the purpose of facilitating the peaceful adjustments of differences that may arise from time to time, and to promote harmony and efficiency to the end that the COOPERATIVE, the UNION and the GENERAL PUBLIC may be benefitted the parties hereto contract and agree with each other as follows:

TO WIT; ARTICLE I. Recognition

Section 1. The UNION is hereby recognized as the sole exclusive bargaining agent for the collective bargaining purposes covering wages, hours and conditions of employment for all employees within the bargaining unit in view of the UNION'S certification by the N.L.R.B on the second day of June, 1950, in Case No. 9-RC-822.

Section 2. The UNION shall have the right to refer to the grievance procedure therein any complaint that the hiring policies of the EMPLOYER are discriminatory or unfair.

Section 3. The operation, control and management of the Company's facilities and operations, and all business and activities of the Company in connection therewith which are

covered or affected by this Agreement, including the supervision and direction of the working forces at such facilities, operations and business, the right from time to time to make and enforce such reasonable rules applicable to employees covered by this Agreement, including rules concerning alcohol and substance abuse, and to enforce, change, abolish or modify existing rules applicable to employees covered by this Agreement, as it may from time to time deem necessary or advisable, are and shall continue to be solely and exclusively the functions and prerogatives of the management of the Cooperative, including the right to discipline or discharge for just cause (including violation of rules issued by the COOPERATIVE.)

Section 3(a). All new employees shall be hired on a temporary basis, not to exceed ninety (90) working days actually worked.

During such ninety (90) working day probationary period, the COOPERATIVE may discharge or otherwise discipline, lay-off, transfer or assign such employees with or without cause, and such actions shall not be subject to the Grievance Procedure.

Section 4. All employees who are members of the UNION on the effective date of this Agreement shall be required to remain members of the UNION in good standing as a condition of employment within ninety (90) working days following dates of their employment or effective date of the Agreement, whichever is later. Any such workmen shall receive at least the minimum wages and work under the terms and conditions of this Agreement, with the exception of being covered under the fringe benefits of the Agreement. A new employee shall be employed for a period of six months from the date of hiring before becoming covered under the fringe benefit package. Fringe benefits shall mean, sick leave, vacation, holidays, insurance, hospitalization, retirement benefits, and funeral leave. Seniority shall begin or commence at the date of hiring. The COOPERATIVE shall be required to make all payments required by law.

ARTICLE II. Grievance Procedure

Section 1. Any complaint, grievance or dispute that may arise with respect to the application or performance of this Agreement between the COOPERATIVE and the UNION or its members shall be taken up for settlement in the simplest and most direct manner. Except whereby mutual consent another procedure is agreed upon such matters shall be handled in accordance with the following:

1. Between the employee or employees concerned, together with the UNION'S steward if so desired, and the foreman or immediate supervisor of the aggrieved employee.

2. Should any matter not be adjusted in the 1st step above within forty-eight (48) hours, exclusive of Sundays and holidays, it shall be reduced to writing and referred to the Manager of the EMPLOYER and the Business Manager of the UNION.

3. All questions or disputes which are not adjusted as a result of the above procedure shall then be referred to a Joint Conference Committee of three (3) representatives of the UNION and three (3) representatives of the EMPLOYER. Each party shall have the privilege of changing representatives upon the proper notice to the other party. The Joint Conference Committee shall meet within forty-eight (48) hours after such notice is given either party. It shall select its own secretary and chairman.

4. If not satisfactorily adjusted after exhausting all of the above steps, the grievance or complaint shall be referred to arbitration provided such grievance involves an interpretation of the meaning or application of the terms of the Agreement, according to the following procedures; within five (5) days, the parties shall jointly request the Federal Mediation and Conciliation Service to appoint a third member, both parties to be bound by such appointment. Each party shall defray the expenses of its own member of the Board of Arbitration and the fee and expenses of the third member shall be born equally by the parties, together with any incidental or general expenses in connection with the arbitration mutually agreed upon in advance. The majority decision of the Board shall be final and binding on both parties.

Section 2. In any discharge or disciplinary suspension case where the Arbitrator decides that the aggrieved employee should be awarded any back pay, the COOPERATIVE shall be entitled to full credit on such awards for the employee's gross interim earnings, unemployment compensation benefits, workers' compensation benefits received or receivable and any other compensation he receives from any form of employment during the period he was not working for the COOPERATIVE. Subject to the foregoing qualifications and limitations, the Arbitrator's award shall be final and binding upon the COOPERATIVE, the UNION and the aggrieved employee or employees.

Section 3. The UNION and employees agree that during the term of this Agreement neither the UNION, its officers, agents or members shall authorize, instigate, aid, condone or engage in any work stoppage, strike of any kind or description, including so-called sympathy

strikes, or otherwise interrupt, impede or restrict services of the COOPERATIVE or engage in any activity which would tend to cause an interruption or delay in the accomplishment of the work and business of the COOPERATIVE.

The UNION and employees further agree that during the term of this Agreement, the UNION, its officers, agents or members will not honor or recognize any picket lines, or picketing in any form, including picket lines or picketing out of so-called sympathy, except picketing at the COOPERATIVE'S Eleventh Street, Paintsville, Kentucky, location which results from a lawful labor dispute between the COOPERATIVE and the UNION after this agreement has expired. No employee will be required to cross a picket line which would put him in physical jeopardy or the property of the COOPERATIVE in jeopardy, such contention having to be proved by the employee.

Any employee who engages in any conduct prohibited by this Section, or who fails or refuses to comply with any provision of this Section, shall be subject to appropriate discipline, including discharge, without warning, by the COOPERATIVE.

The COOPERATIVE agrees not to lock-out employees during the term of this Agreement.

ARTICLE III. Vacation

Section 1. All employees within the bargaining unit shall be entitled to and shall receive vacations each year. The vacation for all those employees who have been regularly employed by the BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION for one year shall receive one (1) week or forty (40) hours vacation with pay and for those employees employed two (2) years to ten (10) years, three (3) weeks or one hundred twenty (120) hours. After ten (10) years employees shall receive an additional day of vacation for each year of employment with the COOPERATIVE, up to a maximum of four (4) weeks or one hundred and sixty (160) hours, except for employees hired before January 1, 1987, which may accumulate up to five (5) weeks or two hundred (200) hours.

Section 2. The vacation period of each employee shall be set by the EMPLOYER with due respect to the desire, seniority and preference of the employee consistent with the efficient operation of the BIG SANDY RURAL ELECTRIC COOPERATIVE. Employee will enter request to Management for vacation thirty (30) days prior to the date vacation is to start, when possible and practical. Employees will make every effort to provide Management thirty (30) days notice for vacation that last for one (1) week or longer.

Section 3. If a vacation day falls on a holiday, another day shall be granted in lieu thereof. Employees who leave the service of the COOPERATIVE and have a vacation due them, shall be compensated in pay the amount that has accrued up to the date of severance.

Section 4. Crew leaders, with eighteen (18) months seniority, as crew leaders, shall be paid his appropriate rate while on vacation or sick leave.

ARTICLE IV. Hours and Overtime

Section 1. No shift (whether an eight hour (8) shift or ten (10) hour shift) will start after 8:30 a.m. The COOPERATIVE will give one (1) week notice of any change in the shift hours and such changed schedule will run for at least one (1) work week. During such shifts employees will be entitled to not more than thirty (30) minutes for a lunch period. Employees working ten (10) hour shifts will only receive over-time at time and one-half (1 ½) after ten (10) hours actually worked in a work day or after forty (40) hours actually worked in a workweek. Hours taken as holidays, vacation and funeral leave under this Agreement will count as hours worked for purposes of overtime.

When employees are called out before or after the regularly scheduled working hours, or a trouble employee after his regular quitting time, they shall receive not less than two (2) hours time at the rate of time and one-half, except that if they worked longer than two (2) hours they shall receive time and one-half for the entire time worked until the regular scheduled work day begins, after which time the regular rate of pay will become effective. Overtime to begin at the time the employee is called out and ends when he reports back. When called out on Sunday and legal holidays, they shall receive not less than two (2) hours time at the rate of time and one-half except that if they work longer than two (2) hours, they shall receive time and one-half for

the entire time worked. Overtime to begin at the time of calling the employees out and ends when he reports back. All employees used shall be reimbursed for room and board occurring on all emergency work. It shall be the responsibility of the Manager of the COOPERATIVE to keep an accurate overtime list, and to distribute the overtime among the qualified employees in their classification as equal as possible, and to post said overtime list on the bulletin board before the tenth of each month, for the previous month.

Section 2. For all employees covered by this Agreement, kept as later provided, the regular work week shall be Monday through Friday. The regular work week shall not exceed forty (40) hours, and the regular work day shall not exceed eight (8) hours. All work in the excess of regularly scheduled hours in any one day or in any one week shall be paid at the rate of time and one-half (1 ½). The COOPERATIVE shall give the employee three days prior notice for Saturday work except for breakdowns.

Section 3. The following days shall be recognized as paid holidays at the employee's straight time rate of pay, provided the holiday falls on a regular work day, or the holiday is recognized to fall on a regularly scheduled work day: New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve and Christmas Day. Holidays falling on Saturday or Sunday will be observed as the Nation observes them. Time and one-half to be paid in addition for all work performed on such holidays.

Section 4. Employees shall not be required to work outside during inclement weather except to restore service because of emergency conditions. Employees shall be assigned to work inside or under shelter during such weather. Such assignments shall not be for more than the regular work day or work week. Thus the employee is assured of a full week's pay.

ARTICLE V. Wages

Employees who perform "hot work" will receive a one dollar (\$1.00) per hour wage increase, effective January 1, 2013, to the rate in effect on December 31, 2012. This includes the following job classifications: All Linemen, Servicemen, Crew Leaders and Metermen. The job classification of Assistant Staking Engineer shall receive one dollar & sixteen cents (\$1.16) per

hour increase. Employees in the Mechanic, Warehousemen and Groundman job classifications shall receive a fifty-cent (\$.50) per hour increase.

Effective January 1, 2014, all employees covered by this agreement will receive a fifty-cent (\$.50) per hour wage increase.

Effective January 1, 2015, all employees covered by this agreement will receive a twenty-five cent (\$.25) per hour wage increase.

Employees will be paid biweekly, which is every two weeks (i.e. every other Friday). If the payday falls on a holiday, the employee will be paid on the day before the holiday.

CLASSIFICATION

EFFECTIVE: 1/1/2013 thru 12/31/2015

	Jan. 1, 2013	Jan. 1, 2014	Jan. 1, 2015
	\$ 1.00	\$.50 cents	\$.25 cents
Lineman, 1 st Class (w/less than 1 yr experience w/ the company)	\$26.49	\$26.99	\$27.24
Serviceman, Journeyman/ Lineman	\$27.53	\$28.03	\$28.28
Lineman, 1 st Class (w/1 yr or longer experience w/ the company)	\$27.28	\$27.78	\$28.03
Transformer, Meterman Serviceman Journeyman w/license	\$28.63	\$29.13	\$29.38
Assistant Transformer Meterman Serviceman	\$27.69	\$28.19	\$28.44

Asst. Staking Engineer	\$27.69	\$28.19	\$28.44
Asst. Staking Eng Helper	\$26.78	\$27.28	\$27.53
Warehouseman	\$26.73	\$27.23	\$27.48
Crew Leader	\$29.76	\$30.26	\$30.51
Mechanic	\$25.99	\$26.49	\$26.74

(The wage rate for the Mechanic

will be the same rate as that of the Lineman First Class, less than one (1) year)

CLASSIFICATION

EFFECTIVE: 1/1/2013 THRU 12/31/2015

	Jan. 1, 2013	Jan. 1, 2014	Jan. 1, 2015
	\$ 1.00	\$.50 cents	\$.25 cents
APPRENTICES			
(Lineman, Serviceman and Meterman)			
1 st 6 months	\$21.93	\$22.43	\$22.68
2 nd 6 months	\$22.78	\$23.28	\$23.53
2 nd year	\$23.79	\$24.29	\$24.54
3 rd year	\$24.46	\$24.96	\$25.21
4 th year	\$25.70	\$26.20	\$26.45
Therefore	\$27.28	\$27.78	\$28.03

GROUNDMAN

1 st 6 months	\$19.36	\$19.86	\$20.11
2 nd 3 months	\$19.91	\$20.41	\$20.66
2 nd 6 months	\$20.85	\$21.35	\$21.60
2 nd year	\$21.84	\$22.34	\$22.59
3 rd year	\$22.28	\$22.78	\$23.03
4 th year	\$23.07	\$23.57	\$23.82
Therefore	\$23.46	\$23.96	\$24.21

A mechanic may be hired at a rate established by the COOPERATIVE, under the following conditions: The employer may set the starting and quitting time, the first eight (8) hours worked will be the straight time rate of pay, any time worked past eight (8) hours will be at the time and one-half rate of pay. All other overtime and fringe benefit payments afforded other employees under the terms of this Agreement will apply to the mechanic. It is the understanding between both parties Local 317 and BIG SANDY RECC, that a mechanic is not to infringe on any other classifications work. Effective January 1, 2002, existing mechanic will be paid at a scale of Lineman 1st Class with less than 1 year experience with the company.

It is understood by Local 317 that BIG SANDY RECC will retain the right to employ temporary right of way employees.

Apprentices shall mean either apprentice lineman or apprentice meterman. Apprentice lineman shall be advanced only on a basis of the time served and ability. Recommendations for advancement shall be initialed by the UNION Labor Committee and submitted to Committee representing the EMPLOYER for approval. It is understood that if a groundman is advanced to an apprentice, that the time served as groundman up to and including two (2) years shall apply to his apprenticeship rating.

It is mutually understood between both parties that the EMPLOYER will contribute an amount equal to nine percent (9%) of the employees straight-time monthly salary, toward purchasing a retirement plan for the employee with a reputable insurance company.

Effective January 1, 2014, employer will contribute an amount equal to ten percent (10%) of employee straight-time monthly salary, toward purchasing a retirement plan for the employee with a reputable insurance company.

ARTICLE VI. Apprentices

Section 1. (a) An apprentice lineman is one who is learning line work and must serve as such for four (4) years before becoming a journeyman lineman. An apprentice working voltage in excess of 440 volts must be under the direct supervision of a journeyman.

Section 1. (b) An apprentice promoted from a lower rating to a higher rating, prior to promotion shall be required to take the I.B.E.W. test before promotion is put in effect and the COOPERATIVE Manager shall be advised by the UNION of such test.

Section 2. The ratio of apprentices to journeyman shall not be more than two (2) apprentices to one (1) journeyman or fraction thereof. Foreman to be counted as journeyman. No journeyman shall be displaced by an apprentice.

ARTICLE VII. Seniority

Section 1. Seniority of an employee coming within this Agreement shall accumulate from the first day of employment with the COOPERATIVE. Illness, injury or military service in time of national emergency shall not be considered as a break in seniority.

Section 2. Promotions to positions in the bargaining unit, demotion, lay-offs, however, that employees have sufficient ability and qualifications to perform the work required. Employees who have been laid off shall be called back to work and placed on jobs which they can perform in accordance with their previous seniority. Employees so recalled must report to work within five (5) working days after being notified of such recall and advise the COOPERATIVE immediately of their intentions to report. In case of lay-offs, seniority need not be carried over twelve (12) months. This paragraph shall cover employees working with the COOPERATIVE at the time this Agreement goes into effect and all employees that become regular employees.

Section 3. In the event it becomes necessary to lay off one (1) employee and there are two (2) employees having relatively equal ability and seniority, one of whom must be laid off, the decision as to which of the two (2) employees shall be affected, the lay-off shall be made by the Job Steward and the Manager. COOPERATIVE shall give employee to be laid off a minimum of one week notification prior to lay off.

A seniority list shall be made up by the COOPERATIVE within sixty (60) days after the date of this Agreement. A copy shall be furnished to the Secretary of the UNION and a copy

posted on the bulletin board. This list shall be open for correction for a period of thirty (30) days thereafter, and if any employee does not make a protest in writing to the COOPERATIVE, with a copy to the UNION, within such thirty (30) day period after posting of such list, his seniority shall be as shown on list. The seniority list shall be brought up to date once each six (6) months thereafter.

Section 4. Through the representation of the UNION, employees shall have the right to hearing on any differences of opinion as to the competency of any employee to fill a new position of vacancy, or promotion or demotion, of discipline administered or lay-offs, or discharge or of discrimination. Such hearing shall follow the established grievance procedure. This paragraph is not to be interpreted as meaning the Local UNION has the right to a hearing on the competency of new employees hired by the COOPERATIVE. New employees shall mean those employees who have worked for less than ninety (90) days.

ARTICLE VIII. Sick Leave

Section 1. Employees compelled to be absent from regular duties because of illness or accident shall be compensated at the regular straight time rate of pay as follows:

On January 1st of each year, each employee then having completed one (1) years prior service, with the COOPERATIVE, shall be compensated for the first twelve (12) days of such illness occurring during the prospective year. On January 1st of each year, each employee then having completed one (1) years prior service with the COOPERATIVE, shall be compensated for the first twelve (12) days of such illness and can accumulate up to sixty (60) days sick leave with applicable rate of pay.

Should the employee become ill in the first months after this agreement is executed, the employee shall receive the maximum credit of twelve (12) days – should he have been employed for at least one year. During the prospective year, employees with less than one (1) years service on January 1st of each year shall be compensated based on the number of months prior service with the COOPERATIVE at the rate of one (1) day each months prior service. If an employee if off work due to illness, he shall contact the COOPERATIVE, if possible, and if the Board of Directors required a doctors certificate, it shall be at the expense of the COOPERATIVE.

Any I.B.E.W. employee, employed by BIG SANDY RECC for 10 years or longer is to be paid at his regular hourly rate of pay for all sick leave due him up to thirty (30) days if he is laid off because of lack of work; or, under the same conditions, will be paid at his regular hourly rate of pay for sick leave due him, up to a maximum of forty-five (45) days, only if he retires at age 62 or above.

Personal Days – Full days only, for personal use. Must be approved in advance by Superintendent.

Year	# of Personal Days
2013	3 days
2014	3 days
2015	3 days

The number of personal days each employee has accumulated as of January 1, 2008, will be the maximum that will be accumulated. Such days and all days earned subsequent to January 1, 2008, must be used before an employee retires or leaves the employee of the COOPERATIVE.

Section 2. The COOPERATIVE agrees to continue in effect for the term of this Agreement its present group insurance programs so as to make available to all regular full-time employees who have completed their probationary period, the COOPERATIVE's basic group insurance plans, as modified below:

The COOPERATIVE shall have the right to change insurance carriers for any of the group insurance programs as set forth in this Article at any time so long as the group insurance coverage is substantially equivalent.

The contracts between the COOPERATIVE and insurance carriers will govern in all matters related to the insurance plans provided herein. The exact coverage and the conditions for coverage of the aforesaid insurance will be determined by the terms and conditions of the policy or contract, and the COOPERATIVE will not under any circumstances be liable as an insurer of any of the benefits to employees.

The COOPERATIVE agrees to pay the entire cost of hospitalization insurance now in existence for its employees and family (as modified below concerning spouses).

The COOPERATIVE and the UNION believe rising health care costs must be addressed in the interest of the COOPERATIVE members. Effective upon ratification of this Agreement,

COOPERATIVE bargaining unit employees will be required to notify the COOPERATIVE about health care coverage available to their spouse through their employer. If an employee's spouse has a health care plan available through their employer, they will be required to obtain such insurance provided if such coverage is reasonably comparable.

The COOPERATIVE will augment additional cost of this provision up to \$200.00 per month per employee for employee-only coverage upon proof of such additional cost. Dependents of employees will continue to be covered by the COOPERATIVE's healthcare plan.

Additionally, the COOPERATIVE will provide an incentive program may be adjusted from time to time as determined by the COOPERATIVE with the understanding the employees may opt back in to the COOPERATIVE plan when they desire subject to the enrollment procedures of the existing health care plan.

Nothing herein will require employees to provide health care coverage to dependents in conflict with court ordered requirements.

A spouse who loses insurance from their employer will be added to the COOPERATIVE's health insurance program within thirty (30) days of notice of termination of such coverage. An employee who has a spouse covered by the COOPERATIVE's health insurance program shall certify in writing yearly, during the month of January, that the spouse continues to be unemployed or is not eligible for health insurance from their employer.

Employees hired on and after January 1, 2008 will, at the time of retirement receive employee-only health insurance from the COOPERATIVE until they become eligible for Medicare or the Medicare-type program in effect at that time.

Section 3. Any employee will be granted a leave of absence with pay at his base hourly rate for up to three (3) consecutive scheduled workdays upon presentation of evidence satisfactory to the COOPERATIVE for attending the funeral of a member of his immediate family. Immediate family shall mean wife, children, mother, father, sister, brother, mother-in-law or father-in-law, grandparents and grandchildren.

ARTICLE IX. General Provisions

Section 1. This Agreement sets out the entire understanding between the COOPERATIVE and the UNION with respect to the unit of employees described in this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. Neither the UNION nor the COOPERATIVE shall use or attempt to sue in any arbitration or in any legal proceeding of any kind under this Agreement or which involves this Agreement any concession or change in language or position which the COOPERATIVE made or agreed to in the course of the negotiations for this Agreement, and evidence of any such concession or change in language opposition on the COOPERATIVE's part shall be inadmissible. This Agreement applies only to the collective bargaining unit defined in this Agreement. None of the benefits, rights or privileges accorded by this Agreement to the UNION or to any employee covered by this Agreement shall survive the expiration or termination of this Agreement.

It is distinctly understood and agreed to by the UNION that the COOPERATIVE shall not be obligated, contractually or otherwise, to continue in effect any custom, practice or benefit unless it has contractually obligated itself to do.

Section 2. The EMPLOYER shall furnish adequate safety appliances, excepting safety belts, climbers, hot shoes and body tools, which shall be supplied by all new employees. The EMPLOYER will pay 100% cost on the second tool belt, safety, climbers and hot shoes purchased. Members of the UNION shall cooperate in every way to minimize accidents and shall at all times use every effort for the preservation of the safety appliances and tools and shall use them when needed.

Section 3. No less than five (5) men will be used when erecting poles of greater length than twenty-five (25) feet by hand. This does not include poles erected by mechanized equipment.

Section 4. When higher than 220 volts are to be worked the journeyman assigned to the job shall exercise his judgment in determining the need of journeyman helpers. When an employee is assigned to a service truck and is called out after 4:00 P.M. on call out work, the employee assigned to the service truck and the employer, shall exercise their judgment in determining assistance the employee might need.

Section 5. It is agreed that should any job classification be omitted from Article V, Section 1, or created after the signing of this Agreement the parties hereto shall meet and amend this Agreement to include such classification.

Section 6. The COOPERATIVE acknowledges receipt of a copy of the Constitution of the International Brotherhood of Electrical Workers.

Section 7. Promotions to positions within the bargaining unit, demotions, lay-offs, or transfers shall be based on seniority and classification provided, however, that employees must have sufficient ability to perform the work required within the classifications.

Section 8. No employee within the bargaining unit will be requested to take time off in lieu of overtime pay. The COOPERATIVE shall be the sole judge as to the necessity of overtime work, and the employee shall be obligated to work overtime when requested to do so. When possible, this request shall be made two (2) days prior to scheduled overtime. Overtime shall be divided equally among the employees in the district who perform the classification of the work required to be done on overtime.

Section 9. The COOPERATIVE shall provide exclusive bulletin space for the UNION and shall be located in the storeroom where employees will see same when entering or leaving storeroom.

Section 10. When an employee (journeyman) is designated by the COOPERATIVE Superintendent, Manager or General Foreman to fill the vacancy of foreman and/or crew leader for eight (8) consecutive hours (full day) such acting foreman and/or crew leader shall be paid at the higher rate of the one whose place he fills.

Section 11. The COOPERATIVE agrees that if and when it contracts with private contractors to do any of its work, that said private contractor will be informed that there is an existing contract between the COOPERATIVE and the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (Local UNION No. 317) and it is the understanding that no contracts will be let to private contractors while Local 317 employees are laid off, if so, the employees laid off will be re-called and placed to work in the classification they were last employed. This contract applies to maintenance employees. Any new construction of ten (10) miles or more shall be called construction and a new contract shall be agreed to for these construction works.

Section 12. The COOPERATIVE agrees to purchase five (5) work uniforms, and one work jacket, or seven (7) pants and seven (7) shirts, no jacket, per year for its employees. However, employee may elect to receive boots or a combination of uniforms and boots. The amount of money allocated to each employee, will be the average cost of uniforms per employee, computed each year.

Section 13. Negotiations shall be held during the regular working day between the hours of 7:30 A.M. and 4:00 P. M. at no lost time to the Local UNION's negotiating committee. The COOPERATIVE and the UNION will alternate paying for such lost time by the local UNION negotiating committee, with the COOPERATIVE paying for such lost time in the first negotiating session, the UNION paying for such lost time in the second negotiating session, and alternatively the COOPERATIVE and the UNION thereafter.

Section 14. The Employer agrees that it will make deductions from the pay of each member within the bargaining unit on the basis of individually signed payroll deduction authorization forms and will pay over the aggregate of such deductions to the Financial Secretary of the Local UNION designated against his receipt therefore in the name of the Local UNION. The Employer agrees to make this deduction monthly, as designated in the individually signed

payroll deduction authorization, and to send a check for the total amount, together with a list of the individuals names from whom the deductions were made designating the amount deducted on each form, plus a list of names of the employees removed from or added to the payroll during the current month, to the Financial Secretary designated by the UNION on or before the last day of each month in which deductions are made.

The UNION agrees to save the EMPLOYER harmless from any action growing out of these deductions and commenced by any employee against the EMPLOYER and assumes full responsibility for the disposition of the funds so deducted once they have been turned over to the Financial Secretary of the UNION.

ARTICLE X. Termination

Section 1. The COOPERATIVE and the UNION each acknowledge that this Agreement has been reached as a result of collective bargaining in good faith by both parties hereto, and that both parties hereto have had the unlimited opportunity during negotiations to submit and discuss proposals on all subjects which are bargainable matters. While it is the intent and purpose of the parties hereto that each of them shall fully perform all obligations by them to be performed in accordance with the terms of this Agreement, the UNION and the COOPERATIVE agree that the COOPERATIVE shall not be obligated to bargain collectively with the UNION during the term of this Agreement on any matter pertaining to rates of pay, wages, hours of employment, or other conditions of employment, and the UNION and the COOPERATIVE hereby specifically waive any right which it might otherwise have to request or demand such bargaining and acknowledges that the COOPERATIVE's obligations during the term of this Agreement shall be limited to the performance and discharge of its obligations under this Agreement.

Section 2. This Agreement when signed by the COOPERATIVE and the UNION of their authorized representatives, and approved by the International Office of the UNION, takes effect from January 1, 2013, and remains in effect until December 31, 2015.

Section 3. Either party desiring changes must notify the other party in writing at least sixty (60) days prior to December 31, of any year. Such notice shall indicate what changes are

desired. However, changes can be made at any time by mutual consent.

ARTICLE XI. Miscellaneous

Section 1. The COOPERATIVE and UNION agree that medical leave shall be made available to employees in accordance with the provisions of and regulations issued in accordance with the Family and Medical Leave Act ("FMLA") of 1993. An employee who qualifies for FMLA leave must use all accumulated sick days, personal days and vacation days concurrent with the FMLA leave.

Sections 2. The COOPERATIVE and the UNION agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of race, color, religion, sex, national origin or age (40 and over) as set forth in Title VII of the Civil Rights Act of 1964, as amended, and the Age Discrimination in Employment Act of 1968, as amended, respectively.

As used in this Agreement, the term "he" shall apply to and describe the male and/or female gender.

IN WITNESS WHEREOF, the parties have hereunto set their hands on quintuplicate copies this _____ day of _____, 2012.

_____	_____
_____	_____
_____	_____
_____	_____

AGREEMENT

BETWEEN

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

AND

LOCAL UNION NO. 317

OF THE INTERNATIONAL BROTHERHOOD

OF ELECTRICAL WORKERS

Effective: January 1, 2016 through December 31, 2017

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AGREEMENT

Effective: January 1, 2016

THIS AGREEMENT, made and entered into this 20th day of October, 2015 by and between the BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION of Paintsville, Kentucky, hereinafter referred to as the COOPERATIVE and LOCAL UNION NO. 317 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, hereinafter referred to as the UNION, as the collective bargaining representatives for the employees of the COOPERATIVE in the classifications listed in Article V, Section 1, of this Agreement.

WITNESSETH

WHEREAS, the COOPERATIVE and the UNION have a common and sympathetic interest in the electrical industry, and together with the Public, will benefit from harmonious working arrangements for the adjustments of differences by rational and common sense methods, and therefore, for the purpose of facilitating the peaceful adjustments of differences that may arise from time to time, and to promote harmony and efficiency to the end that the COOPERATIVE, the UNION and the GENERAL PUBLIC may be benefitted the parties hereto contract and agree with each other as follows:

TO WIT; ARTICLE I. Recognition

Section 1. The UNION is hereby recognized as the sole exclusive bargaining agent for the collective bargaining purposes covering wages, hours and conditions of employment for all employees within the bargaining unit in view of the UNION'S certification by the N.L.R.B on the second day of June, 1950, in Case No. 9-RC-822.

Section 2. The UNION shall have the right to refer to the grievance procedure therein any complaint that the hiring policies of the EMPLOYER are discriminatory or unfair.

Section 3. The operation, control and management of the Company's facilities and operations, and all business and activities of the Company in connection therewith which are

covered or affected by this Agreement, including the supervision and direction of the working forces at such facilities, operations and business, the right from time to time to make and enforce such reasonable rules applicable to employees covered by this Agreement, including rules concerning alcohol and substance abuse, and to enforce, change, abolish or modify existing rules applicable to employees covered by this Agreement, as it may from time to time deem necessary or advisable, are and shall continue to be solely and exclusively the functions and prerogatives of the management of the Cooperative, including the right to discipline or discharge for just cause (including violation of rules issued by the COOPERATIVE.)

Section 3(a). All new employees shall be hired on a temporary basis, not to exceed ninety (90) working days actually worked.

During such ninety (90) working day probationary period, the COOPERATIVE may discharge or otherwise discipline, lay-off, transfer or assign such employees with or without cause, and such actions shall not be subject to the Grievance Procedure.

Section 4. All employees who are members of the UNION on the effective date of this Agreement shall be required to remain members of the UNION in good standing as a condition of employment within ninety (90) working days following dates of their employment or effective date of the Agreement, whichever is later. Any such workmen shall receive at least the minimum wages and work under the terms and conditions of this Agreement, with the exception of being covered under the fringe benefits of the Agreement. New employee shall be eligible for the following fringe benefits at these specific times:

Health Insurance and hospitalization coverage- ninety (90) days from date of hire;

Sick leave, vacation, holidays, and funeral leave – six (6) months from date of hire;

Retirement – one (1) year from date of hire.

Seniority shall begin or commence at the date of hiring. The COOPERATIVE shall be required to make all payments required by law.

ARTICLE II. Grievance Procedure

Section 1. Any complaint, grievance or dispute that may arise with respect to the application or performance of this Agreement between the COOPERATIVE and the UNION or its members shall be taken up for settlement in the simplest and most direct

manner. Except whereby mutual consent another procedure is agreed upon such matters shall be handled in accordance with the following:

1. Between the employee or employees concerned, together with the UNION'S steward if so desired, and the foreman or immediate supervisor of the aggrieved employee.
2. Should any matter not be adjusted in the 1st step above within forty-eight (48) hours, exclusive of Sundays and holidays, it shall be reduced to writing and referred to the Manager of the EMPLOYER and the Business Manager of the UNION.
3. All questions or disputes which are not adjusted as a result of the above procedure shall then be referred to a Joint Conference Committee of three (3) representatives of the UNION and three (3) representatives of the EMPLOYER. Each party shall have the privilege of changing representatives upon the proper notice to the other party. The Joint Conference Committee shall meet within forty-eight (48) hours after such notice is given either party. It shall select its own secretary and chairman.
4. If not satisfactorily adjusted after exhausting all of the above steps, the grievance or complaint shall be referred to arbitration provided such grievance involves an interpretation of the meaning or application of the terms of the Agreement, according to the following procedures; within five (5) days, the parties shall jointly request the Federal Mediation and Conciliation Service to appoint a third member, both parties to be bound by such appointment. Each party shall defray the expenses of its own member of the Board of Arbitration and the fee and expenses of the third member shall be born equally by the parties, together with any incidental or general expenses in connection with the arbitration mutually agreed upon in advance. The majority decision of the Board shall be final and binding on both parties.

Section 2. In any discharge or disciplinary suspension case where the Arbitrator decides that the aggrieved employee should be awarded any back pay, the COOPERATIVE shall be entitled to full credit on such awards for the employee's gross interim earnings, unemployment compensation benefits, workers' compensation benefits received or receivable and any other compensation he receives from any form of employment during the period he was not working for the COOPERATIVE. Subject to the foregoing qualifications and limitations, the Arbitrator's award shall be final and binding upon the COOPERATIVE, the UNION and the aggrieved employee or employees.

Section 3. The UNION and employees agree that during the term of this Agreement

neither the UNION, its officers, agents or members shall authorize, instigate, aid, condone or engage in any work stoppage, strike of any kind or description, including so-called sympathy strikes, or otherwise interrupt, impede or restrict services of the COOPERATIVE or engage in any activity which would tend to cause an interruption or delay in the accomplishment of the work and business of the COOPERATIVE.

The UNION and employees further agree that during the term of this Agreement, the UNION, its officers, agents or members will not honor or recognize any picket lines, or picketing in any form, including picket lines or picketing out of so-called sympathy, except picketing at the COOPERATIVE'S Eleventh Street, Paintsville, Kentucky, location which results from a lawful labor dispute between the COOPERATIVE and the UNION after this agreement has expired. No employee will be required to cross a picket line which would put him in physical jeopardy or the property of the COOPERATIVE in jeopardy, such contention having to be proved by the employee.

Any employee who engages in any conduct prohibited by this Section, or who fails or refuses to comply with any provision of this Section, shall be subject to appropriate discipline, including discharge, without warning, by the COOPERATIVE.

The COOPERATIVE agrees not to lock-out employees during the term of this Agreement.

ARTICLE III. Vacation

Section 1. All employees within the bargaining unit shall be entitled to and shall receive vacations each year. The vacation for all those employees who have been regularly employed by the BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION for one year shall receive one (1) week or forty (40) hours vacation with pay and for those employees employed two (2) years to ten (10) years, three (3) weeks or one hundred twenty (120) hours. After ten (10) years employees shall receive an additional day of vacation for each year of employment with the COOPERATIVE, up to a maximum of four (4) weeks or one hundred and sixty (160) hours, except for employees hired before January 1, 1987, which may accumulate up to five (5) weeks or two hundred (200) hours.

Section 2. The vacation period of each employee shall be set by the EMPLOYER with due respect to the desire, seniority and preference of the employee consistent with the efficient operation of the BIG SANDY RURAL ELECTRIC COOPERATIVE. Employee will enter request to Management for vacation thirty (30) days prior to the date vacation is to start, when possible and practical. Employees will make every effort to provide Management thirty (30) days notice for vacation that last for one (1) week or longer.

Section 3. If a vacation day falls on a holiday, another day shall be granted in lieu thereof. Employees who leave the service of the COOPERATIVE and have a vacation due them, shall be compensated in pay the amount that has accrued up to the date of severance.

Section 4. Crew leaders, with eighteen (18) months seniority, as crew leaders, shall be paid his appropriate rate while on vacation or sick leave.

ARTICLE IV. Hours and Overtime

Section 1. No shift (whether an eight hour (8) shift or ten (10) hour shift) will start after 8:30 a.m. The COOPERATIVE will give one (1) week notice of any change in the shift hours and such changed schedule will run for at least one (1) work week. During such shifts employees will be entitled to not more than thirty (30) minutes for a lunch period. Employees working ten (10) hour shifts will only receive over-time at time and one-half (1 ½) after ten (10) hours actually worked in a work day or after forty (40) hours actually worked in a workweek. Hours taken as holidays, vacation and funeral leave under this Agreement will count as hours worked for purposes of overtime.

When employees are called out before or after the regularly scheduled working hours, or a trouble employee after his regular quitting time, they shall receive not less than two (2) hours time at the rate of time and one-half, except that if they worked longer than two (2) hours they shall receive time and one-half for the entire time worked until the regular scheduled work day begins, after which time the regular rate of pay will become effective. Overtime to begin at the time the employee is called out and ends when he reports back. When called out on Sunday and legal holidays, they shall receive not less than two (2) hours time at the rate of time and one-half except that if they work longer than two (2) hours, they shall receive time and one-half for

the entire time worked. Overtime to begin at the time of calling the employees out and ends when he reports back. All employees used shall be reimbursed for room and board occurring on all emergency work. It shall be the responsibility of the Manager of the COOPERATIVE to keep an accurate overtime list, and to distribute the overtime among the qualified employees in their classification as equal as possible, and to post said overtime list on the bulletin board before the tenth of each month, for the previous month.

Section 2. For all employees covered by this Agreement, kept as later provided, the regular work week shall be Monday through Friday. The regular work week shall not exceed forty (40) hours, and the regular work day shall not exceed eight (8) hours. All work in the excess of regularly scheduled hours in any one day or in any one week shall be paid at the rate of time and one-half (1 ½). The COOPERATIVE shall give the employee three days prior notice for Saturday work except for breakdowns.

Section 3. The following days shall be recognized as paid holidays at the employee's straight time rate of pay, provided the holiday falls on a regular work day, or the holiday is recognized to fall on a regularly scheduled work day: New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve and Christmas Day. Holidays falling on Saturday or Sunday will be observed as the Nation observes them. Time and one-half to be paid in addition for all work performed on such holidays.

Section 4. Employees shall not be required to work outside during inclement weather except to restore service because of emergency conditions. Employees shall be assigned to work inside or under shelter during such weather. Such assignments shall not be for more than the regular work day or work week. Thus the employee is assured of a full week's pay.

ARTICLE V. Wages

Effective January 1, 2016, all employees covered by this agreement will receive a fifty-cent (\$.50) per hour wage increase.

Effective January 1, 2017, all employees covered by this agreement will receive a fifty-cent (\$.50) per hour wage increase.

Employees will be paid biweekly, which is every two weeks (i.e. every other Friday). If the payday falls on a holiday, the employee will be paid on the day before the holiday.

CLASSIFICATION

EFFECTIVE: 1/1/2016 thru 12/31/2017

	Jan. 1, 2015	Jan. 1, 2016 \$.50 cents	Jan. 1, 2017 \$.50 cents
Lineman, 1 st Class (w/less than 1 yr experience w/ the company)	\$27.24	\$ 27.74	\$ 28.24
Serviceman, Journeyman/ Lineman	\$28.28	\$ 28.78	\$ 29.28
Lineman, 1 st Class (w/1 yr or longer experience w/ the company)	\$28.03	\$ 28.53	\$ 29.03
Transformer, Meterman Serviceman Journeyman w/license	\$29.38	\$ 29.88	\$ 30.38
Assistant Transformer Meterman Serviceman	\$28.44	\$ 28.94	\$ 29.44
Asst. Staking Engineer	\$28.44	\$ 28.94	\$ 29.44
Asst. Staking Eng Helper	\$27.53	\$ 28.03	\$ 28.53
Warehouseman	\$27.48	\$ 27.98	\$ 28.48

Crew Leader	\$30.51	\$ 31.01	\$ 31.51
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Mechanic	\$26.74	\$ 27.24	\$ 27.74
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(The wage rate for the Mechanic

will be the same rate as that of the Lineman First Class, less than one (1) year)

CLASSIFICATION

EFFECTIVE: 1/1/2016 THRU 12/31/2017

	Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017
		\$.50 cents	\$.50 cents
APPRENTICES			
(Lineman, Serviceman and Meterman)			
1 st 6 months	\$22.68	\$ 23.18	\$ 23.68
2 nd 6 months	\$23.53	\$ 24.03	\$ 24.53
2 nd year	\$24.54	\$ 25.04	\$ 25.54
3 rd year	\$25.21	\$ 25.71	\$ 26.21
4 th year	\$26.45	\$ 26.95	\$ 27.45
Therefore	\$28.03	\$ 28.53	\$ 29.03

GROUNDMAN

1 st 6 months	\$20.11	\$ 20.61	\$ 21.11
2 nd 3 months <i>SK. 1A</i>	\$20.66	\$ 21.16	\$ 21.66
2 nd 6 months	\$21.60	\$ 22.10	\$ 22.60
2 nd year	\$22.59	\$ 23.09	\$ 23.59
3 rd year	\$23.03	\$ 23.53	\$ 24.03
4 th year	\$23.82	\$ 24.32	\$ 24.82
Therefore	\$24.21	\$ 24.71	\$ 25.21

CLASSIFICATION

EFFECTIVE: 1/1/2016 THRU 12/31/2017

Jan. 1, 2015	Jan. 1, 2016	Jan. 1, 2017
	\$.50 cents	\$.50 cents

SERVICE TECHNICIAN

1 ST year	\$22.25	\$ 22.75	\$ 23.25
2 nd year	\$23.25	\$ 23.75	\$ 24.25
3 rd year	\$24.25	\$ 24.75	\$ 25.25
4 th year	\$25.25	\$ 25.75	\$ 26.25
Therefore	\$26.25	\$ 26.75	\$ 27.25

A mechanic may be hired at a rate established by the COOPERATIVE, under the following conditions: The employer may set the starting and quitting time, the first eight (8) hours worked will be the straight time rate of pay, any time worked past eight (8) hours will be at the time and one-half rate of pay. All other overtime and fringe benefit payments afforded other employees under the terms of this Agreement will apply to the mechanic. It is the understanding between both parties Local 317 and BIG SANDY RECC, that a mechanic is not to infringe on any other classifications work. Effective January 1, 2002, existing mechanic will be paid at a scale of Lineman 1st Class with less than 1 year experience with the company.

It is understood by Local 317 that BIG SANDY RECC will retain the right to employ temporary right of way employees.

Apprentices shall mean either apprentice lineman or apprentice meterman. Apprentice lineman shall be advanced only on a basis of the time served and ability. Recommendations for advancement shall be initialed by the UNION Labor Committee and submitted to Committee representing the EMPLOYER for approval. It is understood that if a groundman is advanced to an apprentice, that the time served as groundman up to and including two (2) years shall apply to his apprenticeship rating.

It is mutually understood between both parties that the EMPLOYER will contribute an amount equal to ten percent (10%) of the employees straight-time monthly salary, toward purchasing a retirement plan for the employee with a reputable insurance company. This ten (10%) contribution will continue throughout this Union Contract dated January 1, 2016 to December 31, 2017.

ARTICLE VI. Apprentices

Section 1. (a) An apprentice lineman is one who is learning line work and must serve as such for four (4) years before becoming a journeyman lineman. An apprentice working voltage in excess of 440 volts must be under the direct supervision of a journeyman.

Section 1. (b) An apprentice promoted from a lower rating to a higher rating, prior to promotion shall be required to take the I.B.E.W. test before promotion is put in effect and the

COOPERATIVE Manager shall be advised by the UNION of such test.

Section 2. The ratio of apprentices to journeyman shall not be more than two (2) apprentices to one (1) journeyman or fraction thereof. Foreman to be counted as journeyman. No journeyman shall be displaced by an apprentice.

ARTICLE VII. Seniority

Section 1. Seniority of an employee coming within this Agreement shall accumulate from the first day of employment with the COOPERATIVE. Illness, injury or military service in time of national emergency shall not be considered as a break in seniority.

Section 2. Promotions to positions in the bargaining unit, demotion, lay-offs, however, that employees have sufficient ability and qualifications to perform the work required. Employees who have been laid off shall be called back to work and placed on jobs which they can perform in accordance with their previous seniority. Employees so recalled must report to work within five (5) working days after being notified of such recall and advise the COOPERATIVE immediately of their intentions to report. In case of lay-offs, seniority need not be carried over twelve (12) months. This paragraph shall cover employees working with the COOPERATIVE at the time this Agreement goes into effect and all employees that become regular employees.

Section 3. In the event it becomes necessary to lay off one (1) employee and there are two (2) employees having relatively equal ability and seniority, one of whom must be laid off, the decision as to which of the two (2) employees shall be affected, the lay-off shall be made by the Job Steward and the Manager. COOPERATIVE shall give employee to be laid off a minimum of one week notification prior to lay off.

A seniority list shall be made up by the COOPERATIVE within sixty (60) days after the date of this Agreement. A copy shall be furnished to the Secretary of the UNION and a copy posted on the bulletin board. This list shall be open for correction for a period of thirty (30) days thereafter, and if any employee does not make a protest in writing to the COOPERATIVE, with a copy to the UNION, within such thirty (30) day period after posting of such list, his seniority

shall be as shown on list. The seniority list shall be brought up to date once each six (6) months thereafter.

Section 4. Through the representation of the UNION, employees shall have the right to hearing on any differences of opinion as to the competency of any employee to fill a new position of vacancy, or promotion or demotion, of discipline administered or lay-offs, or discharge or of discrimination. Such hearing shall follow the established grievance procedure. This paragraph is not to be interpreted as meaning the Local UNION has the right to a hearing on the competency of new employees hired by the COOPERATIVE. New employees shall mean those employees who have worked for less than ninety (90) days.

ARTICLE VIII. Sick Leave

Section 1. Employees compelled to be absent from regular duties because of illness or accident shall be compensated at the regular straight time rate of pay as follows:

On January 1st of each year, each employee then having completed one (1) years prior service, with the COOPERATIVE, shall be compensated for the first twelve (12) days of such illness occurring during the prospective year. On January 1st of each year, each employee then having completed one (1) years prior service with the COOPERATIVE, shall be compensated for the first twelve (12) days of such illness and can accumulate up to sixty (60) days sick leave with applicable rate of pay.

Should the employee become ill in the first months after this agreement is executed, the employee shall receive the maximum credit of twelve (12) days – should he have been employed for at least one year. During the prospective year, employees with less than one (1) years service on January 1st of each year shall be compensated based on the number of months prior service with the COOPERATIVE at the rate of one (1) day each months prior service. If an employee if off work due to illness, he shall contact the COOPERATIVE, if possible, and if the Board of Directors required a doctors certificate, it shall be at the expense of the COOPERATIVE.

Any I.B.E.W. employee, employed by BIG SANDY RECC for 10 years or longer is to be paid at his regular hourly rate of pay for all sick leave due him up to thirty (30) days if he is laid

off because of lack of work; or, under the same conditions, will be paid at his regular hourly rate of pay for sick leave due him, up to a maximum of forty-five (45) days, only if he retires at age 62 or above.

Personal Days – Full days only, for personal use. Must be approved in advance by Superintendent.

Year	# of Personal Days
2016	3 days
2017	3 days

The number of personal days each employee has accumulated as of January 1, 2008, will be the maximum that will be accumulated. Such days and all days earned subsequent to January 1, 2008, must be used before an employee retires or leaves the employee of the COOPERATIVE.

Section 2. The COOPERATIVE agrees to continue in effect for the term of this Agreement its present group insurance programs so as to make available to all regular full-time employees who have completed their probationary period, the COOPERATIVE's basic group insurance plans, as modified below:

The COOPERATIVE shall have the right to change insurance carriers for any of the group insurance programs as set forth in this Article at any time so long as the group insurance coverage is substantially equivalent.

The contracts between the COOPERATIVE and insurance carriers will govern in all matters related to the insurance plans provided herein. The exact coverage and the conditions for coverage of the aforesaid insurance will be determined by the terms and conditions of the policy or contract, and the COOPERATIVE will not under any circumstances be liable as an insurer of any of the benefits to employees.

The COOPERATIVE agrees to pay the entire cost of hospitalization insurance now in existence for its employees and family (as modified below concerning spouses).

The COOPERATIVE and the UNION believe rising health care costs must be addressed in the interest of the COOPERATIVE members. Effective upon ratification of this Agreement,

COOPERATIVE bargaining unit employees are required to notify the COOPERATIVE about health care coverage available to their spouse through their employer. If an employee's spouse has a health care plan available through their employer, they will be required to obtain such insurance provided if such coverage is reasonably comparable.

The COOPERATIVE will augment additional cost of this provision up to \$200.00 per month per employee for employee-only coverage upon proof of such additional cost. *This provision will terminate upon the date the employee of the coop retires.* Dependents of employees will continue to be covered by the COOPERATIVE's healthcare plan.

Additionally, the COOPERATIVE will provide an incentive program may be adjusted from time to time as determined by the COOPERATIVE with the understanding the employees may opt back in to the COOPERATIVE plan when they desire subject to the enrollment procedures of the existing health care plan.

Nothing herein will require employees to provide health care coverage to dependents in conflict with court ordered requirements.

A spouse who loses insurance from their employer will be added to the COOPERATIVE's health insurance program within thirty (30) days of notice of termination of such coverage. An employee who has a spouse covered by the COOPERATIVE's health insurance program shall certify in writing yearly, during the month of January, that the spouse continues to be unemployed or is not eligible for health insurance from their employer.

Employees hired on and after January 1, 2008 will, at the time of retirement receive employee-only health insurance from the COOPERATIVE until they become eligible for Medicare or the Medicare-type program in effect at that time.

Section 3. Any employee will be granted a leave of absence with pay at his base hourly

rate for up to three (3) consecutive scheduled workdays upon presentation of evidence satisfactory to the COOPERATIVE for attending the funeral of a member of his immediate family. Immediate family shall mean wife, children, mother, father, sister, brother, mother-in-law or father-in-law, grandparents and grandchildren.

ARTICLE IX. General Provisions

Section 1. This Agreement sets out the entire understanding between the COOPERATIVE and the UNION with respect to the unit of employees described in this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. Neither the UNION nor the COOPERATIVE shall use or attempt to sue in any arbitration or in any legal proceeding of any kind under this Agreement or which involves this Agreement any concession or change in language or position which the COOPERATIVE made or agreed to in the course of the negotiations for this Agreement, and evidence of any such concession or change in language opposition on the COOPERATIVE's part shall be inadmissible. This Agreement applies only to the collective bargaining unit defined in this Agreement. None of the benefits, rights or privileges accorded by this Agreement to the UNION or to any employee covered by this Agreement shall survive the expiration or termination of this Agreement.

It is distinctly understood and agreed to by the UNION that the COOPERATIVE shall not be obligated, contractually or otherwise, to continue in effect any custom, practice or benefit unless it has contractually obligated itself to do.

Section 2. *The EMPLOYER shall furnish adequate safety appliances and Personal Protective Equipment (which includes belts, climbers and body tools) in accordance with OSHA 29 CFR 1910.132 (H). Employer is not obligated to replace such P. P. E. if employee loses or negligently abuses such P.P.E.* Members of the UNION shall cooperate in every way to minimize accidents and shall at all times use every effort for the preservation of the safety appliances and tools and shall use them when needed.

Section 3. No less than five (5) men will be used when erecting poles of greater length

than twenty-five (25) feet by hand. This does not include poles erected by mechanized equipment.

Section 4. When higher than 220 volts are to be worked the journeyman assigned to the job shall exercise his judgment in determining the need of journeyman helpers. When an employee is assigned to a service truck and is called out after 4:00 P.M. on call out work, the employee assigned to the service truck and the employer, shall exercise their judgment in determining assistance the employee might need.

Section 5. It is agreed that should any job classification be omitted from Article V, Section 1, or created after the signing of this Agreement the parties hereto shall meet and amend this Agreement to include such classification.

Section 6. The COOPERATIVE acknowledges receipt of a copy of the Constitution of the International Brotherhood of Electrical Workers.

Section 7. Promotions to positions within the bargaining unit, demotions, lay-offs, or transfers shall be based on seniority and classification provided, however, that employees must have sufficient ability to perform the work required within the classifications.

Section 8. No employee within the bargaining unit will be requested to take time off in lieu of overtime pay. The COOPERATIVE shall be the sole judge as to the necessity of overtime work, and the employee shall be obligated to work overtime when requested to do so. When possible, this request shall be made two (2) days prior to scheduled overtime. Overtime shall be divided equally among the employees in the district who perform the classification of the work required to be done on overtime.

Section 9. The COOPERATIVE shall provide exclusive bulletin space for the UNION and shall be located in the storeroom where employees will see same when entering or leaving storeroom.

Section 10. When an employee (journeyman) is designated by the COOPERATIVE Superintendent, Manager or General Foreman to fill the vacancy of foreman and/or crew leader

for eight (8) consecutive hours (full day) such acting foreman and/or crew leader shall be paid at the higher rate of the one whose place he fills.

Section 11. The COOPERATIVE agrees that if and when it contracts with private contractors to do any of its work, that said private contractor will be informed that there is an existing contract between the COOPERATIVE and the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (Local UNION No. 317) and it is the understanding that no contracts will be let to private contractors while Local 317 employees are laid off, if so, the employees laid off will be re-called and placed to work in the classification they were last employed. This contract applies to maintenance employees. Any new construction of ten (10) miles or more shall be called construction and a new contract shall be agreed to for these construction works.

Section 12. The COOPERATIVE agrees to purchase five (5) work uniforms, and one work jacket, or seven (7) pants and seven (7) shirts, no jacket, per year for its employees. However, employee may elect to receive boots or a combination of uniforms and boots. The amount of money allocated to each employee, will be the average cost of uniforms per employee, computed each year.

Section 13. Negotiations shall be held during the regular working day between the hours of 7:30 A.M. and 4:00 P. M. at no lost time to the Local UNION's negotiating committee. The COOPERATIVE and the UNION will alternate paying for such lost time by the local UNION negotiating committee, with the COOPERATIVE paying for such lost time in the first negotiating session, the UNION paying for such lost time in the second negotiating session, and alternatively the COOPERATIVE and the UNION thereafter.

Section 14. The Employer agrees that it will make deductions from the pay of each member within the bargaining unit on the basis of individually signed payroll deduction authorization forms and will pay over the aggregate of such deductions to the Financial Secretary of the Local UNION designated against his receipt therefore in the name of the Local UNION. The Employer agrees to make this deduction monthly, as designated in the individually signed payroll deduction authorization, and to send a check for the total amount, together with a list of the individuals names from whom the deductions were made designating the amount deducted

on each form, plus a list of names of the employees removed from or added to the payroll during the current month to the Financial Secretary designated by the UNION on or before the last day of each month in which deductions are made.

The UNION agrees to save the EMPLOYER harmless from any action growing out of these deductions and commenced by any employee against the EMPLOYER and assumes full responsibility for the disposition of the funds so deducted once they have been turned over to the Financial Secretary of the UNION.

ARTICLE X. Termination

Section 1. The COOPERATIVE and the UNION each acknowledge that this Agreement has been reached as a result of collective bargaining in good faith by both parties hereto, and that both parties hereto have had the unlimited opportunity during negotiations to submit and discuss proposals on all subjects which are bargainable matters. While it is the intent and purpose of the parties hereto that each of them shall fully perform all obligations by them to be performed in accordance with the terms of this Agreement, the UNION and the COOPERATIVE agree that the COOPERATIVE shall not be obligated to bargain collectively with the UNION during the term of this Agreement on any matter pertaining to rates of pay, wages, hours of employment, or other conditions of employment, and the UNION and the COOPERATIVE hereby specifically waive any right which it might otherwise have to request or demand such bargaining and acknowledges that the COOPERATIVE's obligations during the term of this Agreement shall be limited to the performance and discharge of its obligations under this Agreement.

Section 2. This Agreement when signed by the COOPERATIVE and the UNION of their authorized representatives, and approved by the International Office of the UNION, takes effect from January 1, 2016, and remains in effect until December 31, 2017.

Section 3. Either party desiring changes must notify the other party in writing at least sixty (60) days prior to December 31, of any year. Such notice shall indicate what changes are desired. However, changes can be made at any time by mutual consent.

ARTICLE XI. Miscellaneous

Section 1. The COOPERATIVE and UNION agree that medical leave shall be made available to employees in accordance with the provisions of and regulations issued in accordance with the Family and Medical Leave Act ("FMLA") of 1993. An employee who qualifies for FMLA leave must use all accumulated sick days, personal days and vacation days concurrent with the FMLA leave.

Sections 2. The COOPERATIVE and the UNION agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of race, color, religion, sex, national origin or age (40 and over) as set forth in Title VII of the Civil Rights Act of 1964, as amended, and the Age Discrimination in Employment Act of 1968, as amended, respectively.

As used in this Agreement, the term "he" shall apply to and describe the male and/or female gender.

IN WITNESS WHEREOF, the parties have hereunto set their hands on quintuplicate copies this _____ day of _____, 2015.

_____	_____
_____	_____
_____	_____
_____	_____

Witness: Brian Frasure

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

July 31, 2016

Big Sandy's equity management plan is attached. Big Sandy follows this Plan.

	<u>General</u>	<u>Estates</u>	<u>Total</u>
2015	\$ -	\$ 66,341	\$ 66,341
2014	-	64,754	64,754
2013	-	50,598	50,598
2012	-	67,766	67,766
2011	-	39,538	39,538
Prior years	868,760	1,502,327	2,371,087
Total	<u>\$ 868,760</u>	<u>\$ 1,791,324</u>	<u>\$ 2,660,084</u>

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

PAINTSVILLE, KENTUCKY

SUBJECT: Financial Management Plan
Policy No. 300-100

I. OBJECTIVE

To establish sound principles and practices concerning the financial management of the Cooperative, to assure adequate levels of working capital and reserve funds, and to establish a policy for the investment and use of these funds. To provide appropriate financial management of the cooperative, and assure security of the loans from RUS and CFC, including the retiring of such loans on schedule. To provide that service shall be rendered on a non-profit basis to members at the lowest possible cost, consistent with an economically strong and well-managed system.

II. SCOPE

This plan is based upon the assumption that RUS loans and CFC loans will be continued to be available at reasonable interest rates and to be repaid within thirty-five (35) years.

A. ADDITIONS TO PLANT

1. Distribution Plant

All additions to distribution plant, including extensions, increases in capacity and replacement for which RUS and CFC loan funds are available shall be financed with loan funds. Upon completion and inspection of work orders, the account department will prepare the necessary documentation to be sent to RUS or the supplemental lender for reimbursement approval of work orders on the current work plan. General funds will be used for all construction and the accounting department will draw loan funds as needed to maintain adequate working capital.

2. General Plant

Additions to general plant will be financed from general funds.

B. RETIREMENT LOANS

Loans from RUS and CFC shall be retired according to the repayment schedule contained in the notes accompanying each

loan, unless earlier retirement of any debt is economically beneficial and approved by the Board of Directors.

C. MAINTENANCE OF PLANT

The physical facilities of the cooperative shall be maintained at their highest operational level consistent with sound economic practices. Funds shall be provide from general revenues for the renewal and replacement of plant due to ordinary wear and tear and obsolescence.

D. RATES

Rates shall be maintained at the lowest possible level that will provide adequate revenue to meet the financial needs of the Cooperative each year and on a continuing basis, shall be fair and equitable to all classifications of service and also provide incentive to the members to make the maximum beneficial use of the Cooperative's service.

E. WORKING CAPITAL AND RESERVES

The funds necessary for working capital, debt retirement, special funds, and other general funds used, shall be provided from general revenues. All other funds available from general revenues shall be used for plant additions and to retire patronage capital.

F. LINE OF CREDIT

The Cooperative will maintain a line of credit with CFC and Co-Bank in sufficient amounts to insure adequate working capital.

G. EQUITY MANAGEMENT

Equity management shall be based upon the interactions of past, present and projected future conditions, including but not limited to:

1. Actual equity levels, expressed as a percent of total assets and/or as a percent of total capital.
2. The rate of growth in rate base (new plant plus working capital) which is representative of anticipated future conditions is 4%.
3. The blended cost of interest on the various outstanding long term loans.
4. TIER objective that provides financial stability and

minimizes both rate requirements and the cost of long term debt will be between 1.75 & 2.25.

5. Equity capital will be retired in such a manner so as not to jeopardize the financial stability of the Cooperative. Retirements will accrue only when certain financial criteria have been met. For each year, the TIER must be at least 1.80, equity level must be at least 33%, and cash flow must be sufficient, meaning the cooperative will not have to borrow funds to pay Capital Credits. Then, the cooperative will refund 30% of the previous year's margins in general retirement based on a 25-year cycle. All Patronage Capital retirement shall be consistent with bylaw provisions and other regulatory requirements and agreements.
6. To achieve an equitable basis, the present value of the capital credits allocated to the decedent's estates shall be computed on the basis of a Twenty-five (25) year cycle, with the allocation amount for the first year of the having a discounted value of one and each succeeding year discounted at a rate equal to the "Time Value of Money Table", using a rate of 6%. An example of the discount table is attached hereto as Exhibit "A". The residual portion of the estate's capital credits that is not retired as a result of discounting shall be accounted for as donated capital. The capital credits of any corporation or partnership member/consumer which has dissolved will be retired under the provisions of the by laws of the Cooperative and will not be retired under the above plan for the retirement of capital credits for a Decedent's estate.
7. The optimum equity level projected for 1 through 6 above is 35%, excluding EKPC's Capital Credits.

H. INVESTMENT OF AVAILABLE FUNDS

Securities in which funds are invested will, for safekeeping purposes, be kept in the custody of institutions designed for that purpose by the Board of Directors.

All available funds will be interest bearing except those funds in demand accounts required to offset banking fees. Those used for working capital, funds being temporarily retained for future retirement of patronage capital, and reserve funds shall be invested in securities issued, guaranteed or insured by the United States Government and or NRUCFC Commercial Paper, or Certificate of deposits, whichever provides the highest rate of return. These investments must be of the type that can be converted to cash as the funds are needed.

III. PROCEDURE

The following practices shall be followed to implement the above policies. These practices must also remain within the guidelines of Big Sandy RECC's existing policy no. 300-095 "Financial Practices".

A. PLANNING

Long and short-range plans shall be developed, reviewed with the Board of Directors and shall be analyzed periodically to determine if revisions are necessary to reflect changing circumstances and conditions.

1. Long Range Engineering Planning

Long range engineering plans shall be prepared and maintained to reflect the anticipated system improvements and new construction necessary to adequately serve the needs of the members. These plans shall provide a basis for scheduling loan applications, for minimizing obsolescence and provide a basis for financial, as well as, organizational planning. Specific requirement and procedures for the Long-Range Engineering Plan are prescribed in policy no. 300-075.

2. Long Range Financial Planning

Long-range financial plans, including capital operating and cash, projected at least ten years into the future, with more detailed financial plans for the first five years, shall be prepared, in accordance with RUS recommendations, which reflect anticipated additions to plant and the associated financing required. These long-range financial plans shall also contain estimates of revenue and expenses to determine if the Cooperatives rates are appropriate. All Long-Range Financial Plans will be submitted to the Board for its review and approval.

3. Annual Budget

An annual budget shall be prepared, prior to December 31 each year, which contains a detailed estimate of revenue and expenses for the coming year and an itemization of each capital project and commensurate cost, as well as an analysis of cash availability to meet capital projects. Variance reports will be available to the Board of Directors as requested.

4. Equity Management Planning

The equity management objectives of the Cooperative will be reviewed and considered in conjunction with long range

forecasts, annual work plan, budget and retail rate development.

5. Billing and Collection

Consumer billing and collection policies will be developed and maintained in order to allow for levelized cash flow to assist in the elimination of short term borrowing for funds for general working capital.

B. GENERAL FUNDS ADMINISTRATION

1. General Funds Level

The working capital and reserve funds required by the Cooperative are based on its experience and needs.

The Cooperative will maintain sufficient working capital and reserve funds to meet promptly its operating costs, taxes, quarterly debt service payments, routine construction and replacement cost, and for contingencies.

2. Deposits and Investments

Working capital and reserves shall be invested with primary considerations given to safety and liquidity. Cash funds shall be kept in banks whose deposits are insured by the FDIC or invested in securities of the United States Government, NRUCFC Commercial Paper, or Certificates of Deposit. Such approved financial institutions are listed in Policy NO. 300-060. Investments shall be planned to mature or be converted into cash without loss to meet anticipated needs for funds.

3. Investment Activities Report

Investment activities and reports listing all investment purchases, sales and maturities will be available to each Director as requested.

4. Statement of Cash Flow

A statement of cash flow will be prepared and will be available for the Board of Directors as requested.

IV. RESPONSIBILITY

The Board of Directors shall be responsible for final approval and the use of investments having maturities in excess of six (6) months.

The Manager of finances shall (1) see that the status of investment institutions used continually meet the policy criteria (2) audit the institutions' annual reports (3) request to add or delete institutions, and (4) that adherence of this policy is reported to the Board of Directors as requested.

This policy supersedes any existing policy which may be in conflict with the provisions of this policy.

SOURCE: Adopted November 15, 1996
 Effective January 01, 1997
 Revised May 23, 2007

Joe Harris, Jr., Secretary

Witness: James Adkins

Big Sandy Rural Electric Cooperative

Case No. 2017-00171

Capitalization Policies**Benefits
Distribution**

107.20	Construction work in progress	172,297
108.80	Retirement work in progress	71,361
163.00	Stores	20,291
184.10	Transportation	19,179
242.32	Employee sick leave/vacation	0
580.00	Supervision, operations	18,104
583.00	Overhead line	12,565
586.00	Meter	84,233
587.00	Installations	419
588.00	Miscellaneous distribution	24,186
590.00	Supervision, maintenance	34,254
593.00	Maintenance	105,063
595.00	Transformers	3,028
597.00	Meters	86
598.00	Miscellaneous maintenance	1,459
902.00	Meter reading	20,741
903.00	Consumer records	91,764
920.00	Administrative	134,504
930.00	Miscellaneous	105,278
935.00	Maintenance general plant	<u>6,319</u>
Total		<u>925,131</u>

Benefits include the following:

Medical insurance	475,934
Life and disability insurance	36,600
R & S retirement	265,918
Savings plan 401(k)	144,028
Dental	<u>2,651</u>

925,131

Big Sandy accumulates all benefits, then allocates these to accounts based on the labor distribution for the month. The above is the actual allocation for the test year for the above benefits

The total number of employees is 40, with an average benefit cost of \$23,128.