



Shelby Energy  
Cooperative

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COMMISSION

September 5, 2017

Mr. John S. Lyons  
Acting Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

RE: Case No. 2016-00434

Dear Mr. Lyons:

In response to Item 7 of the final order for Shelby Energy Cooperative, Inc. in the above case, Shelby Energy provides the attached report.

Should you have any questions or need anything further, please let us know.

Sincerely,



Debra J. Martin  
President & CEO

Enclosures

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[www.shelbyenergy.com](http://www.shelbyenergy.com)

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Shelby Co. (502)633-4420 · Trimble Co. (502)255-3001 · 1-800-292-6585  
Shelby Energy is an equal opportunity provider and employer.

Shelby Energy Cooperative, Inc.  
Response to Final Order  
Case No. 2016-00434

**Item 7.**

Shelby Energy shall file a report, within 60 days of the date of this Order, setting forth the employer and employee contribution amounts and percentages Shelby Energy will implement for health and dental insurance premiums, along with the date the revised contribution schedule will be implemented. Within 30 days of the date that the revised employer/employee health and dental insurance premium contribution schedule is implemented, Shelby Energy shall file evidence of its implementation.

**Report**

As part of this report, Shelby Energy has attached documents, Exhibit A and Exhibit B setting forth the employer and employee contribution amounts and percentages Shelby Energy currently has in place for health insurance and dental insurance premiums.

For health insurance, Shelby Energy employees contribute approximately 8% and 10%, of the total premium cost associated with the applicable level of coverage, respective for non-union and union employees. Refer to Exhibit A – Current - Coverage for the details. At this time, Shelby Energy has no plans to revise the contribution level paid by employees. However, a new union contract will be negotiated for September 2018, and Shelby Energy will be reviewing the amount of contribution towards health insurance premiums made by all employees prior to and during the negotiation process.

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Recently, the decision was made to increase the deductible amount for each level of coverage for health insurance. The new deductible amounts will be effective January 1, 2018, and are reflected in Exhibit A – Future - Coverage.

Regarding dental insurance, Shelby Energy makes this group benefit available to all employees. Any employee who wishes to enroll in dental insurance coverage contributes 100% of the premium to participate in the dental plan as shown in Exhibit B. Shelby Energy has never contributed any portion of the dental insurance premium in the past, currently and has no plans to revise the contribution level paid by employees or by Shelby Energy for the future.

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**Health Insurance Premiums, Employee Contributions & Employee Deductibles**

<u>Current - Coverage</u>	<u>Total Premiums</u>	<u>Employee Contributions</u>	<u>Employee Percentage</u>	<u>Shelby Contribution</u>	<u>Deductibles</u>
		<u>Non-Union</u>		<u>Non-Union</u>	
Employee	\$ 426.68	\$ 33.10	8%	\$ 393.58	\$ 400.00
Employee & Spouse	\$ 1,025.35	\$ 79.30	8%	\$ 946.05	\$ 800.00
Employee & Child(ren)	\$ 926.91	\$ 79.24	9%	\$ 847.67	\$ 1,200.00
Employee & Family	\$ 1,410.78	\$ 105.56	7%	\$ 1,305.22	\$ 1,200.00
		<u>Union</u>		<u>Union</u>	
Employee	\$ 426.68	\$ 42.66	10.0%	\$ 384.02	\$ 800.00
Employee & Spouse	\$ 1,025.35	\$ 102.54	10.0%	\$ 922.81	\$ 1,600.00
Employee & Child(ren)	\$ 926.91	\$ 92.68	10.0%	\$ 834.23	\$ 2,400.00
Employee & Family	\$ 1,410.78	\$ 141.08	10.0%	\$ 1,269.70	\$ 2,400.00

<u>Future - Coverage</u>	<u>Total Premiums</u>	<u>Employee Contributions</u>	<u>Employee Percentage</u>	<u>Shelby Contribution</u>	<u>Deductibles</u>
		<u>Non-Union</u>		<u>Non-Union</u>	
Employee	\$ 426.68	\$ 33.10	8%	\$ 393.58	\$ 600.00
Employee & Spouse	\$ 1,025.35	\$ 79.30	8%	\$ 946.05	\$ 1,200.00
Employee & Child(ren)	\$ 926.91	\$ 79.24	9%	\$ 847.67	\$ 1,800.00
Employee & Family	\$ 1,410.78	\$ 105.56	7%	\$ 1,305.22	\$ 1,800.00
		<u>Union</u>		<u>Union</u>	
Employee	\$ 426.68	\$ 42.66	10%	\$ 384.02	\$ 1,200.00
Employee & Spouse	\$ 1,025.35	\$ 102.54	10%	\$ 922.81	\$ 2,400.00
Employee & Child(ren)	\$ 926.91	\$ 92.68	10%	\$ 834.23	\$ 3,600.00
Employee & Family	\$ 1,410.78	\$ 141.08	10.0%	\$ 1,269.70	\$ 3,600.00

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Dental Insurance Premiums, Employee Contributions & Employee Deductibles

Coverage	Total Premiums	Employee Contributions	Employee Percentage	Shelby Contribution	Deductibles
		<u>Union &amp; Non-Union</u>		<u>Union &amp; Non-Union</u>	<u>All Providers</u>
Employee	\$ 26.01	\$ 26.01	100%	\$ -	\$ 50.00
Employee & Spouse	\$ 52.00	\$ 52.00	100%	\$ -	\$ 100.00
Employee, Spouse, Children	\$ 87.10	\$ 87.10	100%	\$ -	\$ 150.00
Employee & (1) Child	\$ 53.48	\$ 53.48	100%	\$ -	\$ 100.00
Employee & (2+) Children	\$ 53.48	\$ 53.48	100%	\$ -	\$ 150.00