



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

IN THE MATTER OF:

APPLICATION OF CUMBERLAND VALLEY )  
ELECTRIC, INC. FOR A GENERAL ) CASE NO. 2016-00169  
ADJUSTMENT OF RATES )

---

**VERIFICATION OF BARBARA ELLIOTT**

---

STATE OF KENTUCKY )  
 )  
COUNTY OF Knox )

Barbara Elliott, being duly sworn, states that she has supervised the preparation of certain of the following responses of Cumberland Valley Electric, Inc., to Commission Staff's Fourth Request for Information in the above-referenced case and that the matters and things set forth in her responses are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Barbara Elliott  
Barbara Elliott

Subscribed and sworn to before me on this 16 day of November, 2016.

Karen Dale Miller  
NOTARY PUBLIC, Notary # 505044  
Commission expiration: 4-11-2018

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

**IN THE MATTER OF:**

**APPLICATION OF CUMBERLAND VALLEY )**  
**ELECTRIC, INC. FOR A GENERAL )**      **CASE NO. 2016-00169**  
**ADJUSTMENT OF RATES )**

---

**VERIFICATION OF JAMES R. ADKINS**

---

**STATE OF KENTUCKY )**  
**COUNTY OF Knox )**

James R. Adkins, being duly sworn, states that he has supervised the preparation of certain of the following responses of Cumberland Valley Electric, Inc., to Commission Staff's Fourth Request for Information in the above-referenced case and that the matters and things set forth in his responses are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
James R. Adkins

Subscribed and sworn to before me on this 16 day of November, 2016.

  
NOTARY PUBLIC, Notary # 505044  
Commission expiration: 4-11-2018

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

1. Refer to the Application, Exhibit 4, which shows 11 Federal Financing Bank loans with a maturity date of December 2015.
  - a. State whether the loans remain outstanding and, if so, why. Provide details of any transactions that may have occurred as a result of the loans' maturing.

Response:

These loans remain outstanding. Two (2) of the referenced eleven (11) Federal Financing Bank ("FFB") loans (H0055 and H0060) have been renewed at a fixed interest rate with a maturity extending through 2042. The remaining nine (9) FFB loans renew each calendar quarter at the current quarterly variable interest rate unless we notify RUS in advance of our desire to change the terms of the loan(s). December 2015 represented the end of the quarter for the eleven (11) FFB loans listed in Exhibit 4 of the Application, and December 2016 represents the end of the quarter for the nine (9) remaining variable interest rate FFB loans in the attached Revised Exhibit 4.

- b. Provide a revised Exhibit 4 that reflects the current status of Cumberland Valley's long-term debt.

Response:

Cumberland Valley has provided a revised Exhibit 4 on Page 2-3 of this item.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

	<u>Type of Debt Issued</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>10/31/16 Outstanding Amount</u>	<u>Interest Rate</u>	<u>Annual Interest Rate</u>	<u>Annual Interest Expense</u>
1	<b>RUS loans</b>						
2	1B290	Dec-97	Jun-32	1,123,566.98	5.375%	5.375%	60,391.73
3	1B295	Nov-98	Jun-32	1,097,482.80	5.000%	5.000%	54,874.14
4	1B300	Aug-00	Mar-35	855,135.48	0.625%	0.625%	5,344.60
5	Advance Payment			(1,505,131.59)			
6				<u>1,571,053.67</u>			
7							
8	<b>Loan</b>	<b>FFB loans</b>					
9	AM8	H0010	Mar-01	Dec-16	2,542,755.35	0.399%	10,145.59
10	AM8	H0015	Jul-03	Dec-16	3,053,845.58	0.399%	12,184.84
11	AN8	H0020	Jul-04	Dec-16	1,525,016.65	0.399%	6,084.82
12	AN8	H0025	Feb-05	Dec-16	1,386,378.75	0.399%	5,531.65
13	AN8	H0030	Oct-05	Dec-16	2,074,354.40	0.399%	8,276.67
14	AN8	H0035	Sep-06	Dec-16	1,411,397.84	0.399%	5,631.48
15	AN8	H0040	May-07	Dec-16	786,055.04	0.399%	3,136.36
16	AP8	H0045	Aug-08	Dec-16	3,214,580.85	0.399%	12,826.18
17	AP8	H0050	Nov-08	Dec-16	2,009,113.00	0.399%	8,016.36
18	AP8	H0055	Jan-10	Dec-42	2,420,529.22	2.286%	55,333.30
19	AP8	H0060	Jul-11	Dec-42	3,379,576.57	2.286%	77,257.12
20	AP8	H0065	Jul-12	Dec-42	2,062,237.48	2.377%	49,019.38
21	AR8	F0070	Jan-13	Dec-46	2,856,841.35	2.452%	70,049.75
22	AR8	F0075	Jun-13	Dec-46	1,809,332.86	2.452%	44,364.84
23	AR8	F0080	Dec-13	Dec-46	1,904,560.86	2.452%	46,699.83
24	AR8	F0085	Jul-14	Dec-46	2,856,960.66	2.452%	70,052.68
25	AR8	F0090	Sep-15	Dec-46	2,940,949.13	2.807%	82,552.44
26	AR8	F0095	Nov-15	Dec-46	2,755,165.86	2.818%	77,640.57
27				<u>40,989,651.45</u>			

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

	<u>Type of Debt Issued</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>10/31/16 Outstanding Amount</u>	<u>Interest Rate</u>	<u>Annual Interest Rate</u>	<u>Annual Interest Expense</u>
	<b>NCSC loans</b>						
1	2003	Nov-10	Aug-13	0.00	2.300%	2.300%	0.00
2	2004	Nov-10	Aug-14	0.00	2.700%	2.700%	0.00
3	2005	Nov-10	Aug-15	0.00	3.050%	3.050%	0.00
4	2006	Nov-10	Aug-16	0.00	3.350%	3.350%	0.00
5	2007	Nov-10	Aug-17	202,674.75	3.600%	3.600%	7,296.29
6	2008	Nov-10	Aug-18	253,479.96	3.800%	3.800%	9,632.24
7	2009	Nov-10	Aug-19	248,981.06	4.000%	4.000%	9,959.24
8	2010	Nov-10	Aug-20	264,048.38	4.150%	4.150%	10,958.01
9	2011	Nov-10	Aug-21	211,859.16	4.200%	4.200%	8,898.08
10	2012	Nov-10	Aug-22	164,699.46	4.300%	4.300%	7,082.08
11				<u>1,345,742.77</u>			
12							
13	<b>CoBank loans</b>						
14	628T01	Feb-13	May-31	1,391,963.50	3.680%	3.680%	51,224.26
15	628T02	Feb-13	Feb-22	449,891.04	2.590%	2.590%	11,652.18
16	628T03	Feb-13	Nov-20	161,287.34	2.410%	2.410%	3,887.02
17	628T04	Feb-13	May-16	0.00	1.860%	1.860%	0.00
18	628T05	Feb-13	Nov-13	0.00	1.960%	1.960%	0.00
19				<u>2,003,141.88</u>			
20							
21							
22	Total Long Term Debt			<u>45,909,589.77</u>	Total		<u>886,003.74</u>

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

2. Refer to the Application, Exhibit 21.
  - a. Provide the schedules on pages 11, 12, and 13 of 38 in Excel spreadsheet format with all formula intact and unprotected and with all columns and rows accessible.

Response:

Please see attached excel spreadsheets.

- b. Refer to pages 15 through 22 of 38. Provide a complete description of each column heading and what the values in each column represent.

Response:

Curve Number: A plot representing the percentage surviving at each age. One (1) of 31 curves.

Curve Type: A standardized curve according to whether the mode of the frequency of the curve was to the left, right, or coincidental. These are commonly referred to as Iowa Type Curves.

Estimated Life: A general term, used broadly to refer to the period of time during which depreciable plant is in service.

Squared Error: The selection of average lives is based upon an empirically derived relationship between the trial average lives and the sum of squared differences ("SSD") between simulated and actual balances.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

**Index Variation:** The conformance index divided by 1,000. See Conformance Index.

**Conformation Index:** a measure of closeness of fit between calculated and actual balances in the Simulated Plant-Record Model ("SPR"). The best fits are those with the highest conformance index ("CI"). The CI equals 1,000 divided by the Index of Variation ("IV"). The SPR is a trial-and-error model used to estimate the average service life of a depreciable group. The SPR model simulates retirements and the resultant plant balances for combinations of standardized survivor curves and average service lives and compares the results to the historical data until a good match is found.

**Retirement Experience:** The selection of retirement dispersion (e.g., Iowa curve) by the SPR model is based upon the closeness of the match between actual annual amounts and those that have been simulated. The closeness of the match between balances is measured by the CI or its reciprocal, the IV. The maturity of the account is measured by the Retirement Experience Index ("REI").





Cumberland Valley Electric  
Calculation of Net Salvage  
as of December 31, 2014

Exhibit 21  
page 13 of 38

Year	Original	<u>Gross Salvage</u>		<u>Cost of Removal</u>		<u>Net Salvage</u>	
	Cost of Retirements	Amount	Percent	Amount	Percent	Amount	Percent
2003	426,584	5,959	1%	288,469	68%	(282,510)	-66%
2004	651,580	64,245	10%	338,083	52%	(273,838)	-42%
2005	607,109	62,616	10%	321,765	53%	(259,149)	-43%
2006	804,672	52,722	7%	407,495	51%	(354,773)	-44%
2007	968,521	132,901	14%	323,949	33%	(191,048)	-20%
2008	1,089,194	117,618	11%	429,725	39%	(312,107)	-29%
2009	803,464	69,123	9%	370,990	46%	(301,867)	-38%
2010	879,706	14,060	2%	424,853	48%	(410,793)	-47%
2011	1,687,539	92,157	5%	542,035	32%	(449,878)	-27%
2012	1,101,509	140,079	13%	438,146	40%	(298,067)	-27%
2013	1,557,401	135,144	9%	529,481	34%	(394,337)	-25%
2014	1,994,914	145,398	7%	583,923	29%	(438,525)	-22%

**Three Year Moving Averages**

04 - 06	687,787	59,861	9%	355,781	52%	(295,920)	-43%
05 - 07	793,434	82,746	10%	351,070	44%	(268,323)	-34%
06 - 08	954,129	101,080	11%	387,056	41%	(285,976)	-30%
07 - 09	953,726	106,547	11%	374,888	39%	(268,341)	-28%
08 - 10	924,121	66,934	7%	408,523	44%	(341,589)	-37%
09 - 11	1,123,570	58,447	5%	445,959	40%	(387,513)	-34%
10 - 12	1,222,918	82,099	7%	468,345	38%	(386,246)	-32%
11 - 13	1,448,816	122,460	8%	503,221	35%	(380,761)	-26%
12 - 14	1,551,275	140,207	9%	517,183	33%	(376,976)	-24%

**Five Year Average**

10 - 14	1,444,214	105,368	7%	503,688	35%	(398,320)	-28%
---------	-----------	---------	----	---------	-----	-----------	------

**Ten year Average**

05 - 14	1,149,403	96,182	8%	437,236	38%	(341,054)	-30%
---------	-----------	--------	----	---------	-----	-----------	------

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

3. Refer to the Application, Exhibit W and Revised Exhibit X, provided in response to Commission Staff's Second Request for Information, Item 33.
- a. The amounts shown on Revised Exhibit X do not agree with the corresponding accounts on Exhibit W. Explain this discrepancy and state which exhibit is correct.

Response:

The Application Exhibit W is the balance sheet, while the Revised Exhibit X is the income statement accounts. Therefore, there is no discrepancy.

- b. Based on your response to part a., provide corrected exhibits as necessary.

Response:

See response to c. below.

- c. Exhibit W shows account numbers 408.0, Taxes-Other than Income Taxes, and 419.2, Dividend Income-CRC. These accounts are not shown on Exhibit X. Explain this discrepancy and provide corrected exhibits as necessary.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Response:

Exhibit W does not show the referenced account numbers. Exhibit X to the Application did include account number 408.0, but that account number was omitted from the Revised Exhibit X that was provided in response to Commission Staff's Second Request for Information, Item 33. A Second Revised Exhibit X is attached hereto that includes account number 408.0.

Account number 419.2 was not included in Exhibit W, Exhibit X, or Revised Exhibit X. Commission Staff may be referring to account number 419.4, which was included in Exhibit X and Revised Exhibit X. This account number is also included in the attached Second Revised Exhibit X.

Cumberland Valley Electric  
Case No. 2016-00169  
Monthly Income Statement Comparison

Account	Description	DEC 2014	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	Total
440.1	RESIDENTIAL SALES-RURAL FARM	2,977,812	3,803,259	4,216,372	2,806,466	2,024,362	1,843,736	2,220,938	2,815,278	2,404,935	2,032,952	2,023,205	2,377,512	31,546,829
	Prior year amount	3,464,251	4,534,894	3,599,107	3,021,353	1,986,235	2,078,774	2,254,590	2,561,592	2,530,629	2,086,738	2,009,170	3,163,358	33,290,691
	Difference	(486,439)	(731,635)	617,266	(214,887)	38,127	(235,038)	(33,652)	253,686	(125,694)	(53,786)	14,055	(785,846)	(1,743,862)
440.11	RESIDENTIAL SALES-ENVIROWATTS	52	52	52	52	47	47	47	47	47	47	47	47	583
	Prior year amount	61	61	61	61	58	644	(537)	50	55	55	55	55	677
	Difference	(8)	(8)	(8)	(8)	(11)	(597)	583	(3)	(8)	(8)	(8)	(8)	(94)
442.1	COMM-INDUST SALE-SMALL	243,050	287,116	289,936	246,894	237,407	221,017	235,905	269,595	259,081	245,510	231,774	228,749	2,996,033
	Prior year amount	250,789	289,069	266,386	240,516	210,615	236,371	246,732	259,487	265,022	244,843	237,513	249,378	2,996,722
	Difference	(7,739)	(1,953)	23,550	6,378	26,792	(15,354)	(10,828)	10,107	(5,940)	667	(5,740)	(20,628)	(688)
442.2	COMM-INDUST SALES-LARGE	819,589	868,645	840,205	714,372	753,824	707,318	765,036	816,419	864,889	800,764	765,451	760,814	9,477,328
	Prior year amount	807,710	881,106	902,457	912,833	813,522	872,179	907,987	874,930	914,244	853,632	872,722	800,554	10,413,878
	Difference	11,879	(12,461)	(62,252)	(198,461)	(59,698)	(164,861)	(142,951)	(58,511)	(49,355)	(52,868)	(107,271)	(39,740)	(936,550)
450.0	FORFEITED DISCOUNTS	55,870	54,619	74,929	68,901	46,339	28,640	30,016	34,214	40,726	36,851	36,418	34,141	541,662
	Prior year amount	43,817	64,264	86,377	55,063	51,812	28,888	33,461	38,116	36,816	40,399	33,383	30,847	543,242
	Difference	12,053	(9,645)	(11,449)	13,838	(5,472)	(248)	(3,445)	(3,903)	3,910	(3,548)	3,035	3,294	(1,580)
451.0	MISC SERVICE REVENUES	10,835	2,335	10,065	11,080	16,365	12,190	10,775	5,905	8,420	13,265	8,280	8,115	117,630
	Prior year amount	10,260	2,005	4,300	13,110	19,355	13,299	11,600	18,570	11,925	13,515	13,990	8,420	140,349
	Difference	575	330	5,765	(2,030)	(2,990)	(1,109)	(825)	(12,665)	(3,505)	(250)	(5,710)	(305)	(22,719)
454.0	RENT FROM ELECTRIC PROPERTY	100,901	75,000	75,000	95,106	75,000	75,000	95,106	75,000	75,000	95,008	75,000	75,000	986,123
	Prior year amount	122,070	75,000	75,000	91,985	75,000	75,000	91,985	75,000	75,000	91,985	75,000	75,000	998,026
	Difference	(21,168)	-	-	3,121	-	-	3,121	-	-	3,023	-	-	(11,903)
456.0	OTHER ELEC REVENUES	45	352	44	45	46	47	48	46	44	46	46	46	855
	Prior year amount	348	46	45	46	47	46	70	18	50	46	46	54	862
	Difference	(303)	305	(1)	(1)	(0)	1	(22)	28	(6)	0	0	(8)	(7)
555.0	PURCHASED POWER	3,433,087	3,905,125	4,084,433	2,997,862	1,998,428	2,112,845	2,776,767	2,932,799	2,649,845	2,365,895	2,229,037	2,628,603	34,114,726
	Prior year amount	3,671,514	4,599,268	3,473,807	3,149,381	2,473,883	2,494,135	2,915,647	2,943,354	2,949,522	2,443,100	2,255,313	3,323,831	36,692,755
	Difference	(238,427)	(694,143)	610,626	(151,519)	(475,455)	(381,290)	(138,880)	(10,555)	(299,677)	(77,205)	(26,276)	(695,228)	(2,578,029)
582.0	STATION EQUIPMENT	456	470	470	470	470	470	470	470	470	470	470	470	5,629
	Prior year amount	445	456	456	456	456	456	456	456	456	456	456	456	5,462
	Difference	11	14	14	14	14	14	14	14	14	14	14	14	167
583.0	OVERHEAD LINE EXPENSE	93,176	55,095	61,243	49,628	55,051	47,420	53,632	57,126	37,131	30,889	43,989	38,223	622,602
	Prior year amount	110,468	59,759	49,121	47,544	51,072	51,189	47,124	52,404	48,830	47,460	50,001	46,546	661,518
	Difference	(17,292)	(4,663)	12,122	2,084	3,979	(3,768)	6,507	4,722	(11,699)	(16,571)	(6,013)	(8,323)	(38,916)
584.0	UNDERGROUND LINE EXP	4,316	4,601	3,402	2,786	2,490	6,055	3,396	3,827	4,726	3,406	4,088	3,653	46,746
	Prior year amount	3,340	2,926	2,951	2,308	3,576	4,667	3,936	3,343	2,292	5,147	2,328	2,309	39,122
	Difference	976	1,675	452	478	(1,086)	1,389	(541)	484	2,434	(1,741)	1,760	1,344	7,623
586.0	METER EXPENSES	33,823	26,673	14,099	43,672	2,777	20,921	86,827	1,430	25,742	64,877	79,187	48,194	448,223
	Prior year amount	59,944	(60,751)	29,299	43,949	14,361	115,223	42,477	40,724	33,185	70,139	65,863	46,222	500,635
	Difference	(26,121)	87,424	(15,200)	(276)	(11,583)	(94,301)	44,350	(39,294)	(7,443)	(5,262)	13,324	1,972	(52,412)
587.0	CONSUMER INSTALL EXPENSES	11,174	11,308	9,880	8,526	8,814	9,730	10,023	10,288	9,141	10,212	9,152	9,919	118,166
	Prior year amount	11,111	10,124	8,243	11,352	10,235	10,754	8,652	9,519	10,337	9,228	9,465	10,680	119,700
	Difference	63	1,184	1,638	(2,826)	(1,420)	(1,024)	1,371	769	(1,196)	984	(313)	(761)	(1,533)
588.0	MISC DISTRIBUTION EXPENSE	13,803	14,578	12,329	11,371	13,585	12,220	11,783	14,790	12,290	15,007	13,894	16,717	162,367
	Prior year amount	15,739	21,964	15,879	15,823	9,792	12,348	10,145	10,541	10,617	13,112	12,362	10,961	159,281
	Difference	(1,936)	(7,386)	(3,550)	(4,452)	3,794	(128)	1,638	4,249	1,673	1,895	1,532	5,757	3,086
589.0	RENTS	3,000	-	-	-	-	-	-	-	-	1,500	-	3,000	7,500
	Prior year amount	-	-	-	-	-	-	-	-	-	-	1,500	-	1,500

Cumberland Valley Electric  
Case No. 2016-00169  
Monthly Income Statement Comparison

Exhibit X  
Witness: Jim Adkins

Account	Description	DEC 2014	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	Total
	Difference	3,000	-	-	-	-	-	-	-	-	1,500	(1,500)	3,000	6,000
593.0	MAINT OF OVERHEAD LINES	95,968	121,182	148,100	108,960	112,471	94,413	144,784	173,269	130,421	103,059	95,204	100,102	1,427,933
	Prior year amount	126,511	130,139	114,359	108,501	96,840	107,308	161,283	121,200	124,442	117,889	126,393	115,539	1,450,404
	Difference	(30,543)	(8,957)	33,740	458	15,632	(12,895)	(16,500)	52,069	5,979	(14,830)	(31,189)	(15,436)	(22,472)
593.01	RIGHT OF WAY CUTTING	90,038	85,399	67,513	63,780	66,709	87,443	87,245	89,821	85,461	95,676	87,824	89,497	996,405
	Prior year amount	88,308	74,460	77,038	67,160	71,317	68,143	74,771	82,888	92,829	72,627	83,412	71,585	924,539
	Difference	1,729	10,940	(9,526)	(3,380)	(4,609)	19,300	12,474	6,932	(7,368)	23,048	4,412	17,911	71,866
593.02	RIGHT OF WAY MATERIALS	659	153	422	209	991	422	1,686	1,322	1,358	2,755	174	901	11,052
	Prior year amount	98	583	560	9	558	54	521	791	828	484	1,004	299	5,788
	Difference	561	(430)	(138)	200	433	367	1,165	531	530	2,271	(830)	602	5,264
593.03	RIGHT-OF-WAY BUSHHOGGING	61	61	61	2,201	16,654	14,481	17,590	16,774	16,812	13,517	12,317	-	110,626
	Prior year amount	69	102	5,744	1,947	1,091	169	445	148	101	240	5,739	61	15,857
	Difference	(8)	(42)	(5,683)	354	15,562	14,312	17,145	16,625	16,711	13,277	6,578	(61)	94,770
593.05	PCB MAINTENANCE EXPENSE	-	-	-	-	-	-	-	-	1,418	-	-	-	1,418
	Prior year amount	-	-	-	-	-	-	-	-	735	-	-	-	735
	Difference	-	-	-	-	-	-	-	-	682	-	-	-	682
595.0	MAINT OF LINE TRANSFORMERS	-	887	80	-	2,074	2,560	3,463	1,903	1,068	1,035	-	-	13,072
	Prior year amount	1,676	251	8,414	2,442	6,144	4,515	2,513	1,933	6,566	-	391	1,030	35,875
	Difference	(1,676)	636	(8,334)	(2,442)	(4,069)	(1,954)	950	(30)	(5,498)	1,035	(391)	(1,030)	(22,803)
597.0	MAINTENANCE OF METERS	932	14,440	13,567	20,456	18,346	16,272	9,319	9,450	13,873	9,740	6,900	4,430	137,725
	Prior year amount	12,603	21,757	12,393	20,257	22,129	4,552	10,719	7,496	12,551	9,673	18,763	11,983	164,875
	Difference	(11,670)	(7,317)	1,174	198	(3,783)	11,721	(1,399)	1,955	1,322	66	(11,863)	(7,553)	(27,150)
597.1	MAINT OF METERS-METER TEST FEE	(30)	-	-	-	-	(30)	-	-	-	-	(30)	-	(90)
	Prior year amount	-	-	-	-	-	-	-	-	-	(30)	-	-	(30)
	Difference	(30)	-	-	-	-	(30)	-	-	-	30	(30)	-	(60)
598.0	MAINT OF MISC DISTR PLANT	18,895	20,370	10,176	16,005	11,205	14,261	15,674	15,314	12,842	17,015	14,665	16,968	183,389
	Prior year amount	14,635	33,771	14,181	12,374	13,686	16,431	12,249	10,213	13,595	15,766	13,863	15,532	166,296
	Difference	4,260	6,598	(4,005)	3,631	(2,482)	(2,170)	3,426	5,101	(753)	1,249	802	1,435	17,093
902.0	METER READING EXPENSES	7,451	14,272	9,855	10,112	14,239	36,463	15,820	9,474	14,388	15,806	15,579	10,048	173,508
	Prior year amount	12,864	13,841	11,341	34,160	16,526	23,737	12,293	14,578	15,862	12,388	9,144	6,277	183,013
	Difference	(5,413)	431	(1,485)	(24,048)	(2,286)	12,726	3,525	(5,103)	(1,474)	3,418	6,435	3,771	(9,504)
903.0	CONSUMER RECORDS-COLLECT EXP	169,946	144,153	130,884	139,853	130,921	148,139	130,499	140,303	105,749	132,257	149,278	139,154	1,661,137
	Prior year amount	143,826	108,733	122,213	122,347	130,724	125,070	126,849	155,692	105,369	136,949	157,335	112,083	1,547,191
	Difference	26,119	35,420	8,671	17,507	197	23,069	3,650	(15,389)	380	(4,692)	(8,056)	27,071	113,945
903.1	CONS REC-COLL EXP-OVER-UNDER	(60)	0	-	94	50	-	(120)	-	10	46	20	8	48
	Prior year amount	25	-	(101)	20	(2)	100	10	101	90	(91)	100	13	264
	Difference	(85)	0	101	74	52	(100)	(130)	(101)	(80)	137	(80)	(5)	(216)
904.0	UNCOLLECTIBLE ACCOUNTS	12,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	14,961	15,000	15,000	176,961
	Prior year amount	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
	Difference	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	2,961	3,000	3,000	32,961
908.0	CUSTOM ASSIST EXP	13,981	5,627	12,245	17,246	(15,883)	(3,897)	11,927	(16)	12,261	6,507	6,308	8,886	75,190
	Prior year amount	3,345	18,856	11,186	4,548	7,479	14,259	6,575	4,332	25,593	4,068	9,120	11,690	121,052
	Difference	10,635	(13,229)	1,059	12,698	(23,363)	(18,156)	5,352	(4,348)	(13,332)	2,439	(2,812)	(2,804)	(45,862)
909.0	INFO AND INST ADV EXP	3,467	2,969	3,003	5,535	3,006	3,002	3,967	2,970	2,994	2,998	2,978	2,975	39,864
	Prior year amount	2,910	2,904	2,935	2,986	3,089	2,947	4,078	2,947	2,943	3,819	2,958	3,013	37,529
	Difference	557	66	68	2,548	(83)	55	(111)	23	50	(821)	20	(38)	2,334
920.0	ADMIN AND GENERAL SALARIES	86,228	74,454	72,003	72,440	70,382	70,447	67,562	69,347	68,650	80,734	70,808	72,385	875,442

Cumberland Valley Electric  
Case No. 2016-00169  
Monthly Income Statement Comparison

Exhibit X  
Witness: Jim Adkins

Account	Description	DEC 2014	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	Total
	Prior year amount	77,729	63,865	56,463	63,016	63,441	62,243	62,338	68,544	69,064	79,408	67,131	75,007	808,249
	Difference	8,500	10,589	15,540	9,424	6,941	8,204	5,224	804	(414)	1,326	3,678	(2,622)	67,192
921.0	OFFICE SUPPLIES AND EXPENSES	18,973	10,975	10,181	8,115	8,607	6,481	6,660	10,009	6,810	6,076	8,715	9,452	111,055
	Prior year amount	20,286	11,914	7,122	7,647	7,911	5,460	6,285	5,959	6,792	6,197	8,646	8,367	102,586
	Difference	(1,313)	(938)	3,058	468	697	1,021	375	4,050	19	(121)	69	1,085	8,468
923.0	OUTSIDE SERVICES EMPLOYED	4,053	1,842	2,172	4,009	13,681	10,772	9,318	5,074	11,542	17,319	10,872	(19,046)	71,607
	Prior year amount	16,330	1,816	1,987	2,299	1,740	3,936	6,618	2,335	2,267	1,878	5,746	2,334	49,286
	Difference	(12,277)	26	185	1,710	11,941	6,836	2,700	2,739	9,274	15,441	5,126	(21,380)	22,321
928.0	REGULATORY COMM EXPENSES	10,691	-	-	-	-	-	-	-	-	-	-	-	10,691
	Prior year amount	-	-	-	-	-	-	7,257	57,505	4,178	514	31,130	101	100,684
	Difference	10,691	-	-	-	-	-	(7,257)	(57,505)	(4,178)	(514)	(31,130)	(101)	(89,994)
929.0	DUPLICATE CHARGES	(4,866)	(5,793)	(7,336)	(4,780)	(3,073)	(1,523)	(2,483)	(2,485)	(2,300)	(2,616)	(2,268)	(3,127)	(42,650)
	Prior year amount	(5,464)	(9,448)	(4,775)	(4,892)	(4,346)	(1,657)	(2,702)	(2,734)	(2,636)	(2,342)	(2,515)	(4,954)	(48,464)
	Difference	598	3,656	(2,562)	112	1,273	134	219	248	336	(274)	247	1,827	5,814
930.1	MISC GENERAL EXP-DIRECTORS EXP	15,907	13,404	18,156	16,211	13,647	16,837	16,826	13,445	12,996	12,996	13,652	15,404	179,483
	Prior year amount	18,522	19,644	13,980	22,207	12,956	21,200	12,297	13,734	13,324	16,359	13,363	15,503	193,088
	Difference	(2,615)	(6,241)	4,176	(5,995)	691	(4,363)	4,530	(289)	(327)	(3,363)	289	(98)	(13,605)
930.11	GENERAL ADVERTISING EXP	6,278	6,693	6,005	6,431	6,012	6,004	7,934	6,290	5,988	5,995	5,964	5,950	75,546
	Prior year amount	6,114	6,074	6,696	6,373	5,943	5,982	8,251	5,894	6,209	5,912	6,045	5,971	75,464
	Difference	164	619	(691)	58	70	22	(317)	396	(222)	83	(80)	(20)	82
930.2	MISC GENERAL EXPENSE-OTHER	7,191	7,274	7,274	7,274	7,274	7,274	7,274	7,274	7,274	7,274	7,274	7,274	87,210
	Prior year amount	7,207	7,191	7,191	7,191	7,191	7,191	7,191	7,191	7,191	7,191	7,191	7,191	86,313
	Difference	(16)	83	83	83	83	83	83	83	83	83	83	83	898
930.3	MISC GEN EXP-CAPITAL CREDITS	13	-	-	-	-	-	-	-	-	-	-	-	13
	Prior year amount	(7)	-	-	-	-	-	-	-	-	-	-	-	(7)
	Difference	20	-	-	-	-	-	-	-	-	-	-	-	20
930.4	MISC GEN EXP-ANNUAL MEETING	322	2,700	2,700	2,700	2,700	2,700	2,700	2,700	1,654	1,654	1,654	1,654	25,840
	Prior year amount	5,888	3,850	3,850	3,850	3,850	3,850	3,850	3,850	322	322	322	322	37,654
	Difference	(5,566)	(1,150)	(1,150)	(1,150)	(1,150)	(1,150)	(1,150)	(1,150)	(2,196)	1,332	1,332	1,332	(11,814)
932.0	MAINT OF GEN PLANT	6,300	6,508	9,881	9,380	8,032	13,828	17,034	6,729	6,454	6,588	9,813	16,823	117,369
	Prior year amount	6,959	7,509	5,992	7,459	8,359	10,231	12,226	8,273	9,466	7,988	6,015	8,459	98,935
	Difference	(659)	(1,001)	3,889	1,921	(326)	3,596	4,809	(1,544)	(3,012)	(1,400)	3,798	8,364	18,435
403.6	DEPT EXP-DISTRIBUTION PLANT	257,761	273,306	273,778	273,927	274,878	275,804	276,502	276,826	277,947	278,739	279,421	280,284	3,299,174
	Prior year amount	251,137	251,753	253,256	253,301	253,925	254,976	255,625	256,063	256,647	256,974	257,874	258,796	3,060,327
	Difference	6,624	21,553	20,522	20,627	20,953	20,828	20,878	20,763	21,300	21,765	21,548	21,488	238,848
403.7	DEPT EXP-GENERAL PLANT	15,350	15,391	15,434	15,434	15,529	15,610	15,538	15,643	15,643	15,678	15,510	15,485	186,245
	Prior year amount	13,731	14,823	14,823	14,926	14,937	14,939	14,968	14,981	14,981	15,006	15,023	15,141	178,280
	Difference	1,619	567	610	508	592	671	570	662	662	672	486	344	7,964
408.0	TAXES-OTHER THAN INCOME TAXES	-	-	-	-	-	-	56,395	-	-	-	-	-	56,395
	Prior year amount	-	-	-	-	-	-	56,178	-	-	-	-	-	56,178
	Difference	-	-	-	-	-	-	217	-	-	-	-	-	217
427.1	INT ON REA CONST LOAN	10,471	10,471	9,856	10,541	10,172	10,479	10,108	10,414	10,383	10,110	10,414	10,045	123,464
	Prior year amount	10,931	10,931	10,313	10,725	10,725	11,159	10,870	10,870	10,594	10,778	10,778	9,857	128,530
	Difference	(460)	(460)	(456)	(184)	(553)	(680)	(761)	(455)	(211)	(667)	(364)	188	(5,066)
427.15	INT ON FFB CONST LOAN	4,143	4,709	4,709	4,956	23,701	23,701	35,309	27,571	27,571	26,683	27,275	27,275	237,603
	Prior year amount	2,708	4,155	4,155	9,146	5,818	5,818	3,071	4,902	4,902	5,170	4,992	4,992	59,828
	Difference	1,435	554	554	(4,190)	17,883	17,883	32,239	22,668	22,668	21,514	22,283	22,283	177,775

Cumberland Valley Electric  
Case No. 2016-00169  
Monthly Income Statement Comparison

Exhibit X  
Witness: Jim Adkins

Account	Description	DEC 2014	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	Total
427.25	INT ON OTHER LONG TERM DEBT NC	6,144	6,144	5,587	5,958	5,958	5,385	5,767	5,767	5,190	5,575	5,575	4,993	68,044
	Prior year amount	6,889	6,889	6,345	6,708	6,708	6,152	6,522	6,522	5,963	6,336	6,336	5,760	77,129
	Difference	(745)	(745)	(757)	(749)	(749)	(767)	(755)	(755)	(773)	(761)	(761)	(768)	(9,086)
427.26	INT ON OTHER LONG TERM DEBT-CO	6,568	6,741	6,710	6,008	6,604	6,353	6,527	6,258	6,430	6,389	6,135	6,292	77,015
	Prior year amount	7,096	7,280	7,231	6,500	7,148	6,880	7,053	6,781	6,969	6,922	6,698	6,835	83,354
	Difference	(528)	(539)	(522)	(491)	(544)	(527)	(527)	(522)	(539)	(533)	(523)	(543)	(6,340)
431.0	INTEREST EXP-OTHER	136	132	132	132	131	129	129	130	130	129	129	129	1,567
	Prior year amount	198	142	143	138	138	142	143	143	144	142	149	156	1,778
	Difference	(62)	(10)	(11)	(6)	(7)	(14)	(14)	(14)	(15)	(12)	(20)	(27)	(212)
431.1	INT EXP-CFC LINE OF CREDIT	-	-	-	-	-	-	-	-	-	2,229	-	-	2,229
	Prior year amount	-	-	-	476	-	-	-	-	-	90	-	-	566
	Difference	-	-	-	(476)	-	-	-	-	-	2,139	-	-	1,663
426.1	DONATIONS	145	-	550	720	100	471	550	740	2,100	100	460	245	6,181
	Prior year amount	50	150	150	200	220	200	775	2,500	853	-	760	263	6,121
	Difference	95	(150)	400	520	(120)	271	(225)	(1,760)	1,247	100	(300)	(18)	60
426.11	DONATIONS-SCHOLARSHIPS	-	-	-	-	-	-	-	-	4,500	-	-	-	4,500
	Prior year amount	-	1,000	-	-	-	-	-	8,000	1,000	-	-	-	10,000
	Difference	-	(1,000)	-	-	-	-	-	(8,000)	3,500	-	-	-	(5,500)
426.12	DONATIONS-MEMBERSHIPS, DUES	-	1,050	250	350	-	-	-	-	150	-	-	150	1,950
	Prior year amount	500	549	300	-	50	250	-	150	-	-	-	-	1,799
	Difference	(500)	502	(50)	350	(50)	(250)	-	(150)	150	-	-	150	152
		145	1,050	800	1,070	100	471	550	740	6,750	100	460	395	12,632
419.3	INT DIV INCOME-P AND P INVEST	7,579	(4,780)	18,061	1,268	1,516	18,696	1,052	754	18,508	1,419	2,239	19,518	85,742
	Prior year amount	7,131	(4,862)	17,197	1,235	2,178	18,220	1,002	1,235	18,909	1,796	2,067	18,561	84,667
	Difference	448	82	864	33	(662)	476	50	(481)	(400)	(377)	173	958	1,075
419.4	INTEREST AND DIVIDEND INC CFC	3,209	3,209	3,209	3,104	3,191	3,191	3,191	3,191	3,191	3,296	3,209	3,209	38,400
	Prior year amount	3,209	3,209	3,209	3,104	3,191	3,191	3,191	3,191	3,191	3,296	3,209	3,209	38,400
	Difference	-	-	-	-	-	-	-	-	-	-	-	-	-
423.0	GEN-TRANS COOP CAPITAL CREDITS	2,489,156	-	-	-	-	-	-	-	-	-	-	-	2,489,156
	Prior year amount	2,957,019	-	-	-	-	-	-	-	-	-	-	-	2,957,019
	Difference	(467,863)	-	-	-	-	-	-	-	-	-	-	-	(467,863)
424.0	OTH CAP CR-PATRON CAP ALLOC	23,080	-	-	71,263	-	-	-	-	-	1,714	-	-	96,057
	Prior year amount	18,079	-	-	65,657	-	-	-	-	-	5,665	-	-	89,400
	Difference	5,001	-	-	5,607	-	-	-	-	-	(3,950)	-	-	6,657
<b>Net Margins</b>		<b>2,273,228</b>	<b>211,442</b>	<b>493,069</b>	<b>64,880</b>	<b>236,362</b>	<b>(199,063)</b>	<b>(577,291)</b>	<b>62,402</b>	<b>52,732</b>	<b>(158,407)</b>	<b>(111,769)</b>	<b>(81,265)</b>	<b>2,266,320</b>
	Prior year amount	<b>2,946,509</b>	<b>403,562</b>	<b>586,898</b>	<b>328,129</b>	<b>(189,657)</b>	<b>(160,400)</b>	<b>(381,479)</b>	<b>(123,934)</b>	<b>(34,663)</b>	<b>(57,300)</b>	<b>(35,998)</b>	<b>127,225</b>	<b>3,408,893</b>
	Difference	<b>(673,280)</b>	<b>(192,121)</b>	<b>(93,828)</b>	<b>(263,249)</b>	<b>426,019</b>	<b>(38,663)</b>	<b>(195,813)</b>	<b>186,336</b>	<b>87,396</b>	<b>(101,107)</b>	<b>(75,771)</b>	<b>(208,490)</b>	<b>(1,142,573)</b>

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

4. Refer to Cumberland Valley's response to Commission Staff's Second Request for Information, Item 29.a. Confirm that Cumberland Valley does not attempt to locate and pay capital credits to the heirs of deceased members. Explain the reasons for this practice and the disposition of these funds.

Response:

In past instances when Cumberland Valley's Board of Directors has decided to retire capital credits, payments have been sent to the appropriate members/former members utilizing their last known address on file with the Cooperative. If the attempted payment was returned undeliverable or otherwise unclaimed, Cumberland Valley personnel with knowledge of the community has reviewed the relevant accounts and attempted to contact interested persons who may have pertinent information. Although Cumberland Valley's By-Laws do permit the immediate retirement of capital credits (outside of a general retirement) upon the death of a member when certain conditions are met, Cumberland Valley has not done so to my knowledge. Cumberland Valley Electric has historically used the first-in, first-out (FIFO) method for general retirement of capital credits. Cumberland Valley Electric believes that general retirement of capital credits is the fairest and most equitable method of capital credit retirement. Any unretired capital credits would remain in account 201.10 Patrons Capital Credits, and any retired but unclaimed capital credits are in account 217.0 Capital Credit Unclaimed.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

5. Refer to Cumberland Valley's response to Commission Staff's Second Request for Information, Item 32, and Revised Exhibit W.

- a. Account 108.73, A/D-General Plant, changed by (\$104,392), from \$489,162 to \$384,770, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Cumberland Valley performs periodic reviews of all asset accounts in order to ensure all assets that have been removed from service have also been removed off of Cumberland Valley's books. During the test period Cumberland Valley removed \$209,642 worth of general plant assets from our asset accounts. Below is a list detailing the activity in the 108.73 account for the test period.

Beginning Balance (Dec. 2014)	\$489,162
Assets Removed from Service	(\$209,642)
Depreciation Expense	\$105,250
Ending Balance (Nov. 2015)	\$384,770

- b. Account 144.1, Allowance, changed by (\$48,714), from (\$69,634) to (\$118,348), from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Response:

Cumberland Valley increased the monthly allowance for bad debts. This increase is to more accurately reflect the increase in write-offs and bankruptcies due to the decline in the coal industry in Southeastern Kentucky.

- c. Account 370.0, Meters, changed by (\$1,074,892), from \$2,120,667 to \$1,045,775, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

In the Order dated January 16, 2015 in Case No. 2014-00159, Application of Cumberland Valley Electric, Inc. for an Adjustment of Rates, we received approval to separate our meters that were newer technology (solid state) meters. These meters were approved to be depreciated at a different rate. Therefore, it was necessary to separate the different types of meters into other accounts. We also removed non-working meters from plant.

- d. Account 391.0, Office Furniture, changed by (\$151,390), from \$916,246 to \$764,856, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Response:

Cumberland Valley removed various IT related hardware and software and other miscellaneous equipment from service. Cumberland Valley has detailed in the table below the activity in Account 391.00.

Beginning Balance (Dec. 2014)	\$916,246
Assets Removed from Service	(\$202,463)
Assets Purchased	\$51,073
Ending Balance (Nov. 2015)	\$764,856

- e. Account 236.1, Property Taxes, changed by (\$256,465), from \$155,297 to (\$101,168), from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

At the end of November 2014, Cumberland Valley had yet to receive the property tax invoice from Knox County which totaled \$220,422.52. Cumberland Valley received this invoice in January 2015 and it was paid at that time. The delay in receiving one of our larger property tax invoices resulted in a large variance when comparing Nov. 2014 to Nov. 2015.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

6. Refer to Cumberland Valley's response to Commission Staff's Second Request for Information, Item 33, and Revised Exhibit X.
- a. Account 586.0, Meter Expenses, changed by (\$52,412), from \$500,635 to \$448,223, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Cumberland Valley's capitalization of meter installation cost increased. This increase resulted in a decrease in the Meter Expenses account.

- b. Account 593.03, Right-of-Way Bushhogging, changed by \$94,769, from \$15,857 to \$110,626, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

In 2014 Cumberland Valley made a temporary cost reduction decision to reduce bushhogging expense. Bushhogging resumed normal expense levels in 2015.

- c. Account 904.0, Uncollectible Accounts, changed by \$32,961, from \$144,000 to \$176,961, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Response:

Starting in January 2015 Cumberland Valley increased the monthly accrual amount for uncollectible accounts by \$3,000. This was to account for the increasing write-offs that Cumberland Valley has experienced since the economic downturn in our service territory.

- d. Account 908.0, Uncollectible Accounts, changed by (\$45,862), from \$121,052 to \$75,190, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Account 908.00 is titled Customer Assistance Expense not Uncollectible Accounts. The expenses for rebate programs that Cumberland Valley members participate in are accumulated in this account. Cumberland Valley receives reimbursement from East KY Power to offset much of the cost of these programs. The majority of the decrease is due to rebates paid to our members and reimbursements from East KY Power. Rebates increased by \$18,828 and reimbursements received from East KY Power increased by \$67,064 which is a reduction to Account 908.00.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

- e. Account 923.0, Outside Services Employed, changed by \$22,321, from \$49,286 to \$71,607, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Cumberland Valley spent \$12,849.73 in legal fees related to the bankruptcy of coal companies. In addition, Cumberland Valley paid \$9,335.25 to an outside consultant for a wage and salary survey. These expenses were not present in the prior 12 month period.

- f. Account 928.0, Regulatory Comm Expenses, changed by (\$89,993), from \$100,684 to \$10,691, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Cumberland Valley filed for an adjustment of rates in June 2014, expenses such as notice of filing, consultants and office supplies are included in the \$100,684 balance at the end of November 2014. The balance of \$10,691 for the test period is a continuation of the expense incurred for the rate case filed in 2014. All expense for the 2014 filing ceased by the end of December 2014.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

- g. Account 932.0, Maint of Gen Plant, changed by \$18,434, from \$98,935 to \$117,369, from 2014 to the 2015 test period. Provide a detailed explanation for why this account changed by this magnitude.

Response:

Cumberland Valley graveled the lot where poles and other equipment are stored.

Cumberland Valley also had an increase in maintenance cost for IT/Data Security.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

7. Refer to Cumberland Valley's response to Staff's Third Request for Information ("Staff's Third Request"), Item 1.
- a. Confirm that the Rural Utilities Service ("RUS") has not yet approved the proposed depreciation rates.

Response:

Cumberland Valley Electric has not received an approval letter from RUS.

- b. Explain Cumberland Valley's expectation regarding whether RUS will formally approve the proposed depreciation rates.

Response:

Typically, RUS has neither formally approved nor disapproved of Cumberland Valley's depreciation rates. However, because Commission Staff and the Attorney General have shown an interest in whether formal approval will be obtained, Cumberland Valley has sent numerous emails to RUS soliciting a response or approval letter regarding our depreciation study. We had received no response until recently. RUS has requested additional information from our consultant and they are currently communicating back and forth. Cumberland Valley will supplement this response if and when it receives determination by RUS.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

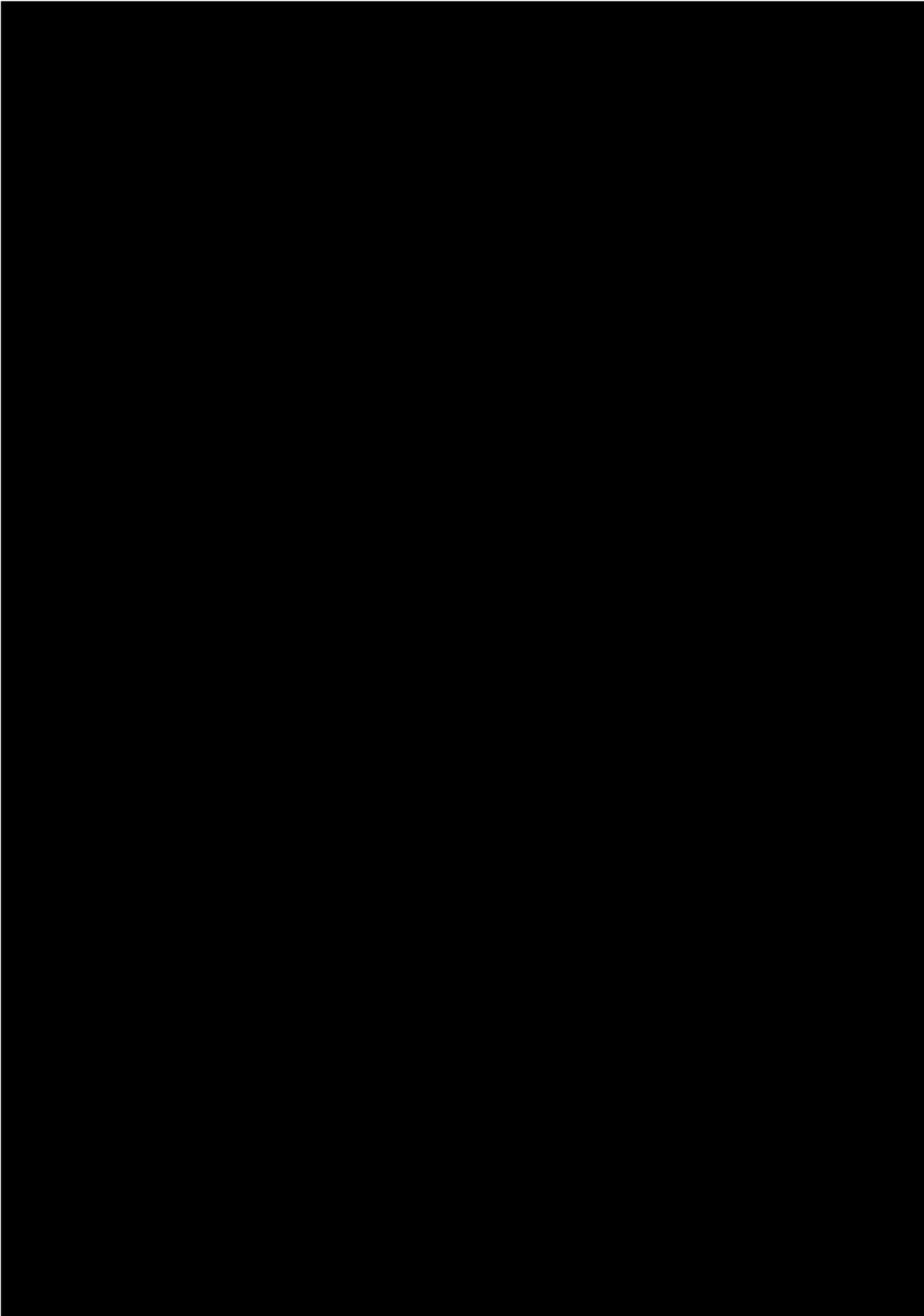
8. Refer to Cumberland Valley's response to Staff's Third Request, Item 2, page 4 of 4.

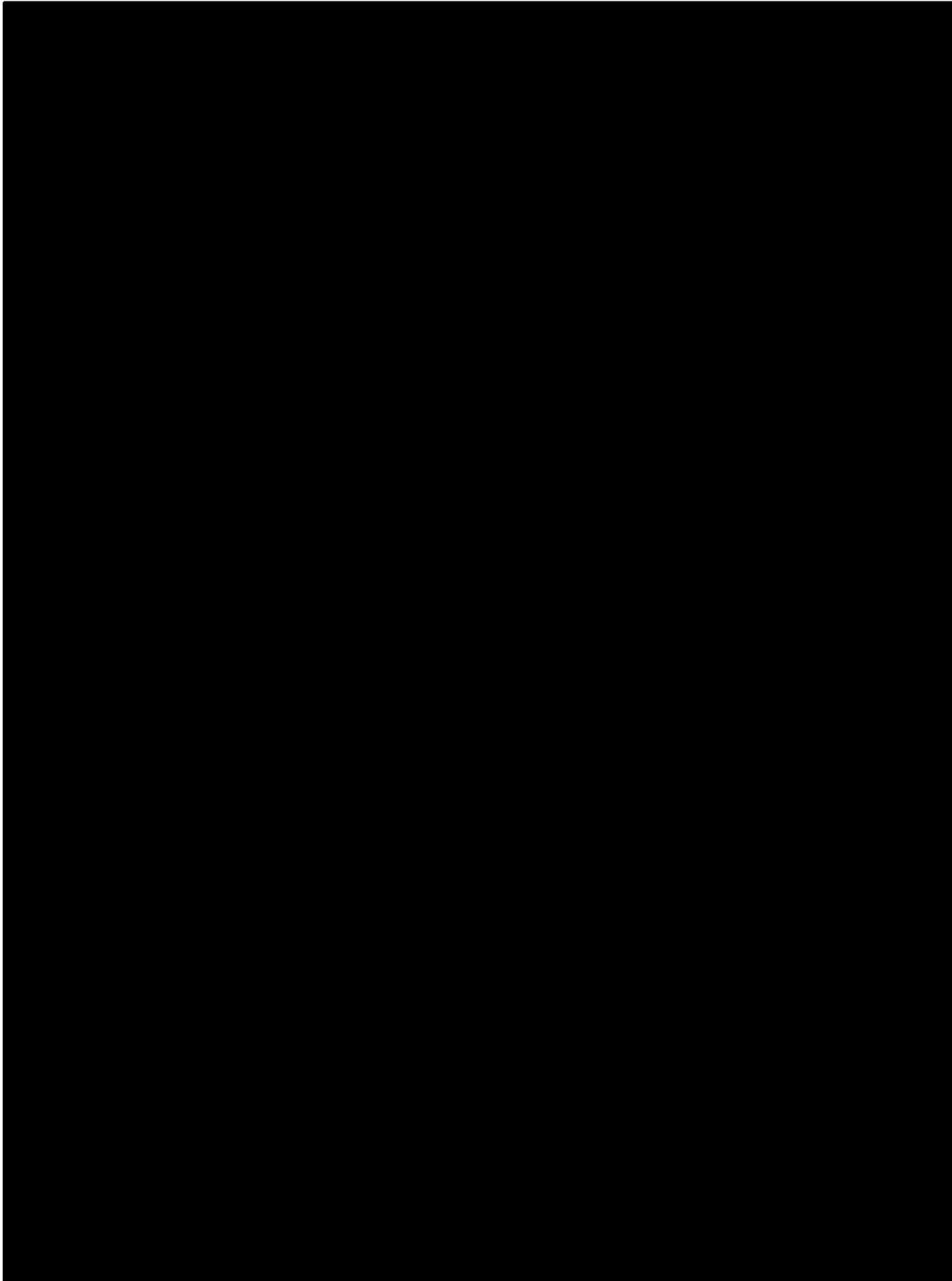
Provide complete tables showing all levels for the five job factors and a complete point allocation table that shows all levels.

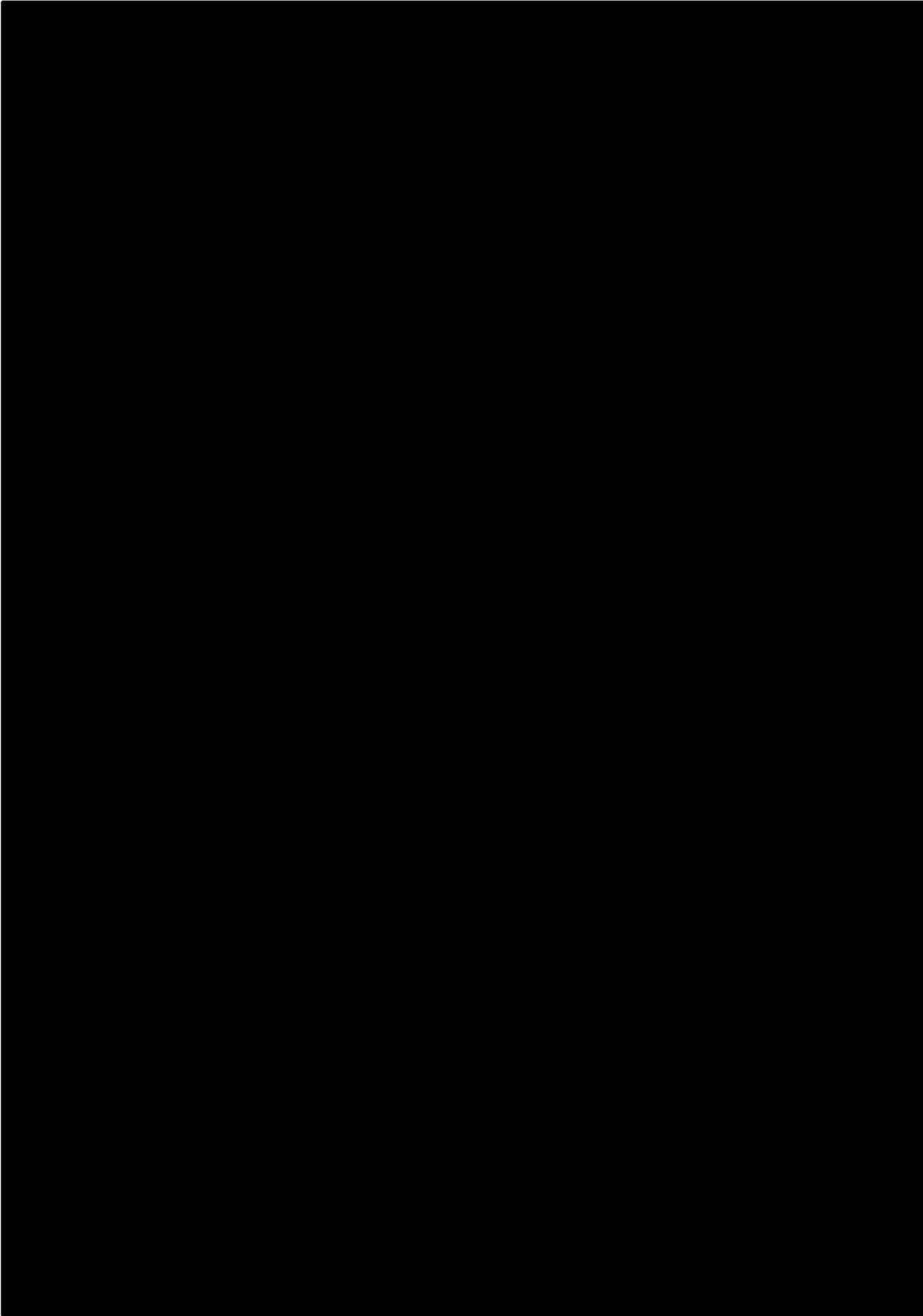
Response:

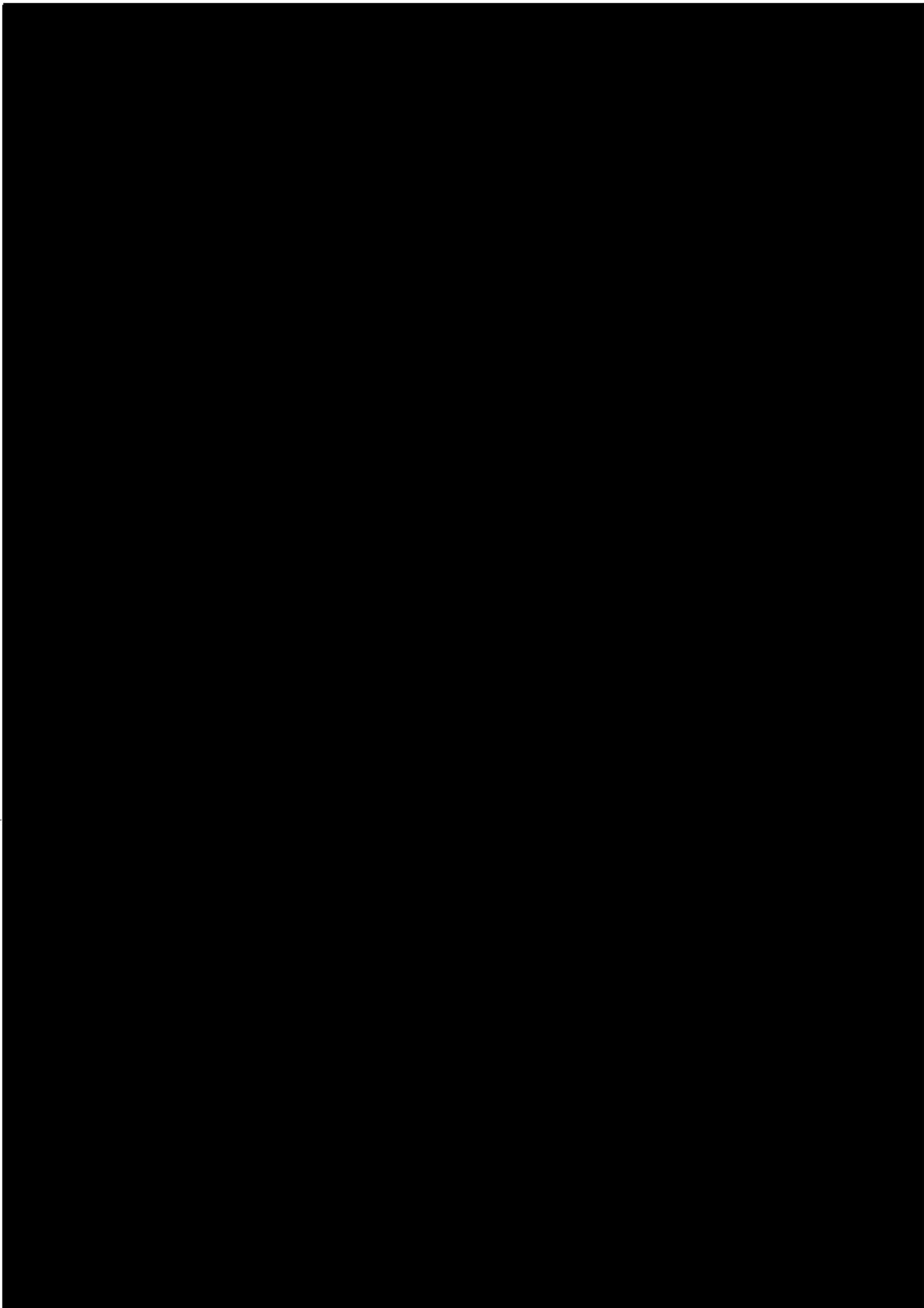
The requested information, which is the subject of a Motion for Confidential Treatment filed contemporaneously herewith, is provided on pages 2 – 7 of this response.

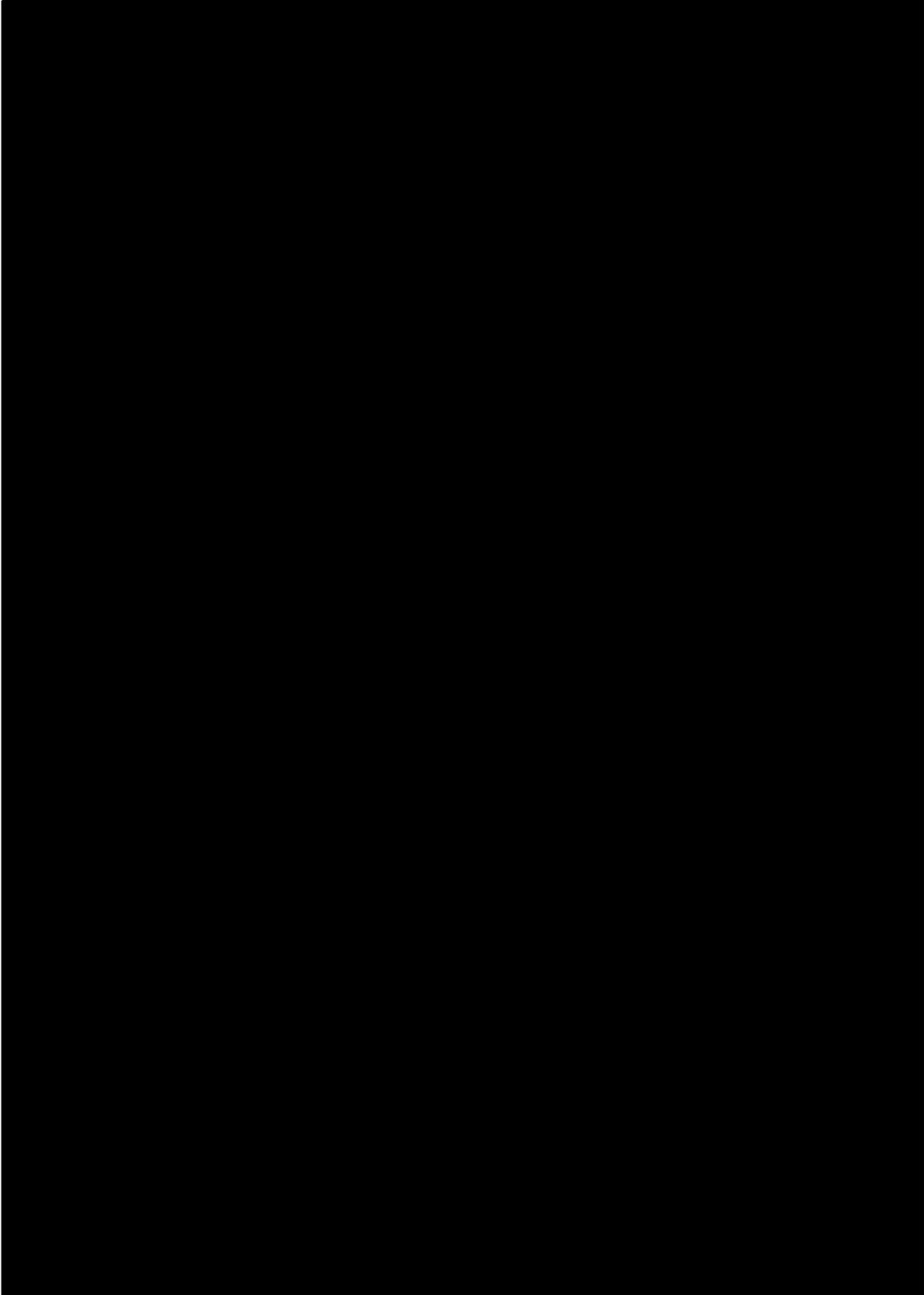
Additionally, attached at pages 8-24 are an Administrative Guide and Performance Evaluation Form concerning the wage and salary plan.

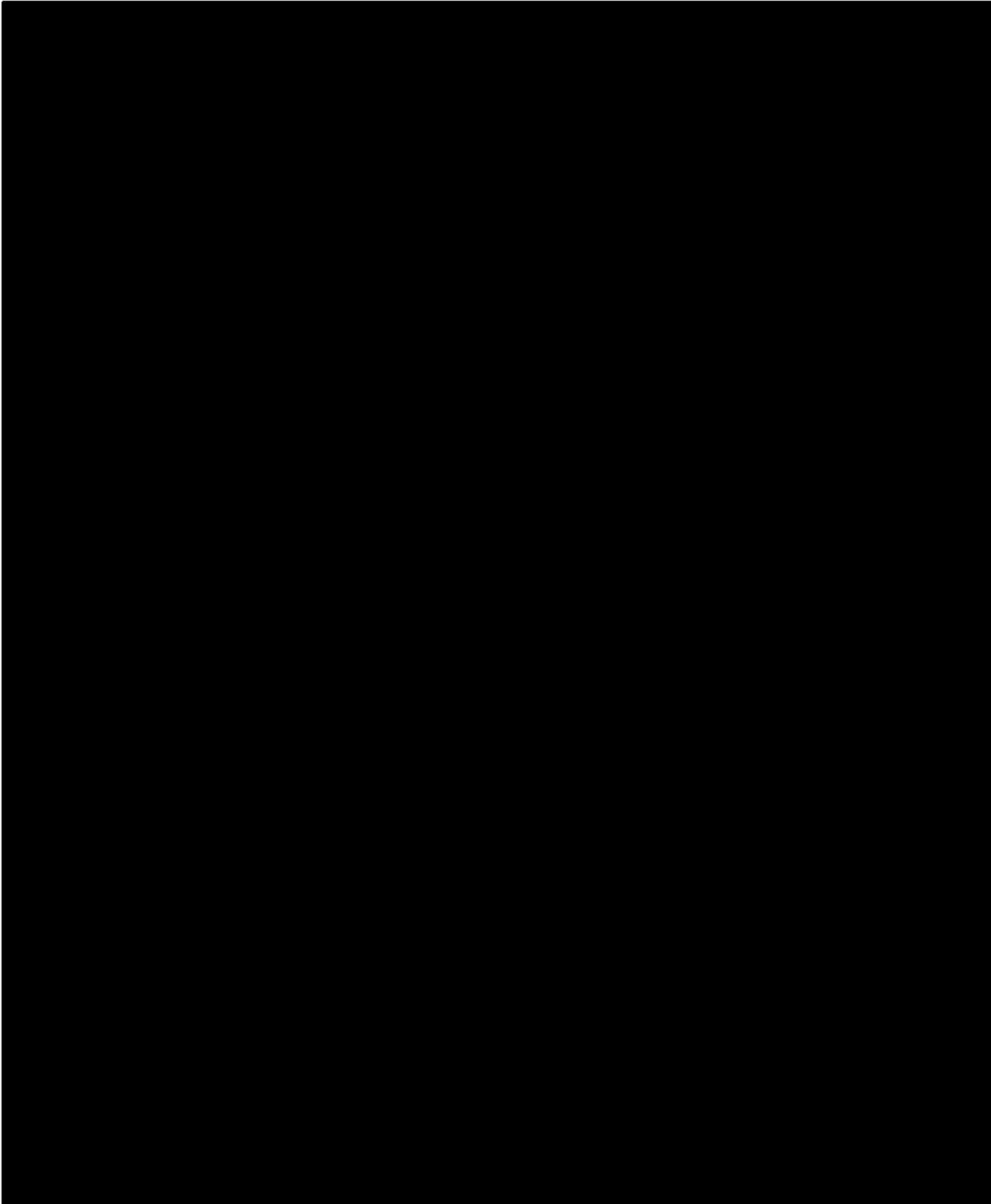












**Cumberland Valley Electric**  
**Wage and Salary Plan**  
**Administrative Guide**

## Table of Contents

<b>OBJECTIVE .....</b>	<b>3</b>
<b>JOB EVALUATION .....</b>	<b>3</b>
<b>SALARY STRUCTURE .....</b>	<b>4</b>
<b>DEFINITIONS OF THE AREAS OF A SALARY RANGE .....</b>	<b>5</b>
<b>DETERMINATION OF INDIVIDUAL PAY RATES .....</b>	<b>6</b>
<b>MERIT INCREASES .....</b>	<b>8</b>
<b>HIRING RATE .....</b>	<b>8</b>
<b>PROMOTIONAL INCREASES .....</b>	<b>9</b>
<b>LATERAL TRANSFERS .....</b>	<b>10</b>
<b>DEMOTIONS .....</b>	<b>10</b>
<b>SALARY PROBATION .....</b>	<b>11</b>
<b>APPROVAL OF SALARY ACTION .....</b>	<b>11</b>
<b>REVIEW AND UPDATE OF WAGE AND SALARY PLAN .....</b>	<b>12</b>
<b>PERFORMANCE APPRAISAL .....</b>	<b>12</b>
<b>DEFINITIONS OF PERFORMANCE LEVELS .....</b>	<b>12</b>
<b>INCENTIVE PROGRAM FOR EXEMPT EMPLOYEE .....</b>	<b>14</b>
<b>WAGE AND SALARY POLICY .....</b>	<b>15</b>

## Wage and Salary Administrative Guide

### Objective

The objectives of the compensation program are the following:

- To establish a wage and salary plan which will attract and retain qualified personnel and encourage employee work performance, growth, and development.
- To provide a wage and salary plan which will enable management to provide wages and salaries on a fair, systematic, and controlled basis which will avoid unnecessary salary expense and one which will permit management budget control of wage and fringe benefit cost requirements.
- To ensure that salary opportunities for employees reflect changes in competitive compensation trends and economic conditions.
- To determine salary increases and promotions on the basis of demonstrated individual performance.
- To maintain consistency in application of general pay practices throughout the Company.

### Job Evaluation

Each position within the pay plan is evaluated according to the Compensation plan point factor system. This point factor system allows the Company the capability to rank all positions, regardless of type, according to the standard

factors of Expertise, Leadership, Accountability, Problem Solving and Intercommunication. Each factor is equally weighted, allowing each position to total a sum between 200 and 2000 points. The differences between point values reflect the differences in relative value of positions to the Company.

Job evaluation considers the tasks actually performed and the tasks for which management holds the employee accountable. As positions develop or change with respect to responsibilities or other job aspects, the position will be reevaluated to determine whether or not there is currently a compensable difference. If a job is re-graded upward, the incumbent may be eligible for a pay adjustment. Positions will be reviewed and reevaluated whenever substantial changes are made to the duties and responsibilities within a position. At such time, the evaluation committee will jointly evaluate the position. The same group will also jointly evaluate all new or updated positions. As positions change or develop, supervisors should document the changes in the job description, have the amended description authorized by President & CEO and forwarded to the Director of Human Resources for re-evaluation.

### **Salary Structure**

Salary structures are developed by using a polynomial regression model that merges point values of selected benchmark positions with external salary survey data. (Benchmark positions were selected by comparing job responsibilities performed at the Company with those described in salary survey data. When there was an appropriate "match" in duties, the position was selected.) The result is the establishing of the Company's competitive salary midpoint line.

Salary grades are constructed with a fixed number of points per grade. These grades allow for easier administration of the jobs that evaluate to approximately the same value. Each position in the pay plan will be assigned a salary range consisting of five basic control points--minimum, lower third, mid-point, upper third, and maximum. These ranges are designed to allow growth within a salary

grade commensurate with employee contribution to the Company. Pay ranges shall be comparable to prevailing rates for similar work in the area and in other similar organizations throughout the country.

### **Definitions of the Areas of a Salary Range**

Each salary range consists of three basic parts: (1) lower third, (2) middle third, and (3) upper third, as well as the minimum, midpoint, and maximum.

Minimum - The minimum of a salary range is the minimum that the Company intends to pay for the position evaluated in that salary range. Each employee paid at, or slightly above, the minimum of the salary range will possess at least minimum qualifications for the position.

Lower Third Range - The lower part of the salary range will be used for the following employees: (1) the newly hired, (2) individuals recently promoted to a higher-level position, (3) less-experienced employees, and (4) individuals whose performance is below expectations, and who are, therefore, considered acceptable employees.

Midpoint - The midpoint of the salary range reflects the calculation point of the salary structure and is directly affected by changes in market values.

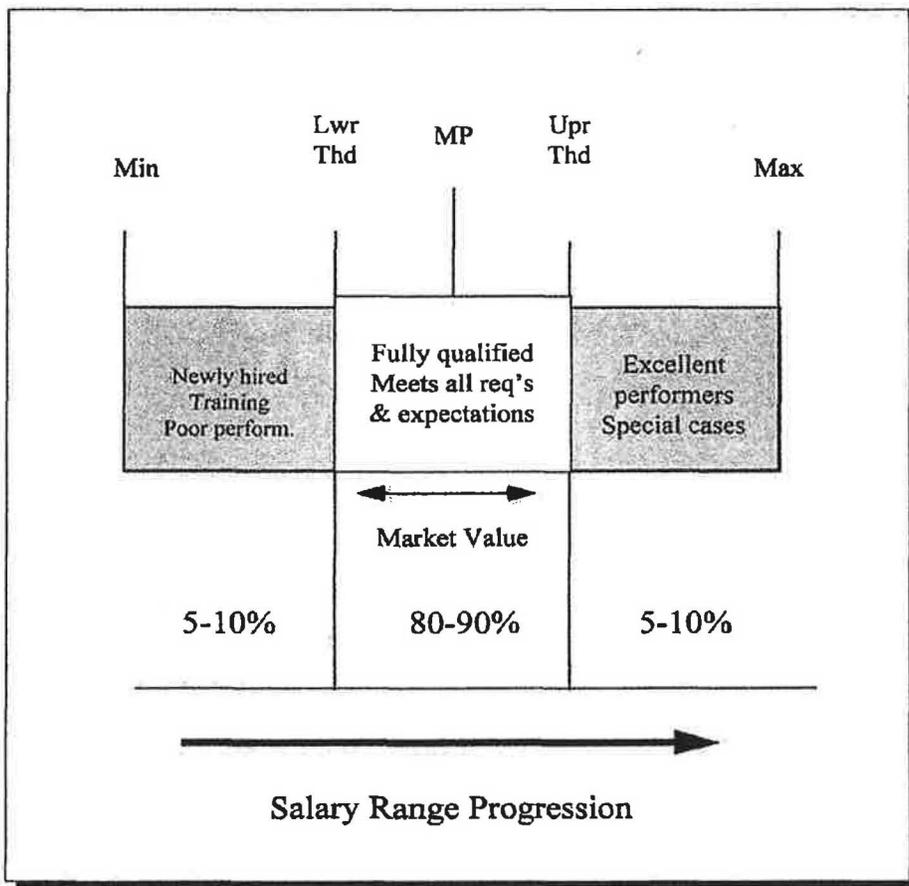
Middle Third Range - It is the objective of the Company to pay fully qualified, satisfactorily performing employees in the middle portion of the salary range at or near the midpoint. Such employees should progress to this area of the salary range within a reasonable period of time. It is expected that most employees will be paid in this area of the salary range.

Upper Third Range - The upper part of the salary range will be used for employees whose performance is consistently outstanding. Employees paid in this area of the salary range ordinarily will be individuals whose

performance is consistently outstanding and exceeds performance standards.

Maximum - Only in unusual circumstances will employees be paid above the maximum of their salary range. Any action that would place an employee above the salary range requires the explicit approval of the President & CEO.

Salary Structure Regions and Distribution



**Determination of Individual Pay Rates**

Every employee should be paid at least the minimum for his or her position, provided that his or her capabilities and performance adequately meet the minimum expectations for that position. Where the salary of a qualified individual is less than the minimum for his or her grade, it should be raised to the minimum upon demonstration that the employee's performance is meeting the minimum expectations for that position. However, if this individual's salary is considerably below minimum (i.e., 10% or more), adjustments shall be made in more than one step. In this way, a continuing incentive for performance improvement is provided even as salaries are being raised to the minimum.

The lower third of the range is considered proper compensation for new or recently promoted employees. Generally these are incumbents who meet or surpass minimum expectations but who lack the experience and qualifications to meet most of the position expectations consistently.

The middle third of the range is considered proper compensation for experienced and fully qualified employees whose performance consistently meets the requirements of the job.

The upper third of the salary range is usually used for employees who, typically, have many years of experience in a position and whose performance consistently exceeds expectations. Employees in the upper third are often candidates for promotion in the near future.

No employee should be paid more than the maximum of the range established for his or her position, except in the case that the incumbent qualifies for an increase under the policy dealing with exceptional performance or his or her actual salary was greater than the range maximum when the range was established. In this case, he or she should receive no further increases unless qualified as an exceptional performer. Every effort should be made to bring the position assignments of employees whose salaries are above range maximums into line with their abilities. Managers should encourage such employees to prepare themselves for increased responsibilities, where applicable. However, it is to be expected that some people will be unable to take on additional responsibilities, and this will place a limit on their salary advancement.

An effectively administered salary program will result in the equitable positioning of employee salaries within the salary range over time. For example, consistently exceptional performers should be higher in their salary range than those who are satisfactory performers. Long term employees would be expected to be higher in their salary range than those with less tenure in the same grade, assuming comparable levels of performance. Generally, the majority of individual salaries will fall in the middle third of the salary range.

### **Merit Increases**

Within the financial parameters approved by the Board, the President & CEO, based on the recommendation of the Director of Human Resources, will annually determine merit increase guidelines. These guidelines will be communicated to all Department Managers for their use in determining merit increase amounts for employees under supervision.

A merit increase is an increase based on an employee's performance and is an increase within the assigned salary range. The size of a merit increase awarded to an employee will be based upon: (1) performance in accomplishing the duties and responsibilities of the assigned position, (2) the time interval since employment or the last merit or promotional increase, (3) the position, in the range, of the employee's current salary, and (4) the ability of THE COMPANY to provide an increase. All merit increases must be fully documented by performance review.

### **Hiring Rate**

All vacancies shall be filled on the basis of merit and in accordance with all state and federal equal opportunity and other legal requirements. Whenever there are employees within the system who are able to qualify, they will be considered for such vacancies. In making promotions, the MOST QUALIFIED INDIVIDUAL WILL BE SELECTED. Wherever vacancies occur, management may consider

applications from those outside the system and will select the best-qualified applicant on the basis of merit.

New employees who meet or exceed minimum qualifications and skills required for satisfactory performance will be paid at least the minimum of the salary range. However, new employees may be paid salaries between minimum and the midpoint of the range but will ordinarily be paid a salary within the lower third of the ranges. Decisions to hire above the midpoint must be approved by the President & CEO and reviewed by the Director of Human Resources.

In some instances, it may be appropriate to hire a new employee who does not possess the minimum qualifications and skills for the position, but who appears to have the potential for developing such qualifications and skills in a short period of time. In such instances, an applicant may be hired below the minimum rate and placed in a lower grade for the position. The salary of an employee hired under these conditions must be brought to the minimum of the salary range within six (6) months of the date of hiring.

All new employees will serve a six-month performance evaluation period. The period will begin on the first day of assumption of duties. These employees will be reviewed by their supervisors at the end of three months and again at the end of six months. At that time, a determination will be made as to employment status and salary adjustments, if appropriate.

### **Promotional Increases**

A promotion is an assignment to a position with increased responsibilities in a higher salary range than the individual's current salary range. Promotional increases will follow these guidelines: (1) a promotional increase ordinarily will be granted at the time of the promotion, (2) a promotional increase should generally bring the employee's salary at least to the minimum of the new salary range, (3) a promotional increase should be similar to a merit increase to recognize the greater duties and responsibilities an employee is assuming. Should a promotional increase occur at the same time as the merit increase,

such promotional increase will be coordinated with the merit increase. Generally, a promotional increase should bring the individual an increase in pay of at least 5% and at least to the minimum of the new salary range or a promotional bonus equivalent to the intended percentage.

In some cases it may be appropriate to withhold a promotional increase to evaluate an employee's suitability and performance in the new position. In such cases, a delay in granting a promotional increase will not be made for longer than six (6) months. By the end of this period, a promotional increase must be granted. An employee not performing as expected shall be reassigned to a more appropriate position or terminated.

### **Lateral Transfers**

A lateral transfer is the transfer of an employee to a position in the same salary range as his or her current position. These transfers do not provide an increase in salary. The employee's performance normally will be reviewed and a merit increase considered under the established merit increase policies.

When extenuating circumstances are present, a justification for an increase in salary for a lateral transfer may be present. The Director of Human Resources must review and the President & CEO must approve all such salary actions for employees who are given lateral transfers.

### **Demotions**

A demotion may be due to unsatisfactory performance or result from an organization change. If a demotion results from unsatisfactory performance, the salary of the employee will be reduced to the appropriate salary range, and the new salary will not exceed the maximum of said salary range. If the salary prior to demotion is within the salary range of the new position, it may be reduced to an appropriate level. Upon the recommendation of the Department Manager and the Director of Human Resources and upon approval of the President &

CEO, a demoted individual whose salary exceeds the maximum of the new range may be frozen at his or her current rate.

A demoted employee will receive further salary consideration according to the policies and procedures governing merit increases. All actions which reduce an employee's salary must be reviewed by the Director of Human Resources and approved by the President & CEO.

### **Salary Probation**

An employee whose performance is considered unsatisfactory will be denied an increase and placed on salary probation. The employee will be reviewed again at the end of a three (3) month period. If performance continues to be unsatisfactory at the time of review, the employee may be terminated or may be continued on salary probation for an additional three (3) months. Performance will again be reviewed; and if performance continues to be unsatisfactory, appropriate action will be taken up to and including termination of employment.

If performance improves during the probation period, the employee will be released from salary probation and will be reviewed on his or her regular anniversary date. Appropriate salary action may be taken when salary probation is lifted or at the employee's next review date. All salary probation actions must be fully documented.

### **Approval of Salary Action**

Salary actions that fall within the guidelines defined in this Policy will be reviewed by the Director of Human Resources after approval by the affected employee's Department Manager. Salary actions that do not fall within the policies defined in this Policy require the approval of the President & CEO in addition to the above approvals.

## **Review and Update of Wage and Salary Plan**

In August of each year, the President & CEO will recommend any revisions necessary in the wage and salary plan. On an annual basis external competitiveness will be determined through the use of salary surveys and the updating of the Company's Compensation plan compensation model. This model will be sensitive to changes in the labor market for specific benchmark positions. Salary ranges will be modified as necessary in order to keep the ranges competitive.

## **Performance Appraisal**

Individual performance plays an important role in determining salary adjustments. The recognition of employee performance establishes the principle that base salary actions will be determined individually rather than solely on a longevity or economic basis.

Each employee will have a performance appraisal and development interview at least once a year. New employees will also receive a performance appraisal at the completion of the first six (6) months of employment.

## **Definitions of Performance Levels**

Excellent: The employee performs all duties and responsibilities of the position in an outstanding manner. Performance consistently exceeds job standards all the time. Quality of work is excellent.

Exceeds Expectations: This level indicates that the employee's performance clearly and consistently exceeds the criteria and standards of this factor. Employee demonstrates exceptional proficiency in performing the activities related to this critical competency. Quality of work is very good.

Meets Expectations: The employee's performance in this area meets the expected standards of this critical competency. Performance is steady,

reliable, and maintained with a minimum amount of supervision. Quality of work is good. Most employees fall into this category.

Needs Improvement: This level is appropriate if the employee's performance is sometimes acceptable but is not consistent in meeting the normal standards expected. Employee needs to improve in this area. Performance at this level needs development and improvement in order to meet expectations. Quality of work is inconsistent.

Unsatisfactory: The employee's performance falls short of the minimum criteria and standards of this competency. Employee demonstrates performance clearly below the level of acceptability and immediate and substantial improvement is necessary to address this area. Quality of work is poor.

### **Incentive Program for Exempt Employee**

The purpose of this section is to provide management a vehicle to reward salaried employees not eligible for additional pay, when they are required to work excessive hours on projects, or during system emergencies. This program will only apply when the employee has been required to work in excess of 50 hours in a normal workweek. The project must be of proven economic benefit to the Company and approved by the President & CEO prior to the work being performed. During emergencies causing widespread power outages exempt employee assigned to assist operations should be at the request of the President & CEO.

Under the conditions stated above the exempt employee will be eligible for compensation at a rate equal to straight time at his/her annualized hourly rate. This compensation is subject to a recommendation of the employee's supervisor and approval by the President & CEO.



## Annual Performance Appraisal

Employee: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Supervisor: \_\_\_\_\_

Instructions: The purpose of this report is the assessment of specific corporate competencies as well as the essential job-based performance skills for each employee. Based on the definitions of the following critical competencies, select the rating that most accurately describes the employee's performance in each area. Review the job description and ensure that it is current and accurate. Comments regarding the work performed by the employee to clarify ratings must be completed for each factor.

### Performance Rating Definitions

**Excellent** *On a scale of 1 (low) to 10 (high), this rates a 9-10*  
The employee performs all duties and responsibilities of the position in an outstanding manner. Performance consistently exceeds job standards all the time. Quality of work is excellent.

**Exceeds Expectations** *On a scale of 1 (low) to 10 (high), this rates a 7-8*  
This level indicates that the employee's performance clearly and consistently exceeds the criteria and standards of this factor. Employee demonstrates exceptional proficiency in performing the activities related to this critical competency. Quality of work is very good.

**Meets Expectations** *On a scale of 1 (low) to 10 (high), this rates a 5-6*  
The employee's performance in this area meets the expected standards of this critical competency. Performance is steady, reliable, and maintained with a minimum amount of supervision. Quality of work is good. Most employees fall into this category.

**Needs Improvement** *On a scale of 1 (low) to 10 (high), this rates a 3-4*  
This level is appropriate if the employee's performance is sometimes acceptable but is not consistent in meeting the normal standards expected. Employee needs to improve in this area. Performance at this level needs development and improvement in order to meet expectations. Quality of work is inconsistent.

**Unsatisfactory** *On a scale of 1 (low) to 10 (high), this rates a 1-2*  
The employee's performance falls short of the minimum criteria and standards of this competency. Employee demonstrates performance clearly below the level of acceptability and immediate and substantial improvement is necessary to address this area. Quality of work is poor.



Corporate Image	
<input type="checkbox"/> Excellent	<input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory
Employee is mission aligned and personally connects to the cooperative mission to provide exemplary member service. Actively presents a positive image of the cooperative through professional conduct and workmanship. Demonstrates tact, integrity and respect in dealings with members and business associates. Utilizes opportunities to support and promote the mission of the cooperative. Demonstrates a sense of responsibility and commitment to the public perception of the cooperative.	
Comments/Examples:	
<hr/> <hr/> <hr/>	
Problem Solving / Initiative	
<input type="checkbox"/> Excellent	<input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory
Displays leadership within the workplace environment. Anticipates needs/problems and develops effective solutions and has the ability to differentiate between decisions which can be made independently and those which should be deferred. Seeks improvement through original thought and strives to initiate new ideas and better ways to do things (cost and/or operation efficiency). Demonstrates resourcefulness as well as an ability to think beyond usual methods.	
Comments/Examples:	
<hr/> <hr/> <hr/>	
Job Performance	
Supervisor has reviewed Job Description prior to Appraisal – <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Excellent	<input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory
Employee possesses and applies the knowledge and skills necessary to perform all aspects of the job. Employee demonstrates competency, embraces technological changes and keeps up to data on developments and changes. Adheres to company policy and workplace guidelines (i.e. safety, internal controls, confidentiality, etc.).	
Comments/Examples:	
<hr/> <hr/> <hr/>	



Teamwork and Interpersonal Skills	
<input type="checkbox"/> Excellent <input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory	
Employee cooperates and works harmoniously with supervisors, peers and/or subordinates. Fosters relationships, resolves conflicts and shares information to achieve organizational results. Listens to the needs of others, accepts constructive feedback and subordinates personal preference for the benefit of the work team. Exhibits trust and integrity in dealings with co-workers.	
Comments/Examples: _____ _____ _____	
Planning / Organizing	
<input type="checkbox"/> Excellent <input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory	
Employee identifies obstacles and sets goals to achieve results. Establishes priorities and organizes resources (tools, materials, equipment, time, etc.) in order to complete assignments on time and to specifications while producing the expected quantity of work results. Employee displays adaptability and flexibility in adjusting to changes in assignments and working conditions.	
Comments/Examples: _____ _____ _____	
Reliability / Dependability	
<input type="checkbox"/> Excellent <input type="checkbox"/> Exceeds Expectations <input type="checkbox"/> Meet Expectations <input type="checkbox"/> Need Improvement <input type="checkbox"/> Unsatisfactory	
Employee is self-directed, resourceful and can be depended upon to meet schedules and fulfill job responsibilities and commitments. Employee takes responsibility (Sees what needs to be done and does it!) and follows through with job assignments with minimal supervision. Individual demonstrates reliability and is available as needed to accomplish organizational goals.	
Comments/Examples: _____ _____ _____	

Sign and Date	
I have read my job description and this performance report with my supervisor. My signature indicates that I have read this report. I may not necessarily agree with the contents.	
Employee: _____	Date: _____
Supervisor: _____	Date: _____
President/CEO: _____	Reviewed: _____

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

9. Refer to Cumberland Valley's response to Staff's Third Request, Item 5.b., page 2 of 2, and the response to Staff's Second Request, Item 2. Explain the discrepancy in the operating margins indicated for 2012 and 2013. Provide the correct amounts for both years.

Response:

The operating margins provided in response to Staff's Third Request, Item 5.b., were incorrect. The correct amounts for operating margins for the years 2012 and 2013 are -\$123,203.16 and -\$101,791.94 respectively. These amounts are the same as contained in Cumberland Valley's response to Item 2 of Commission Staff's Second Request.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

10. Refer to Cumberland Valley's response to Staff's Third Request, Item 5.b., page 2 of 2.

Provide detailed specific explanations for the annual changes in the major expense categories of 5 percent or more.

Response:

Expense Category	Years Compared	Explanation
Distribution Oper.	2012 to 2013	The increased expense is attributable to higher property tax and the use of underground locating service previously not used by CVE in 2012.
Distribution Maint.	2010 to 2011	CVE had fewer meters that needed to be sent in for testing in 2011 which reduced labor costs and testing fees in this category, CVE also had to reclassify an invoice in 2011 for special equipment that was expensed during 2010.
Distribution Maint.	2011 to 2012	CVE had increased expenses for Right-of-Way cutting in 2012, along with more meters sent in for testing which increased labor and testing fees.
Distribution Maint.	2012 to 2013	CVE decreased the number of Right-of-Way crews used during 2013.
Distribution Maint.	2014 to 2015	CVE increased the number of Right-of-Way crews back to normal levels in 2015.
Consumer Service	2010 to 2011	Labor charged to the 908.00 decreased due to transition of responsibilities within the Member Services Department.
Consumer Service	2011 to 2012	Labor increased in the 908.00 account due to the hiring of a full time Member Services employee.
Consumer Service	2012 to 2013	Reimbursement payments from EKP for rebate programs offset expenses in the 908.00 in 2013.
Consumer Service	2013 to 2014	Increased rebates taken advantage of by members and increased promotion of rebate programs.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Consumer Service	2014 to 2015	CVE received an increase in the reimbursements paid by EKP for rebate programs, which offset expenses in the 908.00 account.
Admin. & General	2012 to 2013	Changes in employee responsibilities led to more Labor being charged to 920.0 account.
Admin. & General	2013 to 2014	Labor being charged to 920.0 account increased due to a change in employee responsibilities.
Depreciation	2014 to 2015	Increase in the distribution plant resulted in higher depreciation expense in 2015.
Interest on LTD	2010 to 2011	Refinanced RUS debt with NCSC, and lower interest rate on variable FFB debt.
Interest on LTD	2011 to 2012	Lower interest rate on variable FFB debt.
Interest on LTD	2012 to 2013	Refinanced CFC debt with CoBank.
Interest on LTD	2014 to 2015	Converted a portion of CVE's FFB loans from variable to fixed.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

11. Refer to Cumberland Valley's response to Staff's Third Request, Item 14.c.
- a. Provide the Board of Directors' decision regarding Cumberland Valley's implementation of a wage and salary plan. If a decision has not been made at this time, provide the reasons why, and when a decision is expected.

Response:

The wage and salary plan was approved by the Board of Directors at the September 2016 board meeting. A copy of the adopted Wage and Salary Policy is attached at page 2 of this response. In light of this pending proceeding, Cumberland Valley's ongoing negotiations with union labor, and the fact that full implementation/funding of the wage and salary plan would result in increased costs to the Cooperative, no compensation changes have taken place at this time.

- b. Provide the board minutes from September 2012 referenced in the response approving salary increases for non-union employees for the same time frame as the union contract.

Response:

Please see pages 3 thru 5 of this response.

## Cumberland Valley Electric

### Wage and Salary Policy

#### I. Objectives

- A. To establish salaries that will attract and retain qualified personnel and encourage strong performance, growth and development.
- B. To provide the employees with an assurance that his or her salary compares fairly with what is paid for other positions having similar duties and responsibilities within the area that the Company recruits.
- C. To assure both management and employees that performance will be appraised systematically, fairly and consistently, and that each employee will be provided with the advice, counsel, assistance and training needed to enable him or her to develop, improve and advance within the organization within demonstrated capabilities.
- D. To enable management to determine more accurately budget requirements and training needs and to do this on a planned and controlled basis.

#### II. Policy Content

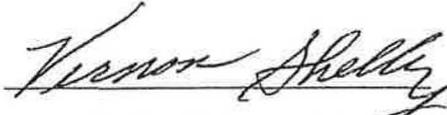
- A. Each year, President & CEO shall present to the Board of Directors any revisions to the ranges in the Wage and Salary Plan. These revisions will be based on the Compensation plan methodology, which reflect changes in labor market values.
- B. The President & CEO shall recommend an annual salary increase budget to the Board of Directors for their consideration and action no later than the September regular board meeting. This budget will include both market and merit increases.

#### III. Responsibility

The President & CEO is responsible to fulfill the provisions of this policy and to report annually to the Board of Directors on how the plan is being administered.

The Board of Directors is responsible for approving any changes in this policy.

Adopted: September 15, 2016

  
Vernon Shelley, Chairman of the Board

## REGULAR BOARD MEETING

September 13, 2012

The regular meeting of the Board of Directors of Cumberland Valley Electric, Inc. was held at Gray, Knox County, Kentucky on Thursday, September 13, 2012 at 6:00 p.m.

Vernon Shelley, President	Elbert Hampton, Director
Roger Vanover, Vice President	Kermit Creech, Director
Lansford Lay, Secretary-Treasurer	Kevin Moses, Director
Chester Davis-Director,	

Comprising of the Board of Directors, Pat Hauser, Attorney, was also present.

The following topics were discussed:

1. Minutes
2. Connects
3. Managers Report
  - a. Safety Report
  - b. Right of Way
  - c. Operating Report
  - d. Engineer's List
  - e. Serviceman's Report and Billing Manager's Report
4. Line Loss
5. Remodeling of Office Building
6. Work Plan
7. Resolution
8. Power Requirement Study
9. Salary Employees Raises
10. Attorney
11. Adjournment

### MINUTES

Upon motion made by Mr. Kermit Creech, seconded by Mr. Roger Vanover the minutes of the August 9, 2012 meeting were approved as mailed with all directors voting yes.

### NEW CONNECTS

Upon motion made by Mr. Roger Vanover, seconded by Mr. Kevin Moses the one hundred eighty three (183) new paying membership fees were approved as written with all directors voting yes.

### MANAGER'S REPORT

Mr. Hampton discussed the following:

- : Safety with no accidents.
- : Right of Way Crew working in Letcher County.
- : Bush Hog Crew working KY 1304 in Knox County.

: No operating report presented for the month of August due to Barbara Elliott attending a training session in St. Louis.

: Engineers Report from Chad Ferguson and Hannah Garland.

: Linda Whites Billing Report of meter changes, readings and cut-offs for August.

#### **LINE LOSS REPORT**

Mr. Hampton presented the Line Loss Report and advised the board that Brian Stavish a CFC Representative would be attending the October Board Meeting to present his report.

#### **REMODELING OF BUILDING**

Mr. Hampton advised the board that Mr. Worley would be taking bids on remodeling the office building on September 17, 2012.

#### **WORK PLAN**

Mr. Hampton advised the board that the Construction Crew was doing nicely on the Work Plan.

#### **RESOLUTION**

A resolution on Retirement and 401K Pension Plan was reviewed at the meeting and after careful review a motion was made by Mr. Kevin Moses seconded by Mr. Chester Davis to approve the attached Resolution.

#### **POWER REQUIREMENT STUDY**

Mr. Hampton presented the Power Requirement Study from East Kentucky Power Cooperative and after discussion a motion was made by Mr. Lansford Lay, seconded by Mr. Roger Vanover to approve the Power Requirement Study.

#### **ATTORNEY**

Mr. Pat Hauser stated there were no litigations against CVE at the present.  
Mr. Elbert Hampton gave a report on East Kentucky Power.

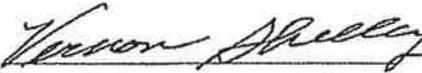
#### **SALARY EMPLOYEES RAISES**

The salary employees at CVE were awarded an increase in pay as the same for the union employees with a motion from Mr. Kevin Moses, seconded by Mr. Lansford Lay. The union employees were awarded a raise from the 2012 Union Negotiations held in August.

**ADJOURNMENT**

With no further business before the board, a motion was made by Mr. Elbert Hampton, seconded by Mr. Lansford Lay to adjourn the meeting.

  
Lansford Lay, Secretary-Treasurer

  
Vernon Shelley, President

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

12. Refer to Cumberland Valley's response to Staff's Third Request, Item 18.a. Provide the details for the two loans converted from variable to fixed rates since the end of the test year. Include lender, loan number, dates of issue and maturity, amount outstanding, old and new interest rates, and annual interest expense.

Response:

Loan Number	H0055	H0060
Lender	Federal Financing Bank	Federal Financing Bank
Loan Issue Date	January 2010	July 2011
Loan Maturity Date	December 2042	December 2042
Outstanding Amt. (10/31/16)	\$2,420,529.22	\$3,379,576.57
Previous Interest Rate (Var.)	0.339%	0.339%
Current Interest Rate (Fixed)	2.286%	2.286%
Annual Interest Expense	\$55,333.30	\$77,257.12

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

13. Refer to Cumberland Valley's response to Staff's Third Request, Item 18.f. Provide the September 2016 negotiated union contract and all work papers supporting the negotiated annual wage and salary increases, including board minutes and documentation of negotiation meetings.

Response:

Cumberland Valley believes that this item intended to reference Staff's Second Request, Item 18.f., rather than Staff's Third Request. In any event, a contract has not yet been executed by and between Cumberland Valley and its union labor and settlement negotiations are ongoing. Documentation can be provided after settlement has been reached.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

14. Refer to Cumberland Valley's response to Staff's Third Request, Item 26, and Exhibit 17 of the Application. The response states that dental insurance and long-term disability expense should have been listed on Exhibit 17.

- a. Confirm that the amounts listed for benefits on Exhibit 17 do not include dental insurance expense of \$58,389 and long-term disability expense of \$38,071.

Response:

Confirm.

- b. If part a. is confirmed, provide a revised Exhibit 17 that includes dental insurance and long-term disability.

Response:

The revised Exhibit 17 is attached.

- c. Explain the impact on Cumberland Valley's requested revenue increase as a result of including dental insurance and long-term disability in Exhibit 17.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

Response:

None, Exhibit 17 is for informational purposes only. Dental insurance and long-term disability expenses are already factored into Cumberland Valley's requested revenue increase.

Exhibit 17  
Page 1 of 1  
Witness: Jim Adkins

Cumberland Valley Electric  
Case No. 2016-00169  
Capitalization Policies

		Benefits <u>Distribution</u>
10	107.20	Construction work in progress 370,661
11	108.80	Retirement work in progress 27,219
12	163.00	Stores 29,494
13	184.10	Transportation 6,517
14	242.31	Employee sick leave 0
15	14300	Accounts receivable, other 15,098
16	583.00	Overhead line 21,051
17	586.00	Meter 85,129
18	587.00	Customer installations 190
19	588.00	Miscellaneous distribution 0
20	593.00	Overhead line 283,389
21	595.00	Transformers 345
22	597.00	Maintenance of meters 20,162
23	598.00	Miscellaneous maintenance 37,348
24	902.00	Meter reading 25,822
25	903.00	Consumer records 272,765
26	908.00	Consumer information 26,080
27	912.00	Demonstration and selling 0
28	920.00	Administrative 204,959
29	930.00	Miscellaneous 1,727
30	932.00	Maintenance general plant <u>6,121</u>
32		Total <u>1,434,077</u>

Benefits include the following:

35	Medical insurance	708,910
36	Life insurance	66,750
	Dental insurance	58,389
	Long term disability	38,071
37	R & S retirement	296,681
38	401(k)	<u>265,276</u>
40		<u>1,434,077</u>

CVE 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 average employee cost for 49 employees is \$29,267.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

15. Refer to Cumberland Valley's response to Staff's Third Request, Item 27.

- a. Explain under what circumstances Cumberland Valley would reconsider its practice of not requiring employee contributions for health, life, and single dental insurance premiums.

Response:

Cumberland Valley regularly reviews its compensation practices and strategies to ensure the hiring and retention of quality employees at reasonable cost. Cumberland Valley believes the total compensation (salary and benefits) it presently affords its employees is competitive and in line with (or less than) similar cooperatives; this fact is supported by the recently-adopted wage and salary plan, which will guide Cumberland Valley's efforts in this respect going forward. Notably, employee contributions are on the table in the current union negotiations and will be considered as part of all employees' total compensation.

- b. Provide Cumberland Valley's annual cost of all employee benefits for the years 2011 through 2015.

Response:

Year	Amount
2015	\$1,347,312.85

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

2014	\$1,269,204.71
2013	\$1,225,097.29
2012	\$1,246,158.48
2011	\$1,245,441.41

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

16. Refer to Cumberland Valley's response to Staff's Third Request, Item 28. Confirm that Cumberland Valley has not placed into its income any unclaimed capital credits that are older than five years. If confirmed, explain Cumberland Valley's practice as it relates to where the funds are reflected on Cumberland Valley's books.

Response:

Cumberland Valley Electric has not placed into its income any unclaimed capital credits. Any unclaimed capital credits would be reflected in account 217.00- Capital Credits Unclaimed.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

17. Refer to Cumberland Valley's response to Staff's Third Request, Item 32.

- a. Confirm that the data reviewed by Intandem for the 2015 and 2016 CEO surveys was provided by other electric cooperatives only.

Response:

The valuation was based on the NRECA National Compensation Survey, which is sourced solely from electric cooperatives.

- b. Define Region 3.

Response:

NRECA's Region 3 consist of the following states: Kentucky, Tennessee, Mississippi and Alabama.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

18. Refer to Cumberland Valley's response to Staff's Third Request, Item 37.b. An updated Exhibit K reflecting the corrected interest adjustment was not included. Provide a corrected Exhibit K that reflects the corrected interest adjustment.

Response:

The updated Exhibit K is attached.

Exhibit K  
page 1 of 7  
Witness: Jim Adkins

Cumberland Valley Electric  
Case No. 2016-00169  
Computation of Rate of Return  
November 30, 2015

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Net margins	\$ 2,266,320	\$ 1,199,412
G&T capital credits	(2,489,156)	-
Interest on long-term debt	<u>506,126</u>	<u>903,629</u>
Total	<u>\$ 283,290</u>	<u>\$ 2,103,041</u>
Net rate base	<u>\$ 66,289,286</u>	<u>\$ 66,070,122</u>
Rate of return	<u>0.43%</u>	<u>3.18%</u>
Equity Capitalization	<u>\$ 67,827,210</u>	<u>\$ 66,703,861</u>
Rate of return	<u>0.42%</u>	<u>3.15%</u>

Exhibit K  
page 2 of 7  
Witness: Jim Adkins

Cumberland Valley Electric  
Case No. 2016-00169  
Determination of Rate Base  
November 30, 2015

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Gross rate base:		
Total electric plant	\$ 100,810,405	\$ 100,810,405
Material and supplies (13 months average for test year)	444,962	444,962
Prepayments (13 months average for test year)	158,454	158,454
Working capital: 12.5% of operating expense less cost of power	991,384	991,831
	102,405,205	102,405,651
Deductions from rate base:		
Accumulated depreciation	36,032,638	36,252,248
Consumer advances	83,281	83,281
Net rate base	\$ 66,289,286	\$ 66,070,122

	<u>Material</u>	<u>Prepayments</u>
November, 2014	427,422	86,331
December	427,412	45,952
January	413,710	134,594
February	449,617	126,696
March	423,647	116,459
April	457,697	262,651
May	474,287	252,374
June	475,618	242,097
July	453,381	199,426
August	431,248	206,050
September	467,916	166,051
October	380,193	126,053
November	502,353	95,169
Average	444,962	158,454

Cumberland Valley Electric  
Case No. 2016-00169  
Computation of Rate of Return  
November 30, 2015

Exhibit K  
page 3 of 7  
Witness: James Adkins

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2015	2014	2013	2012	2011	2010	
Net margins	\$2,266,320	\$2,735,613	\$3,031,856	\$2,473,447	\$3,687,972	\$3,465,120
Interest on long-term debt	506,126	348,543	354,342	427,212	449,190	567,377
<b>Total</b>	<b>2,772,446</b>	<b>3,084,156</b>	<b>3,386,198</b>	<b>2,900,659</b>	<b>4,137,162</b>	<b>4,032,497</b>
<b>Net rate base</b>	<b>66,289,286</b>	<b>65,044,423</b>	<b>63,796,898</b>	<b>60,934,675</b>	<b>58,106,354</b>	<b>55,768,535</b>

**Rate of return**                      4.18%                      4.74%                      5.31%                      4.76%                      7.12%                      7.23%

Test Year				Calendar Year		
	1st	2nd	1st	2nd	3rd	
2015	2014	2013	2012	2011	2010	
Net margins	\$2,266,320	\$2,735,613	\$3,031,856	\$2,473,447	\$3,687,972	\$3,465,120
G & T patronage dividends	2,489,156	2,489,157	2,957,019	2,364,260	2,700,063	1,513,478
Interest on long-term debt	506,126	348,543	354,342	427,212	449,190	567,377
<b>Total</b>	<b>283,290</b>	<b>594,999</b>	<b>429,179</b>	<b>536,399</b>	<b>1,437,099</b>	<b>2,519,019</b>
<b>Net rate base</b>	<b>66,289,286</b>	<b>65,044,423</b>	<b>63,796,898</b>	<b>60,934,675</b>	<b>58,106,354</b>	<b>55,768,535</b>

**Rate of return, excluding G & T**                      0.43%                      0.91%                      0.67%                      0.88%                      2.47%                      4.52%

Exhibit K  
page 4 of 7  
Witness: James Adkins

Cumberland Valley Electric  
Case No. 2016-00169  
Determination of Rate Base  
November 30, 2015

Test Year	Calendar Year					
	1st 2014	2nd 2013	3rd 2012	4th 2011	5th 2010	
<b>Gross rate base:</b>						
Total electric plant	\$100,810,405	\$97,990,900	\$95,868,118	\$91,907,099	\$87,488,900	\$84,725,706
Material and supplies (13 mo. ave t	444,962	427,412	496,675	700,215	587,895	515,580
Prepayments (13 mo. ave test year)	158,454	45,952	69,683	46,119	42,743	39,578
<b>Working capital:</b>						
12.5% of operating expense						
less cost of power	991,384	967,383	932,570	924,738	891,626	917,403
	<u>102,405,205</u>	<u>99,431,647</u>	<u>97,367,046</u>	<u>93,578,171</u>	<u>89,011,164</u>	<u>86,198,267</u>
<b>Deductions from rate base:</b>						
Accumulated depreciation	36,032,638	34,331,984	33,482,599	32,589,402	30,851,298	30,384,843
Consumer advances	83,281	55,240	87,549	54,094	53,512	44,889
	<u>36,115,920</u>	<u>34,387,224</u>	<u>33,570,148</u>	<u>32,643,496</u>	<u>30,904,810</u>	<u>30,429,732</u>
<b>Net rate base</b>	<u>\$66,289,286</u>	<u>\$65,044,423</u>	<u>\$63,796,898</u>	<u>\$60,934,675</u>	<u>\$58,106,354</u>	<u>\$55,768,535</u>

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Exhibit K  
page 5 of 7  
Witness: Jim Adkins

**Cumberland Valley Electric**  
**Case No. 2016-00169**  
**TIER and DSC Calculations**  
**November 30, 2015**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
<b>TIER:</b>		
Margins, excluding G&T capital credits	(\$222,836)	\$1,199,412
Interest on long term debt	506,126	903,629
TIER	0.56	2.33
<b>DSC:</b>		
Margins, excluding G&T capital credits	(\$222,836)	\$1,199,412
Depreciation expense	3,485,419	3,705,029
Interest on long term debt	506,126	903,629
Principal payment on long term debt	2,024,179	2,024,179
DSC	1.49	1.98

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

Cumberland Valley Electric  
Case No. 2016-00169  
TIER and DSC Calculations  
November 30, 2015

Exhibit K  
page 6 of 7  
Witness: James Adkins

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38

Test Year	Calendar Year					
	1st 2014	2nd 2013	3rd 2012	4th 2011	5th 2010	
<b>TIER calculations:</b>						
Margins, excluding G&T capital credits	(222,836)	246,456	74,837	109,187	987,909	1,951,642
Interest on long term debt	506,126	348,543	354,342	427,212	449,190	567,377
<b>TIER, excluding G&amp;T capital cred</b>	<b>0.56</b>	<b>1.71</b>	<b>1.21</b>	<b>1.26</b>	<b>3.20</b>	<b>4.44</b>
Margins, including G&T capital credits	2,266,320	2,735,613	3,031,856	2,473,447	3,687,972	3,465,120
Interest on long term debt	506,126	348,543	354,342	427,212	449,190	567,377
<b>TIER</b>	<b>5.48</b>	<b>8.85</b>	<b>9.56</b>	<b>6.79</b>	<b>9.21</b>	<b>7.11</b>
<b>DSC calculations:</b>						
<b>DSC = ((Margins + depreciation + interest) / (interest + principal payments))</b>						
Margins, excluding G&T capital credits	(222,836)	246,456	74,837	109,187	987,909	1,951,642
Depreciation expense	3,485,419	3,246,850	3,115,270	2,750,265	2,968,519	2,868,087
Interest on long term debt	506,126	348,543	354,342	427,212	449,190	567,377
Principal payment on long term debt	2,024,179	1,888,565	1,944,489	1,656,579	1,884,303	2,138,705
<b>DSC,excluding G&amp;T capital cred</b>	<b><u>1.49</u></b>	<b><u>1.72</u></b>	<b><u>1.54</u></b>	<b><u>1.58</u></b>	<b><u>1.89</u></b>	<b><u>1.99</u></b>
Margins, including G&T capital credits	2,266,320	2,735,613	3,031,856	2,473,447	3,687,972	3,465,120
Depreciation expense	3,485,419	3,246,850	3,115,270	2,750,265	2,968,519	2,868,087
Interest on long term debt	506,126	348,543	354,342	427,212	449,190	567,377
Principal payment on long term debt	2,024,179	1,888,565	1,944,489	1,656,579	1,884,303	2,138,705
<b>DSC</b>	<b><u>2.47</u></b>	<b><u>2.83</u></b>	<b><u>2.83</u></b>	<b><u>2.71</u></b>	<b><u>3.05</u></b>	<b><u>2.55</u></b>

Cumberland Valley Electric  
Case No. 2016-00169  
Equity Capitalization  
November 30, 2015

Exhibit K  
page 7 of 7  
Witness: James Adkins

	Proposed	Test Year 2015	Calendar Year				
			2014	2013	2012	2011	2010
<b><u>Equity Capitalization:</u></b>							
<b><u>without G&amp;T patronage capital</u></b>							
Total margins and equities	41,846,154	42,969,503	42,864,919	40,094,172	31,322,996	37,000,392	34,652,023
Less G&T Patronage capital	23,066,206	23,066,206	20,577,049	17,620,030	15,255,770	12,555,707	11,042,229
	18,779,948	19,903,297	22,287,870	22,474,142	16,067,226	24,444,685	23,609,794
Long-term debt	47,923,913	47,923,913	43,857,616	42,813,061	35,722,364	37,921,171	37,526,041
Total	66,703,861	67,827,210	66,145,486	65,287,203	51,789,590	62,365,856	61,135,835
Equity capitalization ratio	<u>28%</u>	<u>29%</u>	<u>34%</u>	<u>34%</u>	<u>31%</u>	<u>39%</u>	<u>39%</u>
<b><u>Equity Capitalization:</u></b>							
<b><u>with G&amp;T patronage capital</u></b>							
Total margins and equities	41,846,154	42,969,503	42,864,919	40,094,172	31,322,996	37,000,392	34,652,023
Long-term debt	47,923,913	47,923,913	43,857,616	42,813,061	35,722,364	37,921,171	37,526,041
Total	89,770,067	90,893,416	86,722,535	82,907,233	67,045,360	74,921,563	72,178,064
Equity capitalization ratio	<u>47%</u>	<u>47%</u>	<u>49%</u>	<u>48%</u>	<u>47%</u>	<u>49%</u>	<u>48%</u>
<b><u>Equity to Total Assets:</u></b>							
<b><u>with G&amp;T patronage capital</u></b>							
Total margins and equities	41,846,154	42,969,503	42,864,919	40,094,172	31,322,996	37,000,392	34,652,023
Total assets	91,086,437	100,240,172	96,904,768	93,207,169	77,308,129	85,721,370	82,033,415
Equity to total asset ratio	<u>46%</u>	<u>43%</u>	<u>44%</u>	<u>43%</u>	<u>41%</u>	<u>43%</u>	<u>42%</u>

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

19. Refer to Cumberland Valley's response to Staff's Third Request, Item 39. Explain how long Cumberland Valley carries an unpaid account before the account is written off.

Response:

The process from final bill to write off normally takes 6 months.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

20. Refer to Cumberland Valley's response to Staff's Third Request, Item 41.b. Provide a schedule of monthly accounts billed by rate class for the years 2011 through 2015.

Response:

Cumberland Valley has provided the requested information on pages 2 – 6 of this item.

2011

	Schedule 1 R1	Schedule 1 H1-Marketing	Schedule 1 Prepay	Schedule NM Net Metering	Schedule 2 C1	Schedule 2 C2	Schedule 3 E1	Schedule 4 P1	Schedule 4A L1	Schedule 6 S	Total
Jan	22,282	121			1,194	145	46	2	80	49	23,919
Feb	22,329	123			1,196	145	46	2	80	48	23,969
Mar	22,291	118			1,204	145	46	2	80	47	23,933
Apr	22,242	109			1,205	145	46	2	79	47	23,875
May	22,183	75			1,221	145	46	2	80	45	23,797
Jun	22,178	28			1,206	150	47	2	82	46	23,739
Jul	22,149	13			1,204	150	46	2	81	45	23,690
Aug	22,224	11			1,209	151	46	2	81	47	23,771
Sep	22,177	35			1,202	153	46	2	82	44	23,741
Oct	22,103	86			1,269	153	46	3	79	45	23,784
Nov	22,078	99			1,274	152	46	3	79	45	23,776
Dec	22,096	106			1,265	153	46	3	78	45	23,792

2012

	Schedule 1 R1	Schedule 1 H1-Marketing	Schedule 1 Prepay	Schedule NM Net Metering	Schedule 2 C1	Schedule 2 C2	Schedule 3 E1	Schedule 4 P1	Schedule 4A L1	Schedule 6 S	Total
Jan	22,059	108			1,274	152	45	3	79	43	23,763
Feb	22,072	107			1,274	156	45	3	79	43	23,779
Mar	22,087	106			1,284	157	45	3	79	43	23,804
Apr	22,037	82			1,279	161	45	3	78	44	23,729
May	22,024	67			1,284	156	45	3	78	44	23,701
Jun	21,975	23			1,280	157	45	3	78	44	23,605
Jul	22,016	14			1,292	150	45	3	78	46	23,644
Aug	22,098	15			1,295	146	45	3	79	46	23,727
Sep	22,054	28			1,284	147	44	3	75	45	23,680
Oct	22,064	82			1,293	146	45	3	76	44	23,753
Nov	22,065	98			1,284	146	45	3	76	44	23,761
Dec	22,042	99			1,296	145	45	3	76	42	23,748

2013

	Schedule 1 R1	Schedule 1 H1-Marketing	Schedule 1 Prepay	Schedule NM Net Metering	Schedule 2 C1	Schedule 2 C2	Schedule 3 E1	Schedule 4 P1	Schedule 4A L1	Schedule 6 S	Total
Jan	22,124	101			1,297	143	45	3	76	43	23,832
Feb	22,156	101			1,297	142	45	3	76	43	23,863
Mar	22,141	98			1,287	143	45	3	75	44	23,836
Apr	22,088	98			1,291	144	45	3	75	44	23,788
May	22,103	82			1,301	147	46	3	76	44	23,802
Jun	22,080	28			1,307	148	46	3	76	45	23,733
Jul	22,058	17			1,296	145	46	3	77	45	23,687
Aug	22,092	15			1,299	145	46	3	77	44	23,721
Sep	22,086	19			1,315	145	46	3	78	44	23,736
Oct	22,094	82			1,312	145	46	2	77	43	23,801
Nov	22,111	98			1,312	140	46	2	80	43	23,832
Dec	22,112	99			1,319	140	46	2	80	42	23,840

2014

	Schedule 1 R1	Schedule 1 H1-Marketing	Schedule 1 Prepay	Schedule NM Net Metering	Schedule 2 C1	Schedule 2 C2	Schedule 3 E1	Schedule 4 P1	Schedule 4A L1	Schedule 6 S	Total
Jan	22,118	107			1,315	137	46	2	81	42	23,848
Feb	22,121	103			1,314	137	46	2	81	42	23,846
Mar	22,112	102			1,315	138	46	2	82	45	23,842
Apr	22,041	96			1,316	137	46	2	80	45	23,763
May	22,029	70			1,318	137	46	2	80	45	23,727
Jun	22,048	21	1		1,317	137	46	2	80	44	23,696
Jul	22,068	16	1		1,310	137	46	2	79	45	23,704
Aug	22,096	13	1		1,330	137	46	2	79	46	23,750
Sep	22,018	21	3		1,331	137	46	2	79	46	23,683
Oct	22,032	62	15		1,331	141	49	2	79	46	23,757
Nov	22,056	99	42		1,338	141	48	2	79	46	23,851
Dec	22,013	101	46		1,336	138	48	3	81	45	23,811

2015

	Schedule 1 R1	Schedule 1 H1-Marketing	Schedule 1 Prepay	Schedule NM Net Metering	Schedule 2 C1	Schedule 2 C2	Schedule 3 E1	Schedule 4 P1	Schedule 4A L1	Schedule 6 S	Total
Jan	21,988	104	73		1,341	138	48	1	85	45	23,823
Feb	22,018	106	92		1,330	137	48	1	82	46	23,860
Mar	21,974	103	98		1,330	136	48	1	82	46	23,818
Apr	21,914	89	112		1,330	138	48	1	83	46	23,761
May	21,809	59	139		1,329	137	48	1	82	47	23,651
Jun	21,779	14	159		1,331	136	48	1	83	47	23,598
Jul	21,786	13	181		1,330	135	48	1	84	47	23,625
Aug	21,802	14	202		1,329	138	49	2	83	48	23,667
Sep	21,767	20	235		1,327	141	48	1	81	48	23,668
Oct	21,790	62	242		1,326	140	48	1	79	47	23,735
Nov	21,766	89	267		1,328	140	48	1	79	47	23,765
Dec	21,761	88	273		1,333	139	48	1	78	48	23,769

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

21. Explain what adjustments Cumberland Valley has made to employee salaries based on the information provided in the 2015 Intandem Compensation Plan (Exhibit 19) and the August 5, 2016 annual market update of the compensation plan.

Response:

Please see Cumberland Valley's response to Item 11.a. of this Fourth Request for Information.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

22. a. Identify any smart grid costs incurred by Cumberland Valley in the test year.  
Identify the account(s) where they are recorded and state whether the costs were expensed or capitalized.

Response:

Cumberland Valley Electric installed and capitalized during the test year the following:  
Account 370.00 (Meters) \$100,024.28, Account 370.01 (2-3 Wire Solid State) \$199,729.74, Account 370.14 (Meters Combo TS2&Disc) \$144,942.00, Account 362.01 (Station Equipment) \$26,508.08. Cumberland Valley expensed for maintenance and repair in Account 586.00 (Meter Expense) \$208,153.21.

- b. Provide smart grid costs that Cumberland Valley has included in its 2016 calendar year budget.

Response:

Cumberland Valley Electric has included in its 2016 budget \$180,000 of capitalized costs and \$112,000 of expenses.

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

23. Refer to Cumberland Valley's Supplemental Response to Item 2 of the Attorney General's Initial Request for Information filed October 19, 2016. Provide an updated detailed schedule of the costs incurred to date for preparation of this case. Include an estimate of additional costs to be incurred and copies of all invoices for the costs incurred to date.

Response:

Find attached the requested information as Pages 2 – 54 of this item. Cumberland Valley's estimate for additional costs incurred after 10/31/16 is \$45,000.

**Cumberland Valley Electric, Inc.**  
**Case #2016-00169**  
**Rate Case Expense As of October 31, 2016**

<u>Date</u>	<u>Vendor</u>	<u>Vendor Name</u>	<u>Reference</u>	<u>Amount</u>	<u>Balance</u>
5/27/2016	11153	BISELL S INC	OFFICE SUPPLIES FOR RATE CASE	\$262.12	\$262.12
5/31/2016	10193	VISA	POSTAGE & CERT OF EXISTENCE	\$61.30	\$323.42
6/24/2016	11770	HARLAN DAILY ENTERPRISE	OFFICIAL NOTICE	\$642.00	\$965.42
6/24/2016	12682	MIDDLESBORO DAILY NEWS	OFFICIAL NOTICE	\$677.00	\$1,642.42
6/29/2016	12535	ALAN M ZUMSTEIN	2016 CASE 2016-00169	\$15,810.00	\$17,452.42
6/30/2016	11153	BISELL S INC	SUPPLIES	\$112.95	\$17,565.37
6/30/2016	38494	SUPERIOR PRINTING & PUBLISHING CO, INC	ADVERTISING LEGAL NOTICE	\$1,560.00	\$19,125.37
6/30/2016	11501	THE MCCREARY COUNTY VOICE	LEGAL NOTICE	\$1,850.00	\$20,975.37
6/30/2016	12681	THE SENTINEL-ECHO	OFFICIAL NOTICE	\$1,169.20	\$22,144.57
6/30/2016	11607	TIMES TRIBUNE	OFFICIAL NOTICE	\$2,371.50	\$24,516.07
6/30/2016	38003	MOUNTAIN ADVOCATE MEDIA	RATE CASE NOTICE	\$2,582.40	\$27,098.47
6/30/2016	12682	MIDDLESBORO DAILY NEWS	RATE CASE NOTICE	\$2,213.00	\$29,311.47
6/30/2016	11986	NEWS JOURNAL	RATE CASE NOTICE	\$3,230.56	\$32,542.03
6/30/2016	11770	HARLAN DAILY ENTERPRISE	RATE CASE NOTICE	\$1,926.00	\$34,468.03
7/6/2016	13333	JAMES R ADKINS	RATE CASE	\$27,755.50	\$62,223.53
7/31/2016	10193	VISA	POSTAGE	\$29.45	\$62,252.98
7/31/2016	38494	SUPERIOR PRINTING & PUBLISHING CO, INC	ADVERTISING	\$315.00	\$62,567.98
7/31/2016	11986	NEWS JOURNAL	CLASSIFIED	\$759.68	\$63,327.66
7/31/2016	11501	THE MCCREARY COUNTY VOICE	LEGAL NOTICE	\$450.00	\$63,777.66
7/31/2016	12681	THE SENTINEL-ECHO	LEGAL NOTICE	\$205.40	\$63,983.06
7/31/2016	38003	MOUNTAIN ADVOCATE MEDIA	LEGAL NOTICE	\$645.60	\$64,628.66
7/31/2016	11607	TIMES TRIBUNE	LEGAL NOTICE	\$573.75	\$65,202.41
7/31/2016	12682	MIDDLESBORO DAILY NEWS	OFFICIAL NOTICE	\$768.00	\$65,970.41
7/31/2016	11770	HARLAN DAILY ENTERPRISE	OFFICIAL NOTICE	\$642.00	\$66,612.41
8/19/2016	10193	VISA	POSTAGE	\$48.50	\$66,660.91
8/31/2016	11153	BISELL S INC	OFFICE SUPPLIES	\$614.48	\$67,275.39
8/31/2016	38297	GOSS-SAMFORD	LEGAL SERVICES RATE CASE	\$6,232.70	\$73,508.09
9/18/2016	10193	VISA	POSTAGE	\$78.70	\$73,586.79
9/30/2016	11153	BISELL S INC	OFFICE SUPPLIES	\$42.82	\$73,629.61
10/7/2016	12535	ALAN M ZUMSTEIN	CASE NO 2016-00169	\$6,290.00	\$79,919.61
10/7/2016	13333	JAMES R ADKINS	DATA REQUEST PREP PCS-2&3, AG-1&2	\$4,875.00	\$84,794.61
10/19/2016	38297	GOSS-SAMFORD	LEGAL SERVICES RATE CASE	\$11,265.90	\$96,060.51
10/31/2016	38297	GOSS-SAMFORD	LEGAL SERVICES RATE CASE	\$10,614.88	\$106,675.39

# Bissell's Inc.

The Source Since 1946...

Kate  
Case  
Exp.

## INVOICE

508894-00

Item No. 23  
Page 3 of 54  
Barbara Elliott

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

12:38:10 PM

Customer Number : 011059	Invoice Number : 508894-00	Invoice Date : 05/27/2016
Sold To		Ship To
CUMBERLAND VALLEY ELECTRIC P.O. BOX 440 GRAY, KY 40734		CUMBERLAND VALLEY ELECTRIC P.O. BOX 440 GRAY, KY 40734 Ship Via:

Customer PO:		Order Date:	05/27/2016					
Phone:	(606) 528 - 2677	Terms:	NET 30					
Fax:		Clerk #:	1					
Route #:	0	Sales Rep Name:	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE11352	INDEX,BNDR,DLY,11X8.5,LEA	ST	10		10	\$10.03	\$10.03	\$100.30
AVE11350	INDEX,BNDR,AZ,11X8.5,LEA	ST	10		10	\$5.11	\$5.11	\$51.10
UNV20992	BNDR,VIEW,11X8.5,3",WH	EA	12		12	\$15.38	\$7.99	\$95.88

CUMBERLAND VALLEY RECC  
Vend # 1153  
By PO #           
App. By & Date BPC 6/8/16

DATE **JUN 08 2016**  
REC'D  
Date Paid           
Check #           
Account # 928.00 - 262.12  
Acct. Date 5/31/16  
Due Date 6/8/16

Sub Total:	\$247.28
6% SALES TAX:	\$14.84
Total:	\$262.12

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**

Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

*Keyed*

The transaction was completed successfully. The Certificate of Existence / Authorization for CUMBERLAND VALLEY ELECTRIC, INC. is now ready for viewing and printing.

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

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

**Certificate number** 176057  
**Jurisdiction** Kentucky  
**Certificate Type** Certificate of Existence / Authorization  
**Certificate Date** 5/3/2016  
**Company** CUMBERLAND VALLEY ELECTRIC, INC.  
**Company ID** 0012671.09.99998  
**Charge** \$10.00  
**Certificate Web Address** <http://app.sos.ky.gov/corpcertificates/57/2016050300176057.pdf>

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

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

CUMBERLAND VALLEY RECC  
Vend # 38598  
By PO # -  
App. By & Date BPC 5/11/16  
DATE MAY 11 2016  
REC'D  
Date Paid \_\_\_\_\_  
Check # \_\_\_\_\_  
Account # 921.00 - 10.00  
Acct. Date 5/3/16  
Due Date 5/11/16

*keyed*

GRAY P. O.  
280 S KY 233  
GRAY, KY 40734-9998  
USPS 2033000295  
1-800-275-8777

Notification to  
file rate case  
electronically.

Merchant ID: 23900842949  
Term ID: 01  
Clerk ID: 000003

sale

\*\*\*\*\*9502

VISA

TOTAL: \$25.65

05/03/16 12:20:57  
Inv #: 000006 Appr Code: 002552  
Credit Tran #: 485

All Sales Final on Stamps and Postage.  
Refunds for Guaranteed Services Only.

CUSTOMER COPY

Order Stamps at USPS.com/shop or call  
1-800-Stamps4U. Go to  
USPS.com/electronicship to print shipping  
labels with postage. For other info call  
1-800-ASK-USPS.

CUMBERLAND VALLEY RECC

Vend # 38502

By PO #

App. By & Date BPC 5/13/16

DATE MAY 13 2016  
REC'D

Date Paid  
Check #  
Account # 921.00 - 25.65  
Acct. Date 5/13/16  
Due Date 5/13/16

keyed

**CUSTOMER USE ONLY**

FROM: (PLEASE PRINT) PHONE ( )

Cumberland Valley Electric  
P.O. Box 440  
Gray, KY 40734

PAYMENT BY ACCOUNT (if applicable)  
USPS® Corporate Acct. No. Federal Agency Acct. No. or Postal Service™ Acct. No.

**DELIVERY OPTIONS (Customer Use Only)**

SIGNATURE REQUIRED Note: The mailer must check the "Signature Required" box if the mailer: 1) Requires the addressee's signature; OR 2) Purchases additional insurance; OR 3) Purchases COD service; OR 4) Purchases Return Receipt Service. If the box is not checked, the Postal Service will leave the item in the addressee's mail receptacle or other secure location without attempting to obtain the addressee's signature on delivery.

Delivery Options

No Saturday Delivery (delivered next business day)  
 Sunday/Holiday Delivery Required (additional fee, where available)  
 10:30 AM Delivery Required (additional fee, where available)  
\*Refer to USPS.com® or local Post Office™ for availability.

TO: (PLEASE PRINT) PHONE ( )

Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd  
P.O. Box 415  
Frankfort, KY 40602-0615  
ZIP + 4® (U.S. ADDRESSES ONLY)



EK 569061507 US



PRIORITY  
★ MAIL ★  
EXPRESS™

**ORIGIN (POSTAL SERVICE USE ONLY)**

1-Day  2-Day  Military  DPO

PO ZIP Code 40734	Scheduled Delivery Date (MM/DD/YYYY) 5/4/16	Postage \$ 22.95
Date Accepted (MM/DD/YYYY) 5/3/16	Scheduled Delivery Time <input type="checkbox"/> 10:30 AM <input checked="" type="checkbox"/> 3:00 PM <input type="checkbox"/> 12 NOON	Insurance Fee \$
Time Accepted 1:20 <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	10:30 AM Delivery Fee \$	Return Receipt Fee \$ 2.70
Weight lbs. ozs.	Sunday/Holiday Premium Fee \$	Live Animal Transportation Fee \$
	Acceptance Employee Initials	Total Postage & Fees \$ 25.65

**DELIVERY (POSTAL SERVICE USE ONLY)**

Delivery Attempt (MM/DD/YYYY)	Time	Employee Signature
	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Delivery Attempt (MM/DD/YYYY)	Time	Employee Signature
	<input type="checkbox"/> AM <input type="checkbox"/> PM	

For pickup or USPS Tracking™, visit USPS.com or call 800-222-1811.  
\$100.00 insurance included.

STOMER USE ONLY  
 NAME: (PLEASE PRINT) Cumberland Valley Electric  
 PHONE: ( )  
 P.O. Box 4410  
 RAY, KY 40734



EL 052833530 US



PRIORITY  
 ★ MAIL ★  
 EXPRESS™

PAYMENT BY ACCOUNT (if applicable)  
 \*SP Corporate Acct. No. Federal Agency Acct. No. or Postal Service™ Acct. No.

LIVERY OPTIONS (Customer Use Only)  
 SIGNATURE REQUIRED Note: The mailer must check the "Signature Required" box if the mailer: (1) files the addressee's signature, OR (2) purchases additional insurance, OR (3) purchases COD service, OR (4) hases Return Receipt service. If the box is not checked, the Postal Service will leave the item in the addressee's receptacle or other secure location without attempting to obtain the addressee's signature on delivery.  
 Delivery Options:  
 No Saturday Delivery (delivered next business day)  
 Sunday/Holiday Delivery Required (additional fee, where available)  
 10:30 AM Delivery Required (additional fee, where available)  
 \*Refer to USPS.com or local Post Office for availability.

PHONE: ( )  
 Executive Director  
 Kentucky Public Service Commission  
 11 Sower Blvd  
 P.O. Box 615  
 BARKERSVILLE, KY 40602-0615

ORIGIN (POSTAL SERVICE USE ONLY)		DELIVERY (POSTAL SERVICE USE ONLY)	
<input checked="" type="checkbox"/> 1-Day	<input type="checkbox"/> 2-Day	<input type="checkbox"/> Military	<input type="checkbox"/> DPO
PO ZIP Code 40734	Scheduled Delivery Date (MM/DD/YY) 5/13/16	Postage \$ 22.95	
Date Accepted (MM/DD/YY) 5/11/16	Scheduled Delivery Time <input type="checkbox"/> 10:30 AM <input checked="" type="checkbox"/> 3:00 PM <input type="checkbox"/> 12 NOON	Insurance Fee \$	COD Fee \$
Time Accepted 2:50	10:30 AM Delivery Fee <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Return Receipt Fee \$ 2.70	Live Animal Transportation Fee \$
Weight lbs. ozs.	Sunday/Holiday Premium Fee \$	Total Postage & Fees \$ 25.65	Acceptance Employee Initials DR
Delivery Attempt (MM/DD/YY)	Time <input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature	
Delivery Attempt (MM/DD/YY)	Time <input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature	

For pickup or USPS Tracking™, visit USPS.com or call 800-222-1811.  
 \$100.00 Insurance Included.

LABEL 11-B, JANUARY 2014 PSN 7690-02-000-9996 2-CUSTOMER COPY

Merchant ID: 23900842949  
 Term ID: 01  
 Clerk ID: 000003  
 VISA  
 \*\*\*\*\*9502  
 TOTAL: \$25.65  
 05/03/16  
 Inv #: 000010 Appr Code: 003353  
 Credit Tran #: 488

GRANT P.O.  
 280 S KY 235  
 GRAY, KY 40734-9998  
 USPS 2035000295  
 1-800-275-8777

Order Stamp at USPS counter or call  
 1-800-Stamp4U  
 USPS confirmation to order shipping  
 labels with postage. For other info call  
 1-800-ASK-USPS

All Sales Final on Stamps and Postage.  
 Refund for Guaranteed Services Only.  
 CUSTOMER COPY

Intent to  
 File 2016  
 Rate Case

CUMBERLAND VALLEY RECC  
 Vend # 38502  
 By PO #  
 App. By & Date BFC 5/13/16  
 DATE REC'D MAY 13 2016  
 Date Paid  
 Check #  
 Account # 921.00 - 25.65  
 Acct. Date 5/13/16  
 Due Date 5/13/16

307INV.csv-4376-000008519

Civitas Media LLC  
Harlan Daily Enterprise  
PO Box 690  
Miamisburg, OH 45343

ADVERTISING INVOICE / STATEMENT

1/1

BILLING PERIOD	TERMS OF PAYMENT
05/08/2016 - 06/04/2016	Net 30

004376 000006519

BILLED ACCOUNT	
	
CUMBERLAND VALLEY ELECTRIC INC. ATTN: BRENDA ESTEP PO BOX 440 GRAY KY 40734-0440	

ACCOUNT #
00136285
NAME OF AGENCY/CLIENT
CUMBERLAND VALLEY ELECTRIC INC. ATTN: Brenda

DATE	TRANS#	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					0.00
05/31/2016	301872477	722-Official Notice - 60659813 722-Official Notice	1	3 x 8	24.00	26.75	642.00 ✓
		CUMBERLAND VALLEY RECC Vend # <u>11770</u> By PO # <u>-</u> App. By & Date <u>BPC 6/23/16</u>  DATE REC'D <u>JUN 23 2016</u> Date Paid <u>6-24-16</u> Check # <u>69323</u> Account # <u>928.00 - 642.00</u> Acct. Date <u>6/30/16</u> Due Date <u>6/23/16</u>					

*Kayel*  
*624/16*

Current	AGING			
	1-30	31-60	61-90	91+
\$ 642.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

TOTAL NET AMOUNT DUE
\$ 642.00

307INV.csv-4375-000006520

Civitas Media LLC  
 Middlesboro Daily News  
 PO Box 690  
 Miamisburg, OH 45343

ADVERTISING INVOICE / STATEMENT

1/1

BILLING PERIOD	TERMS OF PAYMENT
05/08/2016 - 06/04/2016	Net 30

004375 000006520

BILLED ACCOUNT	
 KAREN HAMPTON CUMBERLAND VALLEY ELECTRIC PO BOX 440 GRAY KY 40734-0440	

ACCOUNT#
00071552
NAME OF AGENCY/CLIENT
Cumberland Valley Electric

DATE	TRANS#	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					0.00
06/01/2016	301872754	728-Official Notice - 60660106 728-Official Notice	1	2 x 10.5	21.00	32.00	677.00
CUMBERLAND VALLEY RECC Vend # <u>12682</u> By PO # <u>        </u> App. By & Date <u>BPC 6/23/16</u>  DATE <b>JUN 23 2016</b> REC'D Date Paid <u>6-24-16</u> Check # <u>69325</u> Account # <u>920.00 - 677.00</u> Acct. Date <u>6/30/16</u> Due Date <u>6/23/16</u>							

*Keyped*

*624/162*

Current	AGING			
	1-30	31-60	61-90	91+
\$ 677.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

TOTAL NET AMOUNT DUE
\$ 677.00

**Alan M. Zumstein, CPA**  
**Certified Public Accountant**  
 1032 Chetford Drive  
 Lexington, Kentucky 40509  
 859-264-7147  
zumstein@windstream.net

June 12, 2016

Cumberland Valley Electric, Inc.  
 PO Box 440  
 Gray, Kentucky 40734

Assist Cumberland Valley's staff and consultant with gathering information for schedules and exhibits in connection with Case No. 2014-00169:

	<u>Hours</u>	<u>Miles</u>		
January, 2016	8	180		
Kick-off meeting, discuss billing and other adjustments				
March, 2016	14	0		
Revenue requirement adjustments				
April, 2016	32	360		
Revenue requirement adjustments and schedules and exhibits for filing the application				
May, 2016	48	900		
Revenue requirement adjustments and schedules and finalize exhibits for filing the application				
June, 2016	18	180		
Revenue requirement adjustments and schedules and finalize exhibits for filing the application and responses to First Data Request of Commission Staff				
Hours	120	@ \$125	\$ 15,000	
Miles	1,620	@ \$0.50	<u>810</u>	
Total due			<u>\$ 15,810</u>	

# Bissell's Inc.

The Source Since 1946...

Rate Case

## INVOICE

509587-00

Item No. 23  
Page 10 of 54  
Business Barbara Elliott

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

3:47:44 PM

Customer Number : 011059	Invoice Number : 509587-00	Invoice Date : 06/20/2016
Sold To		Ship To
CUMBERLAND VALLEY ELECTRIC REOC P.O. BOX 440 GRAY, KY 40734		CUMBERLAND VALLEY ELECTRIC REOC P.O. BOX 440 GRAY, KY 40734 Ship Via:

Customer PO:		Order Date:	06/20/2016					
Phone:	(606) 528 - 2677	Terms:	NET 30					
Fax:		Clerk #:	4					
Route #:	0	Sales Rep Name:	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE01330	INDEX,LTR,1/25#1-25,25WHT	ST	4		4	\$8.88	\$8.88	\$35.52
AVE01331	INDEX,LTR1/25#26-50,25WHT	ST	4		4	\$8.88	\$8.88	\$35.52
AVE01332	INDEX,LTR,1/25#-51-75,WHT	ST	4		4	\$8.88	\$8.88	\$35.52

Sub Total:	\$106.56
6% SALES TAX:	\$6.39
Total:	\$112.95

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

Page 1 of 1

**We Appreciate Your Business - THANK YOU**

Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

Superior Printing & Publishing Co., Inc  
P.O. Box 217  
Cromona, KY 41810  
(606)855-4541  
paul@superiorprinting.org

# INVOICE

**BILL TO**  
Cumberland Valley Electric  
% Rich Prewitt  
P.O. Box 440  
Gray, KY 40734

**INVOICE #** 5311  
**DATE** 06/29/2016  
**DUE DATE** 07/14/2016  
**TERMS** Net 15

ACTIVITY	QTY	RATE	AMOUNT
<b>TCN Advertising</b> Advertising in the Tri-City News June 1,8,15 at \$310 per week	3	310.00	930.00
<b>TCN Advertising</b> Advertising in the Tri-City News June22 and 29 at \$315 per week	2	315.00	630.00
<b>BALANCE DUE</b>			<b>\$1,560.00</b>



**CUMBERLAND VALLEY RECC**  
Vend # 38494  
By PO # -  
App. By & Date BPC 7/6/16  
DATE REC'D JUL 06 2016  
Date Paid 7-6-16  
Check # 70611  
Account # 928.00 - 1,560.00  
Acct. Date 6/30/16  
Due Date 7/6/16

# Statement

Date
6/30/2016

57 Oaks Lane Suite 15  
 P O Box 190  
 Whitley City, KY 42653  
 606-376-5500

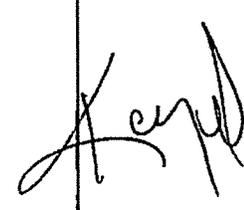
To:
CUMBERLAND VALLEY ELECTRIC P.O.BOX 440 GRAY, KY 40734

Terms	Amount Due	Amount Enc.
	\$1,850.00	

Date	Transaction	Amount	Balance
06/02/2016	INV #422486. Orig. Amount \$475.00. -- 5X19 -LEGAL-OUT, 95 @ \$5.00 = 475.00	475.00	475.00
06/09/2016	INV #422575. Orig. Amount \$475.00. -- 5X19 -LEGAL-OUT, 95 @ \$5.00 = 475.00	475.00	950.00
06/23/2016	INV #422677. Orig. Amount \$450.00. -- 5X18-LEGAL OUT, 90 @ \$5.00 = 450.00	450.00	1,400.00
06/30/2016	INV #422717. Orig. Amount \$450.00. -- 5X18-LEGAL OUT, 90 @ \$5.00 = 450.00	450.00	1,850.00

CUMBERLAND VALLEY RECC  
 Vend # ~~Open Ven~~ 11501  
 By PO # \_\_\_\_\_  
 App. By & Date BPC 7/6/16

DATE REC'D JUL 06 2016  
 Date Paid 7-6-16  
 Check # 69973  
 Account # 926.00 - 1,850.00  
 Acct. Date 6/30/16  
 Due Date 7/6/16



CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
450.00	1,400.00	0.00	0.00	0.00	\$1,850.00

10] Date	11] Newspaper Reference	12] 13] 14] Description-Other Comments/Charges	15] 16] SAU Size Billed Units	17] 18] Times Run Rate	19] Gross Amount	20] Net Amount
		PREVIOUS BALANCE				0.00
06/01 ✓	LEG SE	RATE INCREASE	3x16.00	1	379.20	379.20
			48.00	7.900		
06/08 ✓	LEG SE	RATE INCREASE	3x16.00	1	379.20	379.20
			48.00	7.900		
06/22 ✓	LEG SE	OFFICIAL NOTICE	4x6.50	1	205.40	205.40
			26.00	7.900		
06/29 ✓	LEG SE	OFFICIAL NOTICE	4x6.50	1	205.40	205.40
			26.00	7.900		

**CUMBERLAND VALLEY RECC**

Vend # 12681

By PO #           

App. By & Date BPC 7/6/16

DATE **JUL 06 2016**

REC'D

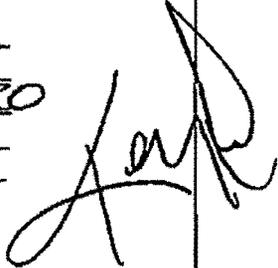
Date Paid 7-6-16

Check # 69989

Account # 928.00 - 1,169.20

Acct. Date 6/30/16

Due Date 7/6/16



**Statement of Account - Aging of Past Due Amounts**

21] Current Net Amount Due	22] 30 Days	60 Days	Over 90 Days	*Unapplied Amount	23] Total Amount Due
1,169.20	0.00	0.00	0.00		1,169.20

**The Sentinel-Echo**  
P.O. Box 830  
London, KY 40743  
(606) 878-7400

Accounts 30 days old - charged 1 1/2% per month service charge. ANNUAL RATE 18%.

\* Unapplied amounts are included in Total Amount Due

24] Invoice Number	25] Advertiser Information
1] Billing Period	6] Billed Account Number
7] Advertiser/Client Number	2] Advertiser/Client Name

10  Date	11  Newspaper Reference	12 13 14  Description-Other Comments/Charges	15  Billed Units	16  Rate	19  Gross Amount	20  Net Amount
		PREVIOUS BALANCE				359.00
06/10 ✓	PAY 1	PAYMENT THANK YOU				359.00-
06/03 ✓	LEG TT	OFFICIAL NOTICE - RA	3x16.00	1	612.00	612.00
			48.00	12.750		
06/10 ✓	LEG TT	OFFICIAL NOTICE - RA	3x16.00	1	612.00	612.00
			48.00	12.750		
06/23 ✓	LEG TT	RATE ADJUSTMENTS	3x15.00	1	573.75	573.75
			45.00	12.750		
06/30 ✓	LEG TT	RATE ADJUSTMENTS	3x15.00	1	573.75	573.75
			45.00	12.750		
SALESREP: ROSE, GLORIA RUTH						
CUMBERLAND VALLEY RECO						
Vend # <u>11607</u>						
By PO # <u>-</u>						
App. By & Date <u>BPC 7/6/16</u>						
DATE REC'D <u>JUL 06 2016</u>						
Date Paid <u>7-6-16</u>						
Check # <u>69974</u>						
Account # <u>928.00 - 2,371.50</u>						
Acct. Date <u>6/30/16</u>						
Due Date <u>7/6/16</u>						

*[Handwritten Signature]*

**Statement of Account - Aging of Past Due Amounts**

21  Current Net Amount Due	22  30 Days	60 Days	Over 90 Days	Last Payment Date	23  Total Amount Due
2,371.50	0.00	0.00	0.00		2,371.50

**The Times-Tribune**  
PO Box 516  
Corbin KY 40701  
(606) 528-2464

Accounts 30 days old - charged 1 1/2% per month service charge. ANNUAL RATE 18%.

\* Unapplied amounts are included in Total Amount Due

24  Invoice Number	25  Advertiser Information
1  Billing Period	6  Billed Account Number
7  Advertiser/Client Number	2  Advertiser/Client Name

Mountain Advocate Media Inc  
 214 Knox Street  
 Barbourville, KY 40906  
 (606) 546-9225

# Invoice

Bill To
Cumberland Valley RECC Post Office Box 440 Gray, KY 40734

Date	Invoice #
6/2/2016	83546-

A finance charge of 1.5% will be assessed on invoices not paid over 30 days from net due date (\$3.00 minimum).

P.O. No.	Terms	Acct No
	Net 30	5315

Item	Description	Quantity	Rate	Amount
Legal Advertising	Official Notice	60	10.76	645.60
	<i>928.00</i>			

We appreciate your business.  
 Please remit payment to the above address.

<b>Total</b>	\$645.60
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$645.60

Mountain Advocate Media Inc  
 214 Knox Street  
 Barbourville, KY 40906  
 (606) 546-9225

# Invoice

<b>Bill To</b>
Cumberland Valley RECC Post Office Box 440 Gray, KY 40734

<b>Date</b>	<b>Invoice #</b>
6/9/2016	83613

A finance charge of 1.5% will be assessed on invoices not paid over 30 days from net due date (\$3.00 minimum).

<b>P.O. No.</b>	<b>Terms</b>	<b>Acct No</b>
	Net 30	5315

Item	Description	Quantity	Rate	Amount
Legal Advertising	Official Notice	60	10.76	645.60
	<i>928.00</i>			

We appreciate your business.  
 Please remit payment to the above address.

<b>Total</b>	\$645.60
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$645.60

Mountain Advocate Media Inc  
 214 Knox Street  
 Barbourville, KY 40906  
 (606) 546-9225

# Invoice

Bill To
Cumberland Valley RECC Post Office Box 440 Gray, KY 40734

Date	Invoice #
6/23/2016	83731-

A finance charge of 1.5% will be assessed on invoices not paid over 30 days from net due date (\$3.00 minimum).

P.O. No.	Terms	Acct No
	Net 30	5315

Item	Description	Quantity	Rate	Amount
Legal Advertising	Official Notice  <i>928.00</i>	60	10.76	645.60

We appreciate your business.  
 Please remit payment to the above address.

<b>Total</b>	\$645.60
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$645.60

Mountain Advocate Media Inc  
 214 Knox Street  
 Barbourville, KY 40906  
 (606) 546-9225

# Invoice

Bill To
Cumberland Valley RECC Post Office Box 440 Gray, KY 40734

Date	Invoice #
6/30/2016	83777-

A finance charge of 1.5% will be assessed on invoices not paid over 30 days from net due date (\$3.00 minimum).

P.O. No.	Terms	Acct No
	Net 30	5315

Item	Description	Quantity	Rate	Amount
Legal Advertising	Official Notice  <i>928.00</i>	60	10.76	645.60

We appreciate your business.  
 Please remit payment to the above address.

<b>Total</b>	\$645.60
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$645.60

OK - 6-1

108INV.csv-3461-000006702

Civitas Media LLC  
 Middlesboro Daily News  
 PO Box 690  
 Miamisburg, OH 45343

**ADVERTISING INVOICE / STATEMENT**

1/1

BILLING PERIOD	TERMS OF PAYMENT
06/05/2016 - 07/02/2016	Net 30

003461 000006702

BILLED ACCOUNT
 KAREN HAMPTON CUMBERLAND VALLEY ELECTRIC PO BOX 440 GRAY KY 40734-0440

ACCOUNT #
00071552
NAME OF AGENCY/CLIENT
Cumberland Valley Electric

DATE	TRANS #	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					677.00
06/27/2016	401462964	Payment Check 69325 69325					-677.00
06/08/2016	301875688	728-Official Notice - 60860106 728-Official Notice	1	2 x 10.5	21.00	32.00	672.00
06/29/2016	301878370	728-Official Notice - 60864233 728-Official Notice	2	3 x 8	24.00	32.00	1541.00

Current	AGING			
	1-30	31-60	61-90	91+
\$ 2,213.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

TOTAL NET AMOUNT DUE
\$ 2 213 00

# News Journal

STATEMENT

PAGE	BILLING DATE	BILLING PERIOD
1	06/30/16	06/30/16

BILLED ACCOUNT
CUMBERLAND VALLEY ELECTRI ATTN RICH PREWITT PO BOX 440 GRAY KY 40734-0440

BILLED ACCOUNT NO.	ADVERTISER/CLIENT NO.
204669-01	204669-01

NAME OF ADVERTISER/CLIENT
CUMBERLAND VALLEY ELECTRI

For invoice information call **606-549-0643**

DATE	CHARGE OR CREDITS DESCRIPTION / PRODUCT CODE	BILLED UNITS	NATIONAL	NET AMOUNT
06/01	PREVIOUS BALANCE			.00
	CLASSIFIED CJ OFFICIAL NOTICE INT TO FILE			852.50
06/08	CLASSIFIED CJ OFF NOTICE INTENT TO FILE RA			724.63
06/22	CLASSIFIED CJ NOTICE OF RATE ADJ	65	I	893.75
06/29	CLASSIFIED CJ OFFICIAL NOTICE RATE ADJ	65	I	759.68

.00	.00	.00	3230.56	3230.56
-----	-----	-----	---------	---------

Civitas Media LLC  
 Harlan Daily Enterprise  
 PO Box 690  
 Miamisburg, OH 45343

**ADVERTISING INVOICE / STATEMENT**

Item No. 23  
 1/1 Page 21 of 54  
 Witness: Barbara Elliott

BILLING PERIOD	TERMS OF PAYMENT
06/05/2016 - 07/02/2016	Net 30

003462 000006701

**BILLED ACCOUNT**



CUMBERLAND VALLEY ELECTRIC INC. ATTN:  
 BRENDA ESTEP  
 PO BOX 440  
 GRAY KY 40734-0440

**ACCOUNT #**

00136285

**NAME OF AGENCY/CLIENT**

CUMBERLAND VALLEY ELECTRIC INC. ATTN: Brenda

DATE	TRANS #	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					642.00
06/27/2016	401462967	Payment Check 69323 69323					-642.00
06/07/2016	301875435	722-Official Notice - 60659813 722-Official Notice	1	3 x 8	24.00	26.75	642.00
06/29/2016	301878368	722-Official Notice - 60664231 722-Official Notice	2	2 x 12	24.00	26.75	1284.00

AGING

TOTAL NET AMOUNT DUE

## INVOICE FOR SERVICES RENDERED

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

July 5, 2017

Mr. Robert Tolliver  
Office Mnanager  
Cumberland Valley Electric  
Highway 25E,  
Gray, Kentucky 40734

### RATE CASE PREPARATION ACTIVITIES - JANUARY THROUGH JUNE 2016

Month	Description	Hours	Mileage
January	Billing Analysis	18.50	
	Margins Evaluations	6.75	
	Initiate Cost of Service Study	12.50	
	Test Year Adjustment Development	10.00	
February	COSS - Allocation of Costs to Rate Classes	38.75	420
	Class Revenue Requirements	10.00	
	Increase amounts by Rate Class	8.25	
March	Rate Design	6.00	
	Class Revenue Requirements	3.25	420
	Increase amounts by Rate Class	4.00	
	Rate Design	4.00	
	Preparation of Testimony	16.00	
April	COSS - Allocation of Costs to Rate Classes	10	
	Development of Application Documents	20.00	
	Advertising Development	6.00	
May	Testimony Finalized	4.00	
	Preparation of Documents for Application	18.00	
June	PSC Data Request No. 1 Respones	4.00	
	Finalize Application & PSC Dara Request # 1	16.50	420
<b>TOTAL HOURS AND MILEAGE</b>		<b>216.50</b>	<b>1260.0</b>
<b>RATE</b>		<b>\$ 125.00</b>	<b>\$ 0.55</b>
<b>TOTALS</b>		<b>\$ 27,062.50</b>	<b>\$ 693.00</b>
<b>AMOUNT OF INVOICE</b>			<b>\$ 27,755.50</b>

*James R. Adkins*

Rate Case

GRAY P.O.  
280 S KY 233  
GRAY, KY 40734-9998  
USPS 2033000295  
1-800-275-8777

Merchant ID: 23900842949  
Term ID: 01  
Clerk ID: 000003

sale

\*\*\*\*\*8967

VISA

TOTAL: \$29.45

06/23/16 08:38:24  
Inv #: 000001 Appr Code: 002663  
Credit Tran #: 530

All Sales Final on Stamps and Postage.  
Refunds for Guaranteed Services Only.

CUSTOMER COPY

Order Stamps at USPS.com/shop or call  
1-888-STAMP24. Go to  
USPS.com/shipstation to order shipping  
labels with postage. For other info call  
1-888-ASK-USPS.

**CUSTOMER USE ONLY**  
FROM: (PLEASE PRINT) PHONE: 606 528 2677  
CUE  
PO Box 440  
Gray, Ky 40734



**PAYMENT BY ACCOUNT (if applicable)**  
SPS- Corporate Acct. No. Federal Agency Acct. No. or Postal Service™ Acct. No.

**DELIVERY OPTIONS (Customer Use Only)**  
 SIGNATURE REQUIRED Note: The mailer must check the "Signature Required" box if the mailer: 1) requires the addressee's signature; OR 2) Purchases additional insurance; OR 3) Purchases COD service; OR 4) purchases Return Receipt service. If the box is not checked, the Postal Service will leave the item in the addressee's driveway or other secure location without attempting to obtain the addressee's signature on delivery.  
Delivery Options:  
 No Saturday Delivery (delivered next business day)  
 Sunday/Holiday Delivery Required (additional fee, where available)  
 10:30 AM Delivery Required (additional fee, where available)  
\*Refer to USPS.com® or local Post Office™ for availability.

**ORIGIN (POSTAL SERVICE USE ONLY)**  
 1-Day  2-Day  Military  DPO  
PC ZIP Code: 40734 Scheduled Delivery Date (MM/DD/YY): 06/24/16 Postage: \$ 26.75  
Data Accepted (MM/DD/YY): 06/23/16 Scheduled Delivery Time:  10:30 AM  2:00 PM  12 NOON Insurance Fee: \$ COD Fee: \$  
Time Accepted: 09:55  AM  PM 10:30 AM Delivery Fee: \$ Return Receipt Fee: \$ 2.70 Live Animal Transportation Fee: \$  
Weight: 2 lbs. 83 ozs.  Flat Rate Sunday/Holiday Premium Fee: \$ Total Postage & Fees: \$ 29.45  
Acceptance Employee Initials: VDR

TO: (PLEASE PRINT) PHONE:  
Public Service Commission  
Executive Dir  
PO Box 615  
all Sower Blvd.  
Frankfort, Ky 40602  
IP: # (U.S. ADDRESSES ONLY)

**DELIVERY (POSTAL SERVICE USE ONLY)**  
Delivery Attempt (MM/DD/YY) Time: Employee Signature:  AM  PM  
Delivery Attempt (MM/DD/YY) Time: Employee Signature:  AM  PM

For pickup or USPS Tracking™, visit USPS.com or call 800-222-1811.  
\$100.00 insurance included.

Superior Printing & Publishing Co., Inc  
P.O. Box 217  
Cromona, KY 41810  
(606)855-4541  
paul@superiorprinting.org

# INVOICE

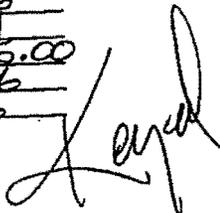
**BILL TO**  
Cumberland Valley Electric  
% Rich Prewitt  
P.O. Box 440  
Gray, KY 40734

**INVOICE # 5384**  
**DATE 07/25/2016**  
**DUE DATE 08/09/2016**  
**TERMS Net 15**

ACTIVITY	QTY	RATE	AMOUNT
TCN Advertising Advertising in The July 6 edition of The Tri-City News	1	315.00	315.00
<b>BALANCE DUE</b>			<b>\$315.00</b>

CUMBERLAND VALLEY RECC  
Vend # 38494  
By PO # \_\_\_\_\_  
App. By & Date BPC 8/7/16

DATE **AUG 07 2016**  
REC'D \_\_\_\_\_  
Date Paid 8-9-16  
Check # 10311  
Account # 928.00 - 315.00  
Acct. Date 7/31/16  
Due Date 8/7/16





The McCreary County Voice

57 Oaks Lane Suite 15  
 P O Box 190  
 Whitley City, KY 42653  
 606-376-5500

# Invoice

Date	Invoice #
7/7/2016	422764

Bill To
CUMBERLAND VALLEY ELECTRIC P.O.BOX 440 GRAY, KY 40734

Ship To

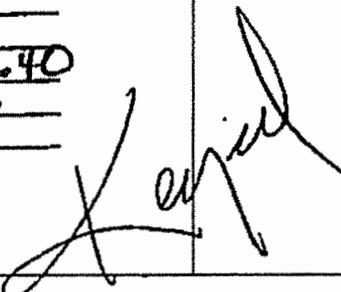
P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			7/7/2016			
Quantity	Item Code	Description			Price Each	Amount
90	5X18-LEGAL OUT	LEGAL NOTICE			5.00	450.00
					<b>Total</b>	\$450.00

10  Date	11  Newspaper Reference	12 13 14  Description-Other Comments/Charges	15  SAU Size 16  Billed Units	17  Times Run 18  Rate	19  Gross Amount	20  Net Amount
		PREVIOUS BALANCE				1,169.20
07/11	PLC 1	PAYMENT - THANK YOU				1,169.20-
07/06	LEG SE	OFFICIAL NOTICE	4x6.50	1	205.40	205.40
			26.00	7.900		

CUMBERLAND VALLEY RECC  
 Vend # 12681  
 By PO # -  
 App. By & Date BPC 8/7/16

DATE REC'D AUG 07 2016  
 Date Paid 8-9-16  
 Check # 70289  
 Account # 928.00 - 205.40  
 Acct. Date 7/31/16  
 Due Date 8/7/16



**Statement of Account - Aging of Past Due Amounts**

21  Current Not Amount Due	22  30 Days	60 Days	Over 90 Days	*Unapplied Amount	23  Total Amount Due
205.40	0.00	0.00	0.00		205.40

**The Sentinel-Echo**  
 P.O. Box 830  
 London, KY 40743  
 (606) 878-7400

Accounts 30 days old - charged 1 1/2% per month service charge. ANNUAL RATE 18%.

\* Unapplied amounts are included in Total Amount Due

24  Invoice Number	25  Advertiser Information
1  Billing Period	6  Billed Account Number
	7  Advertiser/Client Number
	2  Advertiser/Client Name

Mountain Advocate Media Inc  
 214 Knox Street  
 Barbourville, KY 40906  
 (606) 546-9225

# Invoice

Bill To
Cumberland Valley RECC Post Office Box 440 Gray, KY 40734

Date	Invoice #
7/7/2016	83869-

A finance charge of 1.5% will be assessed on invoices not paid over 30 days from net due date (\$3.00 minimum).

P.O. No.	Terms	Acct No
	Net 30	5315

Item	Description	Quantity	Rate	Amount
Legal Advertising	Official Notice	60	10.76	645.60
	<i>928.00</i>			

We appreciate your business.  
 Please remit payment to the above address.

<b>Total</b>	\$645.60
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$645.60

10] Date	11] Newspaper Reference	12] 13] 14] Description-Other Comments/Charges	15] SAU Size Billed Units	17] Times Run Rate	19] Gross Amount	20] Net Amount
		PREVIOUS BALANCE				2,371.50
07/11	PAY 1	PAYMENT THANK YOU				2,371.50-
07/07	LEG TT	RATE ADJUSTMENTS	3x15.00	1	573.75	573.75
			45.00	12.750		
07/30	SPE TT	1/2 PAGE CHAMBER MAG	0x0.00	1	282.00	282.00
			.00	5.000		
07/30	CO3 TT	PROCESS COLOR	0x0.00	1	50.00	50.00
			.00	.000		
07/30	ITB TT	INTERNET TAB	0x0.00	1	17.00	17.00
			.00	.000		
SALESREP: ROSE, GLORIA RUTH			-	-		

**Statement of Account - Aging of Past Due Amounts**

21] Current Net Amount Due	22] 30 Days	60 Days	Over 90 Days	Last Payment Date	23] Total Amount Due
922.75	0.00	0.00	0.00		922.75

**The Times-Tribune**  
PO Box 516  
Corbin KY 40701  
(606) 528-2464

Accounts 30 days old - charged 1 1/2% per month service charge. ANNUAL RATE 18%.

\* Unapplied amounts are included in Total Amount Due

24] Invoice Number	25] Advertiser Information	6] Billed Account Number	7] Advertiser/Client Number	2] Advertiser/Client Name
	1] Billing Period			

Civitas Media LLC  
 Middlesboro Daily News  
 PO Box 690  
 Miamisburg, OH 45343

ADVERTISING INVOICE / STATEMENT

Item No. 23  
 Page 30 of 54  
 1/1  
 Witness: Barbara Elliott

BILLING PERIOD	TERMS OF PAYMENT
07/03/2016 - 08/06/2016	Net 30

008614 000001977

BILLED ACCOUNT
  KAREN HAMPTON CUMBERLAND VALLEY ELECTRIC PO BOX 440 GRAY KY 40734-0440

ACCOUNT #
00071552
NAME OF AGENCY/CLIENT
Cumberland Valley Electric

DATE	TRANS #	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					2213.00
07/18/2016	401464593	Payment Check 70048 70048					-2213.00
07/06/2016	301882545	728-Official Notice - 60664233 728-Official Notice	1	3 x 8	24.00	32.00	768.00

AGING

TOTAL NET AMOUNT DUE

Civitas Media LLC  
Harlan Daily Enterprise  
PO Box 690  
Miamisburg, OH 45343

### ADVERTISING INVOICE / STATEMENT

BILLING PERIOD	TERMS OF PAYMENT
07/03/2016 - 08/06/2016	Net 30

008615 000001976

BILLED ACCOUNT
 <p>CUMBERLAND VALLEY ELECTRIC INC. ATTN: BRENDA ESTEP PO BOX 440 GRAY KY 40734-0440</p>

ACCOUNT #
00136285
NAME OF AGENCY/CLIENT
CUMBERLAND VALLEY ELECTRIC INC. ATTN: Brenda

DATE	TRANS #	DESCRIPTION-AD NUMBER	INS	SAU	UNITS	RATE	AMOUNT
		Balance Forward					1926.00
07/18/2016	401464598	Payment Check 70040 70040					-1926.00
07/06/2016	301882544	722-Official Notice - 60664231 722-Official Notice	1	2 x 12	24.00	26.75	642.00

Current **AGING**

**TOTAL NET AMOUNT DUE**

<b>CUSTOMER USE ONLY</b>		EL 05283565 US	
FROM: (PLEASE PRINT) Cumberland Valley Electric P.O. Box 440 Cray, Ky 40734		 <b>PRIORITY ★ M.A.I.L. ★ EXPRESS™</b>	
PAYMENT BY ACCOUNT (if applicable) USPS® Corporate Acct. No. Federal Agency Acct. No. or Postal Service™ Acct. No.		ORIGIN (POSTAL SERVICE USE ONLY)	
<b>DELIVERY OPTIONS (Customer Use Only)</b> <input checked="" type="checkbox"/> SIGNATURE REQUIRED Note: The mailer must check the "Signature Required" box, if the mailer: 1) Requires the addressee's signature; OR 2) Purchases additional insurance; OR 3) Purchases COD service; OR 4) Purchases Return Receipt service. If the box is not checked, the Postal Service will leave the item in the addressee's mail receptacle or other secure location without attempting to obtain the addressee's signature on delivery. <b>Delivery Options</b> <input type="checkbox"/> No Saturday Delivery (delivered next business day) <input type="checkbox"/> Sunday/Holiday Delivery Required (additional fee, where available) <input type="checkbox"/> 10:30 AM Delivery Required (additional fee, where available) <small>*Refer to USPS.com® or local Post Office™ for availability.</small>		<input checked="" type="checkbox"/> 1-Day <input type="checkbox"/> 2-Day <input type="checkbox"/> Military <input type="checkbox"/> DPO PO ZIP Code: 40734 Scheduled Delivery Date (MM/DD/YY): 8/11/16 Postage: \$ 45.80 Date Accepted (MM/DD/YY): 8/10/16 Scheduled Delivery Time: <input type="checkbox"/> 10:30 AM <input checked="" type="checkbox"/> 2:00 PM <input type="checkbox"/> 12 NOON Insurance Fee: \$ COD Fee: \$ Time Accepted: 3:00 <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM 10:30 AM Delivery Fee: \$ Return Receipt Fee: \$ 2.70 Live Animal Transportation Fee: \$ Weight: 8.14 <input type="checkbox"/> Flat Rate <input checked="" type="checkbox"/> Sunday/Holiday Premium Fee: \$ Total Postage & Fees: \$ 48.50 Acceptance Employee Initials: <i>YH</i>	
TO: (PLEASE PRINT) Kentucky Public Service Commission Talina Mathews, Executive Dir Executive Director P.O. Box 615 211 Sawin Blvd Frankfort, KY 40602 40602		<b>DELIVERY (POSTAL SERVICE USE ONLY)</b> Delivery Attempt (MM/DD/YY) Time: <input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature: Delivery Attempt (MM/DD/YY) Time: <input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature:	
■ For pickup or USPS Tracking™, visit USPS.com or call 800-222-1811. ■ \$100.00 Insurance Included.		LABEL 11-B, JANUARY 2014 PSN 7690-02-000-9998 2-CUSTOMER COPY	

- PSC / AG  
Rate Case

GRAY P.O.  
280 S KY 233  
GRAY, KY 40734-9998  
USPS 2033000295  
1-800-275-8777

Merchant ID: 23900842949  
Term ID: 01  
Clerk ID: 000003

sale

\*\*\*\*\*9502

VISA

TOTAL: \$48.50

08/10/16 13:56:18  
Inv #: 000005 Appr Code: 004492  
Credit Tran #: 563

All Sales Final on Stamps and Postage.  
Refunds for Guaranteed Services Only.

CUSTOMER COPY

Order Stamps at USPS.com/shop or call  
1-800-Stamp24. Go to  
USPS.com/echnship to print shipping  
labels with postage. For other info call  
1-800-ASK-USPS.

# Bissell's Inc.

The Source Since 1946...

# INVOICE

511020-00

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

7:15:46 AM

Customer Number : 011059	Invoice Number : 511020-00	Invoice Date : 08/03/2016
Sold To		Ship To

CUMBERLAND VALLEY ELECTRIC  
RECC  
P.O. BOX 440  
GRAY, KY  
40734

CUMBERLAND VALLEY ELECTRIC  
RECC  
P.O. BOX 440  
GRAY, KY 40734  
Ship Via:

Customer PO:		Order Date:	08/02/2016					
Phone:	(606) 528 - 2677	Terms:	NET 30					
Fax:		Clerk #:	1					
Route #:	0	Sales Rep Name:	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
UNV20992	BNDR,VIEW,11X8.5,3",WH	EA	12		12	\$15.46	\$7.99	\$95.88
AVE01331	INDEX,LTR1/25#26-50,25WHT	ST	10		10	\$8.88	\$7.99	\$79.92
AVE01330	INDEX,LTR,1/25#1-25,25WHT	ST	10		10	\$8.88	\$7.99	\$79.92

*Rate Case*

Sub-Total:	\$255.72
6% SALES TAX:	\$15.34
Total:	\$271.06

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**  
Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

# Bissell's Inc.

The Source Since 1946...

# INVOICE

Item No. 23  
Page 34 of 54  
Business Barbara Elliott

511357-00

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

11:17:59 AM

Customer Number : 011059	Invoice Number: 511357-00	Invoice Date : 08/11/2016
Sold To		Ship To
CUMBERLAND VALLEY ELECTRIC RECC P.O. BOX 440 GRAY, KY 40734		CUMBERLAND VALLEY ELECTRIC RECC P.O. BOX 440 GRAY, KY 40734 Ship Via:

Customer PO:		Order Date:	08/11/2016					
Phone:	(606) 528 - 2677	Terms:	NET 30					
Fax:		Clerk #:	1					
Route #:	0	Sales Rep Name:	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE11135	INDEX,BNDR,LTR,10/ST,AST	ST	10		10	\$5.05	\$5.05	\$50.50

*Rate Case*

Sub Total:	\$50.50
6% SALES TAX:	\$3.03
Total:	\$53.53

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**

Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

# Bissell's Inc.

The Source Since 1946...

# INVOICE

512054-00

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

2:01:23 PM

Customer Number : 011059	Invoice Number : 512054-00	Invoice Date : 08/31/2016
Sold To:		Ship To:
CUMBERLAND VALLEY ELECTRIC REOC P.O. BOX 440 GRAY, KY 40734		CUMBERLAND VALLEY ELECTRIC REOC P.O. BOX 440 GRAY, KY 40734 Ship Via:

Customer PO:	Order Date:	08/31/2016						
Phone: (606) 528 - 2677	Terms:	NET 30						
Fax:	Clerk #:	4						
Route #: 0	Sales Rep Name:	CHARLIE SMITH						
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE01330	INDEX,LTR,1/25#1-25,25WHT	ST	10		10	\$8.88	\$8.88	\$88.80
AVE01331	INDEX,LTR1/25#26-50,25WHT	ST	10		10	\$8.88	\$8.88	\$88.80
UNV20992	BNDR,VIEW,11X8.5,3",WH	EA	12		12	\$15.46	\$7.99	\$95.88
UNV20994	BNDR,VIEW,D-RNG,4",WE	EA	12		12	\$27.03	\$16.99	\$203.88

*Rate Case*  
*- Office Supplies*

Sub Total:	\$477.36
6% SALES TAX:	\$28.64
Total:	\$506.00

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**  
 Please contact customer service at 606-528-2205  
 Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

# Goss ■ Samford PLLC

 Attorneys at Law



**Mark David Goss**  
mdgoss@gosssamfordlaw.com  
(859) 368-7740

September 9, 2016

Mr. Ted Hampton  
President and CEO  
Cumberland Valley Electric, Inc.  
6219 U.S. Highway 25 East  
Gray, KY 40734

Re: Invoice for August 1, 2016 to August 31, 2016

Dear Ted:

Please find enclosed the invoice for legal services performed by Goss Samford, PLLC on behalf of Cumberland Valley Electric, Inc. for the period from August 1, 2016 to August 31, 2016. Please remit payment for the amounts due within thirty days of today's date. A summary of the amounts due and owing, by matter, are as follows:

<u>Matter Description</u>	<u>Amount</u>
2016 General Rate Case – current fees	<u>\$6,232.70</u>
<b>TOTAL:</b>	<b>\$6,232.70</b>

Should you have any questions, please contact me at your convenience. Once again, it is a privilege to represent Cumberland Valley Electric, Inc. and we thank you for allowing us the opportunity to work with you.

Sincerely,



Mark David Goss

Enclosure

**Goss Samford, PLLC**  
Suite B-325  
2365 Harrodsburg Road  
Lexington, KY 40504  
Telephone: 859-368-7740

September 08, 2016

Invoice No. 2838

Cumberland Valley Electric, Inc.  
Attn: Ted Hampton, President & CEO  
6219 U.S. Highway 25 East  
Gray, KY 40734

---

Client Number: 0700 Cumberland Valley Electric, Inc.  
Matter Number: 1002 Cumberland Valley - 2016 General Rate  
For Services Rendered Through 8/31/2016..

---

<b>Fees</b>				
<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
8/4/2016	MDG	Initial review of Attorney General and PSC staff Information Requests in preparation for discussion with CVE staff; telephone conference call with T. Hampton, R. Tolliver, P. Hauser, et al., to discuss strategy for responding to Information Requests.	2.40	\$708.00
8/8/2016	MDG	Review and provide revisions to CVE's draft responses to KOAG's and KPSC staff's voluminous information requests.	5.60	\$1,652.00
8/8/2016	MDG	Telephone consultation with P. Hauser to discuss scope of work and KOAG's and KPSC staff's information requests and other aspects of current general rate case.	0.70	\$206.50
8/8/2016	LAH	Gather information for M. Goss to respond to PSC Data Requests.	0.30	\$67.50
8/9/2016	MDG	Telephone consultation with P. Hauser to discuss various suggested revisions to CVE's draft responses to KOAG and KPSC staff's Information Requests.	1.50	\$442.50
8/9/2016	MDG	Research on KPSC website to review CVE's last rate case; research KPSC website to review Owen Electric's last rate case to assist in drafting response to KOAG question regarding customer charge.	0.80	\$236.00

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

9/8/2016  
Page: 2

8/12/2016	LAH	Conference with M. Goss re reviewing PSC record and printing information he needs to review; review PSC record; print pleadings needed; create notebook for M. Goss; conference with M. Goss re completed notebook.	3.20	\$720.00
8/25/2016	MDG	Receipt and review of lengthy third round of Information Requests served by KPSC staff; email exchange with P. Hauser re same.	1.40	\$413.00
8/26/2016	MEB	Review Staffs Third Requests for Info re unclaimed patronage credits; research KRS 393, KRS 272, relevant precedent re escheatment and unclaimed property; telephone calls and email exchanges with P. Hauser, M. Goss, and R. Tolliver re same.	2.50	\$500.00
8/26/2016	MDG	Receipt and review of emails from P. Hauser re PSC staff question concerning escheat of capital credits for members unable to be located; multiple telephone conferences with E. Buckley to coordinate preparation of draft response to question.	1.50	\$442.50
8/26/2016	DSS	Telephone conference with M. Goss re the third data request; conference with E. Buckley re research on escheats.	0.20	\$55.00
8/30/2016	MEB	Draft Notice of Entry of Appearance and related "Read 1st" letter; review case file, Commission orders and regulations re electronic filing procedures; exchange emails with M. Goss re same.	1.10	\$220.00
8/30/2016	MDG	Telephone consultation with P. Hauser re telephone call from A. Goad of AG's office; email exchange with E. Buckley requesting draft of formal Entry of Appearance.	0.50	\$147.50
8/31/2016	MDG	Email exchange with A. Goad, AG's office, re status of case and opportunities to discuss possible narrowing of issues or settlement.	0.40	\$118.00
8/31/2016	MEB	Finalize, scan, file, and serve Notice of Entry of Appearance and related "Read 1st" letter; office conference with M. Goss re same; office conference with A. Cannon re submission of hard-copy to KPSC in Frankfort.	0.90	\$180.00

**Billable Hours / Fees: 23.00 \$6,108.50**

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

9/8/2016  
Page: 3

---

### Timekeeper Summary

Timekeeper DSS worked 0.20 hours at \$275.00 per hour, totaling \$55.00.  
Timekeeper LAH worked 3.50 hours at \$225.00 per hour, totaling \$787.50.  
Timekeeper MDG worked 14.80 hours at \$295.00 per hour, totaling \$4,366.00.  
Timekeeper MEB worked 4.50 hours at \$200.00 per hour, totaling \$900.00.

---

### Cost Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check No.</u>
8/6/2016	Photocopies - Draft Information Request Responses - Rate Case	\$10.50	
8/8/2016	Color Photocopies - Engagement Letter	\$2.50	
8/9/2016	Postage - Engagement Letter	\$0.90	
8/12/2016	Photocopies - Case Filings for notebook	\$110.30	
	<b>Total Costs</b>	<b>\$124.20</b>	

---

### Current Invoice Summary

Prior Balance:	\$0.00
Payments Received:	\$0.00
Unpaid Prior Balance:	\$0.00
Current Fees:	\$6,108.50
Advanced Costs:	\$124.20
<b>TOTAL AMOUNT DUE:</b>	<b>\$6,232.70</b>

Rate  
Case

GRAY P. O.  
280 S KY 233  
GRAY, KY 40734-9998  
USPS 2033000295  
1-800-275-8777

Merchant ID: 23900842949  
Term ID: 01  
Clerk ID: 000010

sale

\*\*\*\*\*4734

VISA

TOTAL: \$78.70

09/08/16 12:51:17  
Inv #: 000002 Appr Code: 002744  
Credit Tran #: 590

All Sales Final on Stamp and Postage.  
Refunds for Guaranteed Services Only.

CUSTOMER COPY

Order Stamps at [USPS.com/shop](http://USPS.com/shop) or call  
1-800-Stamp24. Go to  
[USPS.com/stampship](http://USPS.com/stampship) to print shipping  
labels with postage. For other info call  
1-800-ASK-USPS.

**512584-00**

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

3:07:17 PM

<b>Customer Number :</b> 011059	<b>Invoice Number :</b> 512584-00	<b>Invoice Date :</b> 09/14/2016
<b>Sold To</b>		<b>Ship To</b>
CUMBERLAND VALLEY ELECTRIC RECC P.O. BOX 440 GRAY, KY 40734		CUMBERLAND VALLEY ELECTRIC RECC P.O. BOX 440 GRAY, KY 40734 Ship Via:

<b>Customer PO:</b>		<b>Order Date:</b>	09/14/2016					
<b>Phone:</b>	(606) 528 - 2677	<b>Terms:</b>	NET 30					
<b>Fax:</b>		<b>Clerk #:</b>	4					
<b>Route #:</b>	0	<b>Sales Rep Name:</b>	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE11135	INDEX,BNDR,LTR,10/ST,AST	ST	10	5	5	\$5.05	\$4.04	\$20.20

<b>Sub Total:</b>	\$20.20
<b>6% SALES TAX:</b>	\$1.21
<b>Total:</b>	\$21.41

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**

Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

# Bissell's Inc.

The Source Since 1946...

# INVOICE

512584-01

Item No. 23  
Page 42 of 54  
Witness: Barbara Elliott

P.O. Box 536 Corbin, Kentucky 40702 (606) 528-2205

*rec'd  
9-15-16*

7:03:50 AM

Customer Number : 011059	Invoice Number : 512584-01	Invoice Date : 09/15/2016
Sold To:		Ship To:

CUMBERLAND VALLEY ELECTRIC  
RECC  
P.O. BOX 440  
GRAY, KY  
40734

CUMBERLAND VALLEY ELECTRIC  
RECC  
P.O. BOX 440  
GRAY, KY 40734  
Ship Via:

Customer PO:		Order Date:	09/14/2016					
Phone:	(606) 528 - 2877	Terms:	NET 30					
Fax:		Clerk #:	4					
Route #:	0	Sales Rep Name:	CHARLIE SMITH					
Product Code	Description	U/M	Quantity			List Price	Sale Price	Amount
			Order	B/O	Ship			
AVE11135	INDEX,BNDR,LTR,10/ST,AST	ST	5		5	\$5.05	\$4.04	\$20.20

Sub Total:	\$20.20
6% SALES TAX:	\$1.21
Total:	\$21.41

# of boxes : \_\_\_\_\_ Date Delivered : \_\_\_\_\_ Signature X \_\_\_\_\_

**We Appreciate Your Business - THANK YOU**

Please contact customer service at 606-528-2205  
Everything for the office at [www.bissellsinc.com](http://www.bissellsinc.com)

**Alan M. Zumstein, CPA**  
**Certified Public Accountant**  
1032 Chetford Drive  
Lexington, Kentucky 40509  
859-264-7147  
[zumstein@windstream.net](mailto:zumstein@windstream.net)

---

---

October 1, 2016

Cumberland Valley Electric, Inc.  
PO Box 440  
Gray, Kentucky 40734

Assist Cumberland Valley's staff and consultant with gathering information for schedules and exhibits in connection with Case No. ~~2014~~<sup>2016</sup>-00169:

	<u>Hours</u>	<u>Miles</u>
July 29 - August 5, 2016 Responses to PSC #2 and AG #1 requests for information	26	720
August 25-30, 2016 Responses to PSC #3 and AG #2 requests for information	20	360

Hours	46	@ \$125	\$ 5,750
Miles	1,080	@ \$0.50	<u>540</u>
Total due			<u>\$ 6,290</u>

Federal ID number 35-1877201

Witness: Barbara Elliott  
*OK. R.T.*

**INVOICE FOR SERVICES RENDERED**

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

5-Oct-16

Mr. Robert Tolliver  
 Office Mnanager  
 Cumberland Valley Electric  
 Highway 25E,  
 Gray, Kentucky 40734

**RATE CASE PREPARATION ACTIVITIES - JULY THROUGH SEPTEMBER 2016**

Month	Description	Hours	Mileage
July 29	Data Request ResponsePreparation - PSC-2 & AG-1	6.50	
August 1	Data Request ResponsePreparation - PSC-2 & AG-1	6.50	
August 2	Data Request ResponsePreparation - PSC-2 & AG-1	6.50	
August 4	Data Request ResponsePreparation - PSC-2 & AG-	6.50	
August 29	Data Request Response Preaparion * PSC-3 & AG-2	6.50	
August 30	Data Request Response Preaparion * PSC-3 & AG-2	6.50	
<b>TOTAL HOURS AND MILEAGE</b>		<b>39.00</b>	<b>0.0</b>
<b>RATE</b>		<b>\$ 125.00</b>	<b>\$ 0.55</b>
<b>TOTALS</b>		<b>\$ 4,875.00</b>	<b>\$ -</b>
<b>AMOUNT OF INVOICE</b>			<b>\$ 4,875.00</b>

*James R. Adkins*

**A DISABLED AMERICAN COMBAT VETERAN OWNED SERVICE**



**Mark David Goss**  
mdgoss@gosssamfordlaw.com  
(859) 368-7740

October 11, 2016

Mr. Ted Hampton  
President and CEO  
Cumberland Valley Electric, Inc.  
6219 U.S. Highway 25 East  
Gray, KY 40734

Re: Invoice for September 1, 2016 to September 30, 2016

Dear Ted:

Please find enclosed the invoice for legal services performed by Goss Samford, PLLC on behalf of Cumberland Valley Electric, Inc. for the period from September 1, 2016 to September 30, 2016. Please remit payment for the amounts due within thirty days of today's date. A summary of the amounts due and owing, by matter, are as follows:

<u><i>Matter Description</i></u>	<u><i>Amount</i></u>
2016 General Rate Case – current fees	<u>\$11,265.90</u>
<b><i>TOTAL:</i></b>	<b><i>\$11,265.90</i></b>

Should you have any questions, please contact me at your convenience. Once again, it is a privilege to represent Cumberland Valley Electric, Inc. and we thank you for allowing us the opportunity to work with you.

Sincerely,

Mark David Goss

Enclosure

**Goss Samford, PLLC**  
Suite B-325  
2365 Harrodsburg Road  
Lexington, KY 40504  
Telephone: 859-368-7740

October 11, 2016

Invoice No. 2869

Cumberland Valley Electric, Inc.  
Attn: Ted Hampton, President & CEO  
6219 U.S. Highway 25 East  
Gray, KY 40734

---

Client Number: 0700 Cumberland Valley Electric, Inc.  
Matter Number: 1002 Cumberland Valley - 2016 General Rate  
For Services Rendered Through 9/30/2016.

---

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
9/1/2016	MEB	Review email from R. Tolliver re responses to certain of the AG's second request for information; review relevant requests and draft responses to same; exchange emails and attachments with M. Goss, P. Hauser re same; telephone calls with P. Hauser re same; revise draft responses; conferences with M. Goss re same.	4.20	\$840.00
9/1/2016	MDG	Review of Information Requests from AG; multiple email and telephone exchanges with P. Hauser and E. Buckley to coordinate draft responses to same.	2.10	\$619.50
9/2/2016	MDG	Review of CVE's draft Responses to KPSC staff's Third Information Requests; multiple telephone and email exchanges with P. Hauser; conference call with R. Tolliver, et al., to discuss possible revisions to same.	4.50	\$1,327.50
9/2/2016	MEB	Review of CVE's draft Responses to Information Requests; multiple conferences with M. Goss re same.	1.20	\$240.00
9/5/2016	MDG	Review of voluminous draft responses of CVE to Attorney General's Second Request for Information and review of application and previous discovery responses to cross-check draft responses.	3.20	\$944.00

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

9/6/2016	MDG	Multiple conference calls with P. Hauser, R. Tolliver, T. Hampton, et al., to discuss CVE's draft responses to PSC Staff's Third and Attorney General's Second Information Requests; make multiple revisions to same; office conferences with E. Buckley to discuss Motion for Confidential Treatment, Cover Letter, and other items essential to successful filing of responses.	7.20	\$2,124.00
9/6/2016	MEB	Review and revision of CVE's draft responses to Commission Staff's and AG's requests for information; multiple conference calls and email exchanges with P. Hauser, R. Tolliver, et al. re same; review of documents in record and documents to-be-filed for confidential information; draft and revise motion for confidential treatment; draft Read 1st/Cover Letter; multiple office conferences with M. Goss re filing.	8.30	\$1,660.00
9/7/2016	MEB	Multiple revisions to Motion for Confidential Treatment/Motion to Withdraw and Replace Documents and Read 1st/Cover Letter; multiple calls with P. Hauser, M. Goss re same; exchange emails with B. Chaney, et al. re filing procedures and confidential information; finalize motions and cover letter; exchange emails with A. Goad (KYOAG) re confidentiality agreement; revise and finalize same; office conferences with M. Goss re same.	5.20	\$1,040.00
9/7/2016	MDG	Multiple email and telephone conferences with E. Buckley to finalize Motion for Confidential Treatment, Confidentiality Agreement between CVE and AG; email exchanges with R. Tolliver and P. Hauser to discuss various relevant issues.	1.60	\$472.00
9/12/2016	MEB	Review and compile as-filed responses to AG's 2nd request for information and Staff's 3rd request for information; email exchanges with B. Chaney re unredacted copies of filed information.	1.10	\$220.00
9/14/2016	MEB	Compile confidential information received from B. Chaney and prepare organizational notebooks; conferences with A. Cannon re same.	1.20	\$240.00
9/15/2016	MEB	Review Commission Order in Kenergy rate case re unclaimed capital credits; email to R. Tolliver, P. Hauser, M. Goss re same.	0.70	\$140.00

Continued On Next Page

Client Number: 0700

Matter Number: 1002

Page: 3

9/19/2016	MDG	Telephone consultation with P. Hauser to discuss case strategy; review of KPSC website to determine current case status; email exchange with A. Goad (AG).	1.00	\$295.00
9/20/2016	MDG	Multiple email exchanges with A. Goad (AG), P. Hauser and R. Tolliver re status of rate case and possible meeting to discuss disputed issues.	0.90	\$265.50
9/26/2016	MDG	Telephone consultation with P. Hauser to discuss case status and contacting A. Goad at KOAG, to gauge interest in settlement.	0.50	\$147.50
9/28/2016	MEB	Review Commission Order setting hearing date of 11/30; conference with M. Goss re same.	0.20	\$40.00
9/28/2016	MDG	Telephone consultation with P. Hauser re status of case; receipt and review of Order from KPSC setting case for hearing; email exchange with A. Goad, KOAG's office, re possible settlement conference; email exchange with R. Tolliver, et al., to advise of Order and notice requirements.	1.80	\$531.00
9/29/2016	MDG	Email exchange with R. Tolliver re responsibility for provision of hearing notice.	0.10	\$29.50

<b>Billable Hours / Fees:</b>	<u>45.00</u>	<u>\$11,175.50</u>
-------------------------------	--------------	--------------------

---

### Timekeeper Summary

Timekeeper MDG worked 22.90 hours at \$295.00 per hour, totaling \$6,755.50.

Timekeeper MEB worked 22.10 hours at \$200.00 per hour, totaling \$4,420.00.

---

### Cost Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check No.</u>
9/1/2016	Photocopies - CVEI - Commission Staff's Third Request for Information	\$17.10	
9/2/2016	Photocopies - CVEI - AG's Second Request for Information	\$19.00	
9/6/2016	Photocopies - CVEI - Redacted Documents	\$9.30	
9/12/2016	Photocopies - Data Request Responses	\$36.00	
9/14/2016	Photocopies - Data Request Responses	\$9.00	
	<b>Total Costs</b>	<u>\$90.40</u>	

---

Continued On Next Page

**Client Number:** 0700  
**Matter Number:** 1002

**Payment Detail**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
9/16/2016	Check Number 70570	(\$6,108.50)
9/16/2016	Check Number 70570	(\$124.20)
<b>Total Payments Received:</b>		<u>(\$6,232.70)</u>

---

**Current Invoice Summary**

<b>Prior Balance:</b>	\$6,232.70	
<b>Payments Received:</b>	(\$6,232.70)	<b>Last Payment: 9/16/2016</b>
<b>Unpaid Prior Balance:</b>	<u>\$0.00</u>	
<b>Current Fees:</b>	\$11,175.50	
<b>Advanced Costs:</b>	\$90.40	
<b>TOTAL AMOUNT DUE:</b>	<u><u>\$11,265.90</u></u>	



*Handwritten signature/initials*

**Mark David Goss**  
mdgoss@gosssamfordlaw.com  
(859) 368-7740

November 3, 2016

Mr. Ted Hampton  
President and CEO  
Cumberland Valley Electric, Inc.  
6219 U.S. Highway 25 East  
Gray, KY 40734

Re: Invoice for October 1, 2016 to October 31, 2016

Dear Ted:

Please find enclosed the invoice for legal services performed by Goss Samford, PLLC on behalf of Cumberland Valley Electric, Inc. for the period from October 1, 2016 to October 31, 2016. Please remit payment for the amounts due within thirty days of today's date. A summary of the amounts due and owing, by matter, are as follows:

<u>Matter Description</u>	<u>Amount</u>
2016 General Rate Case – current fees	<u>\$10,614.88</u>
<b>TOTAL:</b>	<b>\$10,614.88</b>

Should you have any questions, please contact me at your convenience. Once again, it is a privilege to represent Cumberland Valley Electric, Inc. and we thank you for allowing us the opportunity to work with you.

Sincerely,

Mark David Goss

Enclosure

**Goss Samford, PLLC**

Suite B-325  
2365 Harrodsburg Road  
Lexington, KY 40504  
Telephone: 859-368-7740

November 03, 2016

Invoice No. 2890

Cumberland Valley Electric, Inc.  
Attn: Ted Hampton, President & CEO  
6219 U.S. Highway 25 East  
Gray, KY 40734

---

Client Number: 0700 Cumberland Valley Electric, Inc.  
Matter Number: 1002 Cumberland Valley - 2016 General Rate  
**For Services Rendered Through 10/31/2016.**

---

**Fees**

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
10/10/2016	MDG	Telephone consultation with P. Hauser re status of rate case and related issues; email exchange with A. Goad to discuss potential dates for settlement conference.	0.80	\$236.00
10/11/2016	MDG	Multiple email exchanges with A. Goad and P. Hauser re issues surrounding settlement conference with AG and CVE; telephone consultation with P. Hauser.	0.80	\$236.00
10/13/2016	MDG	Email exchanges with A. Goad and P. Hauser re scheduling or settlement conference with AG; telephone conference with P. Hauser re same.	0.60	\$177.00
10/14/2016	MDG	Multiple email and telephone exchanges with P. Hauser and A. Goad to discuss settlement conference date and logistics associated with same; email exchange with R. Tolliver re update to responses to discovery.	1.20	\$354.00
10/17/2016	MDG	Telephone consultation with Angela Goad; multiple email exchanges with P. Hauser and A. Goad on settlement meeting; email exchanges with R. Tolliver re electronic filing of updated rate case information requested by AG; conference with E. Buckley re discuss draft letter of electronic filing to KPSC.	1.70	\$501.50

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

10/19/2016	MEB	Draft and compile supplemental response to AG's 1st, Item 2 (rate case expenses); finalize cover letter re same; draft verification and exchange emails with R. Tolliver re same; electronically file same and coordinate hardcopy filing with A. Cannon.	1.50	\$300.00
10/19/2016	MDG	Multiple telephone and email exchanges with A. Goad, R. Tolliver and P. Hauser's office to coordinate time, date and place for rate case settlement conference.	1.30	\$383.50
10/19/2016	MDG	Office conference with E. Buckley to discuss logistics for filing supplemental response to AG's Information Request pertaining to rate case expense; receive and review of electronic filing notice from KSPC; email exchanges with R. Tolliver and P. Hauser re same.	1.30	\$383.50
10/20/2016	MDG	Email exchange with A. Goad to further discuss upcoming rate case settlement conference with AG's office.	0.50	\$147.50
10/21/2016	MDG	Telephone consultation with A. Goad, of AG's office, regarding settlement conference on 10/26/16; compose and transmit lengthy email to R. Tolliver and P. Hauser to lay out AG's issues.	2.20	\$649.00
10/21/2016	MEB	Review email from M. Goss re settlement discussions with AG's office; retrieve and review final order in Kenergy rate case re unclaimed capital credits and other issues; conference with M. Goss re same.	0.40	\$80.00
10/22/2016	MDG	Receipt and review of email from R. Tolliver pertaining to CVE Depreciation Study and issues raised by AG; review of Depreciation Study document.	1.20	\$354.00
10/24/2016	MEB	Review email and attachments from R. Tolliver re AG's issue with depreciation responses; conference with M. Goss re same; review R. Tolliver's proposed responses to other issues raised by AG.	0.70	\$140.00
10/24/2016	MDG	Receipt and review of lengthy response (with references to the case record) to several points of dispute with AG provided by R. Tolliver; review of various documents and case record references in preparation for conference call and settlement meeting.	1.40	\$413.00
10/25/2016	MEB	Conference with M. Goss re settlement meeting with AG; review emails exchanged with A. Goad re same; review case file and relevant issues in advance of meeting.	1.10	\$220.00

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

10/25/2016	MDG	Review of Application, Exhibits and Information Request Responses in preparation for settlement meeting with Kentucky Office of Attorney General; prepare outline for discussion; telephone conference call with R. Tolliver, B. Elliott and P. Hauser to prepare for settlement meeting; multiple email exchanges with A. Goad, AG's office, providing reports, documents and explanations in advance of settlement meeting.	7.50	\$2,212.50
10/26/2016	MEB	Attend settlement conference with AG in Frankfort.	4.80	\$0.00 N/C
10/26/2016	MEB	Prepare documents for settlement conference with AG in Frankfort; review wage and salary plan documents and email R. Tolliver re same; conferences with M. Goss re same.	0.60	\$120.00
10/26/2016	MDG	Travel to Frankfort to attend and participate in settlement conference with CVE representatives and Kentucky Office of Attorney General; multiple post-meeting emails with A. Goad of AG's office re issues to be addressed and review of additional documents.	5.20	\$1,534.00
10/27/2016	MDG	Email exchanges with R. Tolliver re meeting with AG; review of certain policies and other documents associated with settlement discussions.	1.20	\$354.00
10/27/2016	MEB	Exchange emails with R. Tolliver re wage & salary study, board policy, depreciation issue, etc.	0.30	\$60.00
10/28/2016	MEB	Review application and exhibits; conference with A. Cannon re organization of same; review and respond to emails from A. Goad (AG) and N. Vinsel (PSC) re draft witness list; exchange emails with A. Goad re settlement status and conference with M. Goss re same.	0.80	\$160.00
10/28/2016	MDG	Telephone conference with E. Buckley re communication with A. Goad to discuss status of AG counter-offer and request by KPSC staff for witness list.	0.70	\$206.50
10/31/2016	MEB	Review complete case file for CVE witness identification and responsible information; email exchange with R. Tolliver re RUS/depreciation issue; conferences with M. Goss, A. Cannon re document production and hearing preparation.	2.70	\$540.00

Continued On Next Page

Client Number: 0700  
Matter Number: 1002

10/31/2016	MDG	Multiple telephone and email exchanges with P. Hauser and R. Tolliver re case status and hearing logistics; prepare and transmit OUTLOOK calender notice of hearing preparation session; consult case file on KPSC website and review procedural schedule; office conferences with E. Buckley to direct the logistics of preparation of trial notebooks; review of emails from prior week from A. Goad re possible settlement of case.	2.80	\$826.00		
			<b>Billable Hours / Fees:</b>	<table border="0" style="margin-left: auto;"> <tr> <td style="border-top: 1px solid black; text-align: right;">38.50</td> <td style="border-top: 1px solid black; text-align: right;">\$10,588.00</td> </tr> </table>	38.50	\$10,588.00
38.50	\$10,588.00					

**Timekeeper Summary**

Timekeeper MDG worked 30.40 hours at \$295.00 per hour, totaling \$8,968.00.

Timekeeper MEB worked 8.10 hours at \$200.00 per hour, totaling \$1,620.00.

Timekeeper MEB worked 4.80 hours at no charge.

**Cost Detail**

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check No.</u>
10/26/2016	Roundtrip mileage from/to Lexington/Frankfort to attend settlement meeting with Kentucky Office of Attorney General.	\$26.88	
<b>Total Costs</b>		<b>\$26.88</b>	

**Payment Detail**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
10/24/2016	Payment Received/Fees - Check #: 70840	(\$11,175.50)
10/24/2016	Payment Received/Soft Costs - Check #: 70840	(\$90.40)
<b>Total Payments Received:</b>		<b>(\$11,265.90)</b>

Cumberland Valley Electric, Inc.  
Case No. 2016-00169  
Commission Staff's Fourth Request for Information

24. Refer to the Application: Exhibit H-2, page 13 of 17. Provide a table similar to A22 using the most recent revised cost-of-service study.

Response:

Provided below is the requested table using the most recent version of the Cost of Service Study.

RATE CLASS	Customer Charge		Consumer Costs
	Current	Proposed	
Sched. I - Resid., Sch, Chrh	\$ 8.73	\$ 14.10	\$ 26.31
Sched. II - Sml Com 1 Ph	8.96	15.00	\$ 33.25
Sched. II - Sml Com 3 Ph	8.96	25.00	\$ 76.80
Sched. III - All Elec Schl Chrh	25.00	45.00	\$ 50.98
Sched. IV - Lrg Pow> 2500kW	50.00	100.00	\$ 134.29
Sched. IV-A Lrg Pow			
50-2500kW	40.00	65.00	\$ 112.50
Based on Revision 3, Exhibit R - Cost of Service Study			