

Licking Valley Rural Electric Cooperative  
Case No. 2016-00174  
Commission Staff's Third Request for Data

10. Refer to Licking Valley's response to Staff's Second Request, Item 19. In its response Licking Valley provided the hourly wage rates for lineman in several counties and concluded that "our hourly wage rates are very reasonable, and generally less than the prevailing hourly wage rate. Provide the analysis comparing each of Licking Valley's employee wage rates to the prevailing hourly rates in the West Liberty region and the Commonwealth of Kentucky as originally requested.

Response: Kerry K. Howard

The only employee class that applies to Licking Valley's employees from the Prevailing Wage Rate is the lineman pay. Licking Valley does not have the Commonwealth of Kentucky wage rates. The annual wage increase is determined based on conversation with our management, the Board of Directors, and informal discussions with other Kentucky cooperatives at statewide meetings. This has served us well over the years. The wage increase granted resulted in an increase in total wages of approximately \$53,256 as shown below. We feel this is a very reasonable increase for the work performed by our employees, both office and outside employees. We feel this is very modest and have not had employees complain about the level of increase. This has benefitted both management and employees well.

	<u>Test Year Wages</u>	<u>2% Wage Increase</u>
Regular	2,398,385	47,968
Overtime	264,420	5,288
Total		53,256