

From: Terri Combs
To: "Chris Brewer"; Joe Spalding, Inter-County Energy; Bill Shearer; Landis Cornett (ekpc@landiscornett.com); Mike Williams; Tim Sharp; mstallons@owenelectric.com; Tony Campbell; Don Mosier; Mike McNalley; David Smart; David Crews; "Bill Prather"
Subject: Update re: Tony's phone call today with Dennis Holt
Date: Wednesday, February 21, 2018 1:44:27 PM

Tony would like to have a conference call today at 3:30 p.m. to update you regarding a phone conversation that he had today with Dennis Holt.

The call in information will be sent out to you under an Outlook Meeting invitation. Please let me know if you have any issues with the timing of this call.

Thanks so much,
Terri K. Combs
Executive Assistant/Paralegal
Office of the President & CEO
East Kentucky Power Cooperative, Inc.
PO Box 707
Winchester, KY 40392-0707
859-745-9314
Terri.combs@ekpc.coop



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From: [Mike Williams](#)
To: [Terri Combs](#)
Cc: [Joe Spalding](#); [Inter-County Energy](#); [Bill Shearer](#); [Landis Cornett \(ekpc@landiscornett.com\)](#); [Tim Sharp](#); [Chris Brewer](#); [mstallons@owenelectric.com](#); [Tony Campbell](#); [Don Mosier](#); [David Smart](#); [David Crews](#); [Mike McNalley](#)
Subject: Re: MOU Committee discussion
Date: Monday, February 19, 2018 9:34:38 AM

I 'm good with that time.

Thanks,
Mike Williams

> On Feb 19, 2018, at 9:15 AM, Terri Combs <terri.combs@ekpc.coop> wrote:

>

> Good morning,

>

> Tony asked that I set up a conference call for the MOU Committee tomorrow (Tuesday, 2/20) at 3:00 p.m. (eastern time). Does this time work for all of you?

>

> Once the date/time is established, I will send out a calendar invitation. Please let me know at your earliest convenience.

>

> Thanks so much,

>

>

> Terri K. Combs

> Executive Assistant/Paralegal

> Office of the President & CEO

> East Kentucky Power Cooperative, Inc.

> PO Box 707

> Winchester, KY 40392-0707

> 859-745-9314

> Terri.combs@ekpc.coop

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>

>

>

From: Joe Spalding
To: terri.combs@ekpc.coop
Cc: [Terri Combs](#); [Bill Shearer](#); [Landis Cornett \(ekpc@landiscornett.com\)](#); [Mike Williams](#); [Tim Sharp](#); [Chris Brewer](#); [Tony Campbell](#); [Don Mosier](#); [David Smart](#); [David Crews](#); [Mike McNalley](#)
Subject: Re: MOU Committee discussion
Date: Monday, February 19, 2018 9:32:33 AM

I'm good with that time.

Sent from my iPhone

> On Feb 19, 2018, at 9:21 AM, Mark Stallons <mstallons@owenelectric.com> wrote:
>
> All,
>
> Tomorrow at 3pm works for me.
>
> Mark
>
> -----Original Message-----
> From: Terri Combs [<mailto:terri.combs@ekpc.coop>]
> Sent: Monday, February 19, 2018 9:15 AM
> To: Joe Spalding, Inter-County Energy <spaldingfarm@windstream.net>; Bill Shearer <wpshearer@bellsouth.net>; Landis Cornett (ekpc@landiscornett.com) <ekpc@landiscornett.com>; Mike Williams (mikew@bgenergy.com) <mikew@bgenergy.com>; Tim Sharp <tjsharp@srelectric.com>; Chris Brewer <cbrewer@clarkenergy.com>; Mark Stallons <mstallons@owenelectric.com>
> Cc: Tony Campbell <tony.campbell@ekpc.coop>; Don Mosier <Don.Mosier@ekpc.coop>; David Smart <david.smart@ekpc.coop>; David Crews <David.Crews@ekpc.coop>; Mike McNalley <Michael.McNalley@ekpc.coop>
> Subject: MOU Committee discussion
>
> *** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email! ***
>
> Good morning,
>
> Tony asked that I set up a conference call for the MOU Committee tomorrow (Tuesday, 2/20) at 3:00 p.m. (eastern time). Does this time work for all of you?
>
> Once the date/time is established, I will send out a calendar invitation. Please let me know at your earliest convenience.
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> Thanks so much,
>
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> Terri K. Combs
> Executive Assistant/Paralegal
> Office of the President & CEO
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>
>
>

From: [Mark Stallons](#)
To: [Terri Combs](#); [Joe Spalding, Inter-County Energy](#); [Bill Shearer](#); [Landis Cornett \(ekpc@landiscornett.com\)](#); [Mike Williams](#); [Tim Sharp](#); [Chris Brewer](#)
Cc: [Tony Campbell](#); [Don Mosier](#); [David Smart](#); [David Crews](#); [Mike McNalley](#)
Subject: RE: MOU Committee discussion
Date: Monday, February 19, 2018 9:21:57 AM

All,

Tomorrow at 3pm works for me.

Mark

-----Original Message-----

From: Terri Combs [<mailto:terri.combs@ekpc.coop>]
Sent: Monday, February 19, 2018 9:15 AM
To: Joe Spalding, Inter-County Energy <spaldingfarm@windstream.net>; Bill Shearer <wpshearer@bellsouth.net>; Landis Cornett (ekpc@landiscornett.com) <ekpc@landiscornett.com>; Mike Williams (mikew@bgenergy.com) <mikew@bgenergy.com>; Tim Sharp <tjsharp@srelectric.com>; Chris Brewer <cbrewer@clarkenergy.com>; Mark Stallons <mstallons@owenelectric.com>
Cc: Tony Campbell <tony.campbell@ekpc.coop>; Don Mosier <Don.Mosier@ekpc.coop>; David Smart <david.smart@ekpc.coop>; David Crews <David.Crews@ekpc.coop>; Mike McNalley <Michael.McNalley@ekpc.coop>
Subject: MOU Committee discussion

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Good morning,

Tony asked that I set up a conference call for the MOU Committee tomorrow (Tuesday, 2/20) at 3:00 p.m. (eastern time). Does this time work for all of you?

Once the date/time is established, I will send out a calendar invitation. Please let me know at your earliest convenience.

Thanks so much,

Terri K. Combs
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From: Terri Combs
To: [Joe Spalding](#), [Inter-County Energy](#); [Bill Shearer](#); [Landis Cornett \(ekpc@landiscornett.com\)](#); [Mike Williams](#); [Tim Sharp](#); [Chris Brewer](#); [mstallons@owenelectric.com](#)
Cc: [Tony Campbell](#); [Don Mosier](#); [David Smart](#); [David Crews](#); [Mike McNalley](#)
Subject: MOU Committee discussion
Date: Monday, February 19, 2018 9:15:30 AM

Good morning,

Tony asked that I set up a conference call for the MOU Committee tomorrow (Tuesday, 2/20) at 3:00 p.m. (eastern time). Does this time work for all of you?

Once the date/time is established, I will send out a calendar invitation. Please let me know at your earliest convenience.

Thanks so much,

Terri K. Combs
Executive Assistant/Paralegal
Office of the President & CEO
East Kentucky Power Cooperative, Inc.
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From: Mary Ellen Cole
To: Mark Stallons (mstallons@owenelectric.com); Mike Williams; Carol Wright (carolwright@jacksonenergy.com);
tsharp@srelectric.com; Debbie Martin; Joni Hazelrigg; cbrewer@clarkenergy.com
Subject: RFP Results, Round 2 Notes
Date: Sunday, February 18, 2018 4:32:45 PM
Attachments: RFP Results Round 2 Feb162018_with scores.pptx

Everyone,

Thanks for your participation in the discussion on Friday. I've attached a copy of the PPT with an updated KT Scorecard that includes the scores we discussed together. Please let us know if you have any questions about the proposals or material herein.

Thanks,
Mary Ellen

Mary Ellen Cole Lead Consultant
Main (866) 454-0548 | Alt. (866) 803-6037 | (888) 999-8840
mary_ellen.cole@enervision-inc.com | www.enervision-inc.com

ENERVISION[®] 4170 Ashford Dunwoody Road | Suite 550 | Atlanta, GA 30319

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Check us out at www.EnerVision-inc.com

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From: Terri Combs
To: A L Rosenberger ; Alan Ahrman - Owen; Barry Myers -- Taylor County; Bill Prather -- Farmers; Bobby Sexton--Big Sandy; Boris Haynes; Carol Fraley -- Grayson; Carol Wright - Jackson Energy; Chris Brewer - Clark Energy; Debbie Martin -- Shelby; Dennis Holt; Elbert Hampton; Jerry Carter; Jimmy Longmire -- Salt River; Jody Hughes; Joe Spalding, Inter-County Energy; Joni Hazelrigg; Kelly Shepherd; Ken Arrington -- Grayson; Kerry Howard -- Licking Valley; Landis Cornett; Mark Stallons -- Owen; Mickey Miller -- Nolin; Mike Williams; Paul Hawkins -- Farmers; Raymond Rucker; Ted Hampton; Ted Holbrook; Tim Eldridge; Tim Sharp - Salt River Electric; Wayne Stratton -- Shelby; William Shearer -- Clark
Cc: Tony Campbell
Subject: Sending on behalf of Tony Campbell: RE: Directors and CEO's
Date: Friday, February 16, 2018 8:15:09 PM
Attachments: image002.png

Sending on behalf of Tony Campbell

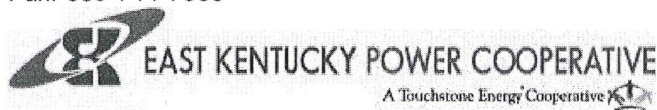
Directors/CEO's,

At last Tuesday's board meeting, I was asked to create a committee to assist me in possibly finding resolution to the South Kentucky MOU issue. Following are the people I placed on the committee (the CEO's contacted me and requested to be on the committee): 1) Joe Spalding 2) Bill Shearer 3) Landis Cornett 4) Mike Williams 5) Tim Sharp 6) Chris Brewer and 7) Mark Stallons.

I'm planning on having a kickoff conference call mid next week. We will then wait to get a date from Dennis Holt to meet with the South Kentucky board. I would assume Chairman Spalding would then want to update the board on our findings.

Regards,
Anthony "Tony" Campbell

President and CEO
Phone: 859-745-9313
Fax: 859-744-7053



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From: Jerry Carter
To: Mike Williams
Subject: South Kentucky Amendment Three
Date: Thursday, February 15, 2018 7:44:30 AM

Mike,

I am hoping that you may have some free time today for me to call you and discuss the South Kentucky Amendment Three issue.

Jerry W. Carter
President/CEO
Inter-County Energy
P.O. Box 87
Danville, KY 40423-0087
1-888-266-7322 (toll free), Extension 7831
859-936-7831 (direct)
859-236-3627 (fax)
859-324-2446 Cell



From: Mary Ellen Cole
To: Mark Stallons (mstallons@owenelectric.com); tjsharp@srelectric.com; Carol Wright (carolwright@jacksonenergy.com); Mike Williams; jhazelrigg@fme.coop; Debbie Martin; cbrewer@clarkenergy.com
Cc: Elaine Johns; Barry Birkett
Subject: RFP Review, Round 2, call tomorrow
Date: Thursday, February 15, 2018 12:45:47 PM

Good afternoon everyone,

Just a quick reminder for our scheduled call tomorrow at 3:15pm (ET). Please use the link below to see the presentation data, and use the call in number to hear/speak in the conversation. You will need to connect on both.

Look forward to speaking with you all then,
Mary Ellen

You have been invited to a join.me meeting

Join the meeting: join.me/EVI-1_EnerVision

Friday, February 16, 2018 3:15 PM
Eastern Time (US & Canada)
[In my time zone?](#)

To dial in by phone:

United States - Atlanta, GA
[+1.404.400.8750](tel:+14044008750)

United States - Hartford, CT
[+1.860.970.0010](tel:+18609700010)

[More phone numbers](#)

Conference ID:
702-156-323 #

Need to share screen? [Download the app](#)

Mary Ellen Cole Lead Consultant
Main (865) 454-0548 | Alt. (865) 803-6037 | (888) 999-8840
mary_ellen.cole@enervision-inc.com | www.enervision-inc.com

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From: Mike Williams
To: "Jerry Carter"
Subject: RE: South Kentucky Amendment Three
Date: Thursday, February 15, 2018 7:47:23 AM

Jerry

Available now. I have a staff meeting at 8:30am. If now is not a good time, I will be available this afternoon. My cell is [REDACTED].

Sincerely,

Michael I. Williams
President/CEO
Blue Grass Energy

From: Jerry Carter [mailto:jerry@intercountyenergy.net]
Sent: Thursday, February 15, 2018 7:44 AM
To: Mike Williams <mikew@bgenergy.com>
Subject: South Kentucky Amendment Three

Mike,

I am hoping that you may have some free time today for me to call you and discuss the South Kentucky Amendment Three issue.

Jerry W. Carter
President/CEO
Inter-County Energy
P.O. Box 87
Danville, KY 40423-0087
1-888-266-7322 (toll free), Extension 7831
859-936-7831 (direct)
859-236-3627 (fax)
859-324-2446 Cell



From: [Mark Stallons](#)
To: [Carol Wright](#); [Debbie Martin](#); [Joni Hazelrigg](#); [Mike Williams](#); [Tim Sharp](#); [Alan Ahrman](#)
Subject: Updated A3 Spreadsheet
Date: Monday, February 12, 2018 9:31:34 PM
Attachments: [A3 Cost Shift SK10 Do Nothing.xlsx](#)
[A3 Cost Shift SK10%.xlsx](#)

Ky Group,

Attached, please find a do nothing case with SK at 10% and then find a SK 10% case with the balance spread to remaining coops in pro-rata shares. I input Owen's 2017 base rate cost and environmental surcharge excluding Nucor GS.

Just to keep you in the loop, I am running a slight fever tonight and have asked Terri to see if I can call in for the meeting in case I do not rebound.

Mark

EKPC 5% Limit						A3 Allotments, Based on Data Through January 2018						A3 Balances as of January 2018										
Owner-Member Cooperative	EKPC CP (MW) for Month of			Average	5% Limit	Owner-Member Cooperative	Owner-Member Peak (MW)			Average	5% Election	15% Election	Owner-Member Cooperative	Allocation		Notice Before 2018 & 2018 Non PJM Notices	PJM Notice Y or N	Please choose your 2018 PJM Notice	5% Balance	Live Pro-rata Share of Balance	Feb 8 2018 Pro-Rata Share of Balance	Net Member Savings (Loss)
	Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018				Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018					%	MW							
Big Sandy	89.5	56.9	74.3	73.6	3.7	Big Sandy	89.5	58.8	74.3	74.2	3.710	11.1	Big Sandy	5%	3.7	0.0	N	0.0	3.7	3.1	3.1	\$ (341,951.78)
Blue Grass	410.9	324.4	382.2	372.5	18.6	Blue Grass	410.9	324.4	383.2	372.8	18.642	55.9	Blue Grass	5%	18.6	0.0	N	0.0	18.6	15.4	15.4	\$ (1,906,042.10)
Clark	154.0	113.6	139.4	135.7	6.8	Clark	154.0	113.6	140.1	135.9	6.796	20.4	Clark	5%	6.8	0.0	N	0.0	6.8	5.6	5.6	\$ (675,903.83)
Cumberland Valley	158.3	109.6	141.3	136.4	6.8	Cumberland Valley	158.3	110.0	141.3	136.5	6.826	20.5	Cumberland Valley	5%	6.8	0.0	N	0.0	6.8	5.7	5.7	\$ (667,516.55)
Farmers	136.4	115.9	138.4	130.2	6.5	Farmers	136.8	115.9	138.4	130.3	6.517	19.6	Farmers*	5%	6.5	4.6	Y	0.0	1.9	1.6	1.6	\$ (732,751.54)
Fleming Mason	196.9	166.9	189.1	184.3	9.2	Fleming Mason	198.0	179.7	189.1	188.9	9.445	28.3	Fleming Mason*	5%	9.4	1.4	N	0.0	8.0	6.7	6.7	\$ (1,193,995.68)
Grayson	85.2	57.6	72.7	71.9	3.6	Grayson	85.2	58.3	72.7	72.1	3.603	10.8	Grayson	5%	3.6	0.0	N	0.0	3.6	3.0	3.0	\$ (378,182.38)
Inter-County	171.1	134.1	158.6	154.6	7.7	Inter-County	171.1	134.4	158.6	154.7	7.736	23.2	Inter-County	5%	7.7	0.0	N	0.0	7.7	6.4	6.4	\$ (713,217.28)
Jackson	325.6	230.2	293.6	283.2	14.2	Jackson	327.7	232.2	293.6	284.5	14.226	42.7	Jackson*	5%	14.2	6.0	Y	0.0	8.2	6.8	6.8	\$ (1,340,683.66)
Licking Valley	88.6	58.7	75.0	74.1	3.7	Licking Valley	88.6	60.6	76.6	75.3	3.763	11.3	Licking Valley	5%	3.8	0.0	N	0.0	3.8	3.1	3.1	\$ (376,251.98)
Nolin	211.1	199.1	215.5	208.6	10.4	Nolin	230.4	199.1	216.1	215.2	10.760	32.3	Nolin	5%	10.8	0.0	N	0.0	10.8	8.9	8.9	\$ (1,077,567.05)
Owen	347.4	350.7	423.8	374.0	18.7	Owen	430.9	401.5	447.5	426.6	21.330	64.0	Owen*	5%	21.3	2.0	Y	0.0	19.3	16.0	16.0	\$ (1,790,012.35)
Salt River	314.4	262.0	306.4	294.3	14.7	Salt River	316.1	262.0	306.4	294.8	14.742	44.2	Salt River*	5%	14.7	2.0	Y	0.0	12.7	10.6	10.6	\$ (1,709,173.26)
Shelby	120.5	99.6	113.9	111.3	5.6	Shelby	120.5	101.6	113.9	112.0	5.599	16.8	Shelby	5%	5.6	0.0	N	0.0	5.6	4.6	4.6	\$ (675,301.46)
South Kentucky	458.9	353.4	426.2	412.9	20.6	South Kentucky	458.9	353.4	426.2	412.9	20.643	61.9	South Kentucky*	15%	61.9	38.7	N	0.0	0.0	0.0	0.0	\$ 5,333,831.51
Taylor	159.4	139.1	157.0	151.8	7.6	Taylor	160.2	139.1	157.0	152.1	7.604	22.8	Taylor	5%	7.6	0.0	N	0.0	7.6	6.3	6.3	\$ (703,727.52)
Total	3,428.1	2,771.8	3,307.4	3,169.1	158.5	Total	3,537.0	2,844.5	3,335.0	3,238.8	161.9		Total		203.2	54.7		-	125.3	103.8	103.8	

Total projects MW cannot exceed 5% of the 3 year average of EKPC CP, which is currently 158.5 MW.

Feb 2015-Jan 2016 Peak Occurred Feb 2015
Feb 2016-Jan 2017 Peak Occurred Jan 2017
Feb 2017-Jan 2018 Peak Occurred Jan 2018

Noticed Projects					
Owner-Member	Project	Notice Given	MW	Delivery Date	
Jackson	Irvine LFGTE		1.6	10/2013	
Jackson	Dupree Energy Sys		1.0	3/2015	
Farmers	Federal Mogul DG		3.6	2005	
Farmers	Glasgow LFGTE		1.0	11/2015	
Salt River	Lock 7		2.0	2013	
Owen	Owen Office		2.0	2016	
South Kentucky	PJM/Market	12/2018	38.7	6/2019	
Salt River	PJM/Market	2/2018	12.7	9/2019	
Owen	PJM/Market	2/2018	19.3	9/2019	
Fleming-Mason	LFG PPA	2/2018	1.4	10/2018	
Jackson	PJM Market	2/2019	8	0.0	
Jackson	Hydro	2/2020	3.4		
Total Projects			54.7		
Not to Exceed 158.5 MW					
Remaining Balance of 5% Amendment 3 Pool Feb 8, 2018				103.76	
Noticed February 8, 2019 not in above				1.9	0.0

Assumed Savings per Year (DRAFT)			
Cooperative	MW Load Noticed 2018	Savings per MW	Savings per Year
Big Sandy	0.00	\$ 20.00	\$ -
Blue Grass	0.00	\$ 20.00	\$ -
Clark	0.00	\$ 20.00	\$ -
Cumberland Valley	0.00	\$ 20.00	\$ -
Farmers	0.00	\$ 20.00	\$ -
Fleming Mason	0.00	\$ 20.00	\$ -
Grayson	0.00	\$ 20.00	\$ -
Inter-County	0.00	\$ 20.00	\$ -
Jackson	0.00	\$ 20.00	\$ -
Licking Valley	0.00	\$ 20.00	\$ -
Nolin	0.00	\$ 20.00	\$ -
Owen	0.00	\$ 20.00	\$ -
Salt River	0.00	\$ 20.00	\$ -
Shelby	0.00	\$ 20.00	\$ -
South Kentucky	\$ 38.70	\$ 20.00	\$ 6,780,240
Taylor	0.00	\$ 20.00	\$ -
Totals	38.70		6,780,240

Amendment 3 Impact on EKPC (DRAFT)						
<i>Notice</i>	<i>MW</i>	<i>MWh/Year</i>	<i>ES \$ Shift</i>	<i>ES %</i>	<i>Base \$ Shift</i>	<i>Total \$ Shift</i>
Big Sandy	0.0	-	\$ -	0.00%	\$ -	\$ -
Blue Grass	0.0	-	\$ -	0.00%	\$ -	\$ -
Clark	0.0	-	\$ -	0.00%	\$ -	\$ -
Cumberland Valley	0.0	-	\$ -	0.00%	\$ -	\$ -
Farmers	0.0	-	\$ -	0.00%	\$ -	\$ -
Fleming Mason	0.0	-	\$ -	0.00%	\$ -	\$ -
Grayson	0.0	-	\$ -	0.00%	\$ -	\$ -
Inter-County	0.0	-	\$ -	0.00%	\$ -	\$ -
Jackson	0.0	-	\$ -	0.00%	\$ -	\$ -
Licking Valley	0.0	-	\$ -	0.00%	\$ -	\$ -
Nolin	0.0	-	\$ -	0.00%	\$ -	\$ -
Owen	0.0	-	\$ -	0.00%	\$ -	\$ -
Salt River	0.0	-	\$ -	0.00%	\$ -	\$ -
Shelby	0.0	-	\$ -	0.00%	\$ -	\$ -
South Kentucky	38.7	339,012	\$ 4,100,000.00	100.00%	\$ 13,000,000.00	\$ 17,100,000.00
Taylor	0.0	-	\$ -	0.00%	\$ -	\$ -
Member Owner Total	38.7	339,012	\$ 4,100,000.00		\$ 13,000,000.00	\$ 17,100,000.00
EKPC 2018 Budget	29,194	13,534,101	EKPC Pass Thru		EKPC Rate Increase	

Cost Shift Percentages			
<i>EKPC Base Rate Impact</i>	<i>EKPC 2018 Budget (pgA2)</i>	<i>Base Shift</i>	<i>Percent Increase</i>
Base Rate	\$ 777,941,988.00	\$ 13,000,000.00	1.67%
EKPC ES Revenue	\$ 109,603,865.00	\$ 4,100,000.00	3.74%

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A3 Cost Shift Draft (2017 Actuals)

		3.74%			1.67%				
<i>Member Owner</i>	<i>2017 Capital Credits</i>	<i>Est. 2017 Member Owner ES Power Bill</i>	<i>ES Cost Increase</i>	<i>Est. 2017 Member Owner Base Rate Power Bill</i>	<i>Base Rate Increase</i>	<i>Base Rate Savings</i>	<i>Net Base Rate Savings (Loss)</i>	<i>Net Member Savings (Loss)</i>	
Big Sandy	\$ 456,552.84	\$ 2,332,135.41	\$ 87,239.22	\$ 15,242,430.52	\$ 254,712.56	\$ -	\$ (254,712.56)	\$ (341,951.78)	
Blue Grass	\$ 2,544,829.40	\$ 12,999,342.52	\$ 486,272.12	\$ 84,961,436.94	\$ 1,419,769.98	\$ -	\$ (1,419,769.98)	\$ (1,906,042.10)	
Clark	\$ 902,424.95	\$ 4,609,712.16	\$ 172,437.53	\$ 30,128,275.19	\$ 503,466.30	\$ -	\$ (503,466.30)	\$ (675,903.83)	
Cumberland Valley	\$ 891,226.76	\$ 4,552,510.25	\$ 170,297.75	\$ 29,754,413.47	\$ 497,218.79	\$ -	\$ (497,218.79)	\$ (667,516.55)	
Farmers	\$ 978,324.48	\$ 4,997,417.51	\$ 186,940.60	\$ 32,662,249.82	\$ 545,810.94	\$ -	\$ (545,810.94)	\$ (732,751.54)	
Fleming Mason	\$ 1,594,149.10	\$ 8,143,135.32	\$ 304,613.85	\$ 53,222,113.14	\$ 889,381.83	\$ -	\$ (889,381.83)	\$ (1,193,995.68)	
Grayson	\$ 504,925.70	\$ 2,579,230.70	\$ 96,482.42	\$ 16,857,402.32	\$ 281,699.96	\$ -	\$ (281,699.96)	\$ (378,182.38)	
Inter-County	\$ 952,243.55	\$ 4,864,192.50	\$ 181,956.99	\$ 31,791,514.33	\$ 531,260.29	\$ -	\$ (531,260.29)	\$ (713,217.28)	
Jackson	\$ 1,789,997.81	\$ 9,143,557.77	\$ 342,037.09	\$ 59,760,699.90	\$ 998,646.57	\$ -	\$ (998,646.57)	\$ (1,340,683.66)	
Licking Valley	\$ 502,348.35	\$ 2,566,065.24	\$ 95,989.93	\$ 16,771,355.15	\$ 280,262.05	\$ -	\$ (280,262.05)	\$ (376,251.98)	
Nolin	\$ 1,438,700.80	\$ 7,349,083.79	\$ 274,910.41	\$ 48,032,330.69	\$ 802,656.64	\$ -	\$ (802,656.64)	\$ (1,077,567.05)	
Owen	\$ 2,870,788.29	\$ 12,252,154.00	\$ 458,321.72	\$ 79,690,620.00	\$ 1,331,690.64	\$ -	\$ (1,331,690.64)	\$ (1,790,012.35)	
Salt River	\$ 2,281,982.31	\$ 11,656,683.03	\$ 436,046.67	\$ 76,186,048.52	\$ 1,273,126.59	\$ -	\$ (1,273,126.59)	\$ (1,709,173.26)	
Shelby	\$ 901,620.69	\$ 4,605,603.89	\$ 172,283.85	\$ 30,101,424.24	\$ 503,017.60	\$ -	\$ (503,017.60)	\$ (675,301.46)	
South Kentucky	\$ 2,592,576.90	\$ 13,243,243.39	\$ -	\$ 86,555,530.52	\$ 1,446,408.49	\$ 6,780,240.00	\$ 5,333,831.51	\$ 5,333,831.51	
Taylor	\$ 939,573.41	\$ 4,799,471.66	\$ 179,535.95	\$ 31,368,510.21	\$ 524,191.57	\$ -	\$ (524,191.57)	\$ (703,727.52)	
Total	\$ 22,142,265.34	\$ 113,105,771.00	\$ 3,645,366.09	\$ 739,239,605.00	\$ 12,083,320.81	\$ 6,780,240.00	\$ (5,303,080.81)	\$ (8,948,446.90)	

EKPC 5% Limit					A3 Allotments, Based on Data Through January 2018					A3 Balances as of January 2018												
Owner-Member Cooperative	EKPC CP (MW) for Month of			Average	5% Limit	Owner-Member Cooperative	Owner-Member Peak (MW)			Average	5% Election	15% Election	Owner-Member Cooperative	Allocation		Notice Before 2018 & 2018 Non PJM Notices	PJM Notice Y or N	Please choose your 2018 PJM Notice	5% Balance	Live Pro-rata Share of Balance	Feb 8 2018 Pro-Rata Share of Balance	Net Member Savings (Loss)
	Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018				Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018					%	MW							
Big Sandy	89.5	56.9	74.3	73.6	3.7	Big Sandy	89.5	58.8	74.3	74.2	3.710	11.1	Big Sandy	5%	3.7	0.0	N	3.1	0.6	2.9	3.1	\$ (406,144.76)
Blue Grass	410.9	324.4	382.2	372.5	18.6	Blue Grass	410.9	324.4	383.2	372.8	18.642	55.9	Blue Grass	5%	18.6	0.0	N	15.4	3.2	15.6	15.4	\$ (2,490,006.58)
Clark	154.0	113.6	139.4	135.7	6.8	Clark	154.0	113.6	140.1	135.9	6.796	20.4	Clark	5%	6.8	0.0	N	5.6	1.2	5.8	5.6	\$ (887,769.49)
Cumberland Valley	158.3	109.6	141.3	136.4	6.8	Cumberland Valley	158.3	110.0	141.3	136.5	6.826	20.5	Cumberland Valley	5%	6.8	0.0	N	5.7	1.1	5.4	5.7	\$ (846,764.82)
Farmers	136.4	115.9	138.4	130.2	6.5	Farmers	136.8	115.9	138.4	130.3	6.517	19.6	Farmers*	5%	6.5	4.6	Y	1.6	0.3	1.5	1.6	\$ (1,758,647.13)
Fleming Mason	196.9	166.9	189.1	184.3	9.2	Fleming Mason	198.0	179.7	189.1	188.9	9.445	28.3	Fleming Mason*	5%	9.4	1.4	N	6.7	1.3	6.5	6.7	\$ (2,121,808.07)
Grayson	85.2	57.6	72.7	71.9	3.6	Grayson	85.2	58.3	72.7	72.1	3.603	10.8	Grayson	5%	3.6	0.0	N	3.0	0.6	2.9	3.0	\$ (524,407.97)
Inter-County	171.1	134.1	158.6	154.6	7.7	Inter-County	171.1	134.4	158.6	154.7	7.736	23.2	Inter-County	5%	7.7	0.0	N	6.4	1.3	6.4	6.4	\$ (848,272.26)
Jackson	325.6	230.2	293.6	283.2	14.2	Jackson	327.7	232.2	293.6	284.5	14.226	42.7	Jackson*	5%	14.2	6.0	Y	6.8	1.4	6.9	6.8	\$ (2,508,584.20)
Licking Valley	88.6	58.7	75.0	74.1	3.7	Licking Valley	88.6	60.6	76.6	75.3	3.763	11.3	Licking Valley	5%	3.8	0.0	N	3.1	0.7	3.2	3.1	\$ (501,362.79)
Nolin	211.1	199.1	215.5	208.6	10.4	Nolin	230.4	199.1	216.1	215.2	10.760	32.3	Nolin	5%	10.8	0.0	N	8.9	1.9	9.0	8.9	\$ (1,404,575.96)
Owen	347.4	350.7	423.8	374.0	18.7	Owen	430.9	401.5	447.5	426.6	21.330	64.0	Owen*	5%	21.3	2.0	Y	16.0	3.3	16.1	16.0	\$ (2,063,883.63)
Salt River	314.4	262.0	306.4	294.3	14.7	Salt River	316.1	262.0	306.4	294.8	14.742	44.2	Salt River*	5%	14.7	2.0	Y	10.6	2.1	10.3	10.6	\$ (2,831,274.74)
Shelby	120.5	99.6	113.9	111.3	5.6	Shelby	120.5	101.6	113.9	112.0	5.599	16.8	Shelby	5%	5.6	0.0	N	4.6	1.0	4.8	4.6	\$ (1,064,274.31)
South Kentucky	458.9	353.4	426.2	412.9	20.6	South Kentucky	458.9	353.4	426.2	412.9	20.643	61.9	South Kentucky*	15%	61.9	38.7	N	0.0	0.0	0.0	0.0	\$ 1,858,671.36
Taylor	159.4	139.1	157.0	151.8	7.6	Taylor	160.2	139.1	157.0	152.1	7.604	22.8	Taylor	5%	7.6	0.0	N	6.3	1.3	6.3	6.3	\$ (839,895.79)
Total	3,428.1	2,771.8	3,307.4	3,169.1	158.5	Total	3,537.0	2,844.5	3,335.0	3,238.8	161.9		Total		203.2	54.7		103.8	21.5	103.8	103.8	

Total projects MW cannot exceed 5% of the 3 year average of EKPC CP, which is currently 158.5 MW.

Feb 2015-Jan 2016 Peak Occurred Feb 2015
 Feb 2016-Jan 2017 Peak Occurred Jan 2017
 Feb 2017-Jan 2018 Peak Occurred Jan 2018

Noticed Projects					
Owner-Member	Project	Notice Given	MW	Delivery Date	
Jackson	Irvine LFGTE		1.6	10/2013	
Jackson	Dupree Energy Sys		1.0	3/2015	
Farmers	Federal Mogul DG		3.6	2005	
Farmers	Glasgow LFGTE		1.0	11/2015	
Salt River	Lock 7		2.0	2013	
Owen	Owen Office		2.0	2016	
South Kentucky	PJM/Market	12/2018	38.7	6/2019	
Salt River	PJM/Market	2/2018	12.7	0.0	9/2019
Owen	PJM/Market	2/2018	19.3	0.0	9/2019
Fleming-Mason	LFG PPA	2/2018	1.4	10/2018	
Jackson	PJM Market	2/2019	8	0.0	
Jackson	Hydro	2/2020	3.4		
Total Projects			54.7		
Not to Exceed 158.5 MW					
Remaining Balance of 5% Amendment 3 Pool Feb 8, 2018				103.76	
Noticed February 8, 2019 not in above				1.9	0.0

Assumed Savings per Year (DRAFT)			
Cooperative	MW Load Noticed 2018	Savings per MW	Savings per Year
Big Sandy	3.10	\$ 20.00	\$ 543,120
Blue Grass	15.40	\$ 20.00	\$ 2,698,080
Clark	5.60	\$ 20.00	\$ 981,120
Cumberland Valley	5.70	\$ 20.00	\$ 998,640
Farmers	1.60	\$ 20.00	\$ 280,320
Fleming Mason	6.70	\$ 20.00	\$ 1,173,840
Grayson	3.00	\$ 20.00	\$ 525,600
Inter-County	6.40	\$ 20.00	\$ 1,121,280
Jackson	6.80	\$ 20.00	\$ 1,191,360
Licking Valley	3.10	\$ 20.00	\$ 543,120
Nolin	8.90	\$ 20.00	\$ 1,559,280
Owen	16.00	\$ 20.00	\$ 2,803,200
Salt River	10.60	\$ 20.00	\$ 1,857,120
Shelby	4.60	\$ 20.00	\$ 805,920
South Kentucky	\$ 38.70	\$ 20.00	\$ 6,780,240
Taylor	6.30	\$ 20.00	\$ 1,103,760
Totals	142.50		24,966,000

Amendment 3 Impact on EKPC (DRAFT)							
<i>Notice</i>	<i>MW</i>	<i>MWh/Year</i>		<i>ES \$ Shift</i>	<i>ES %</i>	<i>Base \$ Shift</i>	<i>Total \$ Shift</i>
Big Sandy	3.1	27,156		\$ 219,137.93	1.92%	\$ 694,827.59	\$ 913,965.52
Blue Grass	15.4	134,904		\$ 1,088,620.69	9.52%	\$ 3,451,724.14	\$ 4,540,344.83
Clark	5.6	49,056		\$ 395,862.07	3.46%	\$ 1,255,172.41	\$ 1,651,034.48
Cumberland Valley	5.7	49,932		\$ 402,931.03	3.52%	\$ 1,277,586.21	\$ 1,680,517.24
Farmers	1.6	14,016		\$ 113,103.45	0.99%	\$ 358,620.69	\$ 471,724.14
Fleming Mason	6.7	58,692		\$ 473,620.69	4.14%	\$ 1,501,724.14	\$ 1,975,344.83
Grayson	3.0	26,280		\$ 212,068.97	1.85%	\$ 672,413.79	\$ 884,482.76
Inter-County	6.4	56,064		\$ 452,413.79	3.96%	\$ 1,434,482.76	\$ 1,886,896.55
Jackson	6.8	59,568		\$ 480,689.66	4.20%	\$ 1,524,137.93	\$ 2,004,827.59
Licking Valley	3.1	27,156		\$ 219,137.93	1.92%	\$ 694,827.59	\$ 913,965.52
Nolin	8.9	77,964		\$ 629,137.93	5.50%	\$ 1,994,827.59	\$ 2,623,965.52
Owen	16.0	140,160		\$ 1,131,034.48	9.89%	\$ 3,586,206.90	\$ 4,717,241.38
Salt River	10.6	92,856		\$ 749,310.34	6.55%	\$ 2,375,862.07	\$ 3,125,172.41
Shelby	4.6	40,296		\$ 325,172.41	2.84%	\$ 1,031,034.48	\$ 1,356,206.90
South Kentucky	38.7	339,012		\$ 4,100,000.00	35.85%	\$ 13,000,000.00	\$ 17,100,000.00
Taylor	6.3	55,188		\$ 445,344.83	3.89%	\$ 1,412,068.97	\$ 1,857,413.79
Member Owner Total	142.5	1,248,300		\$ 11,437,586.21		\$ 36,265,517.24	\$ 47,703,103.45
EKPC 2018 Budget	29,194	13,534,101		EKPC Pass Thru		EKPC Rate Increase	

Cost Shift Percentages			
<i>EKPC Base Rate Impact</i>	<i>EKPC 2018 Budget (pgA2)</i>	<i>Base Shift</i>	<i>Percent Increase</i>
Base Rate	\$ 777,941,988.00	\$ 36,265,517.24	4.66%
EKPC ES Revenue	\$ 109,603,865.00	\$ 11,437,586.21	10.44%

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A3 Cost Shift Draft (2017 Actuals)

			10.44%		4.66%			
<i>Member Owner</i>	<i>2017 Capital Credits</i>	<i>Est. 2017 Member Owner ES Power Bill</i>	<i>ES Cost Increase</i>	<i>Est. 2017 Member Owner Base Rate Power Bill</i>	<i>Base Rate Increase</i>	<i>Base Rate Savings</i>	<i>Net Base Rate Savings (Loss)</i>	<i>Net Member Savings (Loss)</i>
Big Sandy	\$ 456,552.84	\$ 2,332,135.41	\$ 238,704.54	\$ 15,242,430.52	\$ 710,560.22	\$ 543,120.00	\$ (167,440.22)	\$ (406,144.76)
Blue Grass	\$ 2,544,829.40	\$ 12,999,342.52	\$ 1,227,417.92	\$ 84,961,436.94	\$ 3,960,668.67	\$ 2,698,080.00	\$ (1,262,588.67)	\$ (2,490,006.58)
Clark	\$ 902,424.95	\$ 4,609,712.16	\$ 464,392.11	\$ 30,128,275.19	\$ 1,404,497.38	\$ 981,120.00	\$ (423,377.38)	\$ (887,769.49)
Cumberland Valley	\$ 891,226.76	\$ 4,552,510.25	\$ 458,335.85	\$ 29,754,413.47	\$ 1,387,068.97	\$ 998,640.00	\$ (388,428.97)	\$ (846,764.82)
Farmers	\$ 978,324.48	\$ 4,997,417.51	\$ 516,342.82	\$ 32,662,249.82	\$ 1,522,624.31	\$ 280,320.00	\$ (1,242,304.31)	\$ (1,758,647.13)
Fleming Mason	\$ 1,594,149.10	\$ 8,143,135.32	\$ 814,579.44	\$ 53,222,113.14	\$ 2,481,068.63	\$ 1,173,840.00	\$ (1,307,228.63)	\$ (2,121,808.07)
Grayson	\$ 504,925.70	\$ 2,579,230.70	\$ 264,162.21	\$ 16,857,402.32	\$ 785,845.76	\$ 525,600.00	\$ (260,245.76)	\$ (524,407.97)
Inter-County	\$ 952,243.55	\$ 4,864,192.50	\$ 487,519.24	\$ 31,791,514.33	\$ 1,482,033.02	\$ 1,121,280.00	\$ (360,753.02)	\$ (848,272.26)
Jackson	\$ 1,789,997.81	\$ 9,143,557.77	\$ 914,064.63	\$ 59,760,699.90	\$ 2,785,879.57	\$ 1,191,360.00	\$ (1,594,519.57)	\$ (2,508,584.20)
Licking Valley	\$ 502,348.35	\$ 2,566,065.24	\$ 262,648.31	\$ 16,771,355.15	\$ 781,834.48	\$ 543,120.00	\$ (238,714.48)	\$ (501,362.79)
Nolin	\$ 1,438,700.80	\$ 7,349,083.79	\$ 724,720.72	\$ 48,032,330.69	\$ 2,239,135.24	\$ 1,559,280.00	\$ (679,855.24)	\$ (1,404,575.96)
Owen	\$ 2,870,788.29	\$ 12,252,154.00	\$ 1,152,125.97	\$ 79,690,620.00	\$ 3,714,957.67	\$ 2,803,200.00	\$ (911,757.67)	\$ (2,063,883.63)
Salt River	\$ 2,281,982.31	\$ 11,656,683.03	\$ 1,136,728.56	\$ 76,186,048.52	\$ 3,551,584.18	\$ 1,857,120.00	\$ (1,694,464.18)	\$ (2,831,192.74)
Shelby	\$ 901,620.69	\$ 4,605,603.89	\$ 466,948.64	\$ 30,101,424.24	\$ 1,403,245.66	\$ 805,920.00	\$ (597,325.66)	\$ (1,064,274.31)
South Kentucky	\$ 2,592,576.90	\$ 13,243,243.39	\$ 886,587.71	\$ 86,555,530.52	\$ 4,034,980.93	\$ 6,780,240.00	\$ 2,745,259.07	\$ 1,858,671.36
Taylor	\$ 939,573.41	\$ 4,799,471.66	\$ 481,342.07	\$ 31,368,510.21	\$ 1,462,313.73	\$ 1,103,760.00	\$ (358,553.73)	\$ (839,895.79)
Total	\$ 22,142,265.34	\$ 113,105,771.00	\$ 10,496,620.74	\$ 739,239,605.00	\$ 33,708,298.40	\$ 24,966,000.00	\$ (8,742,298.40)	\$ (19,238,919.15)

From: Terri Combs
To: Joe Spalding, Inter-County Energy; Bill Shearer; Landis Cornett (ekpc@landiscornett.com); Mike Williams; Tim Sharp; Chris Brewer; mstallons@owenelectric.com
Cc: Tony Campbell; David Smart; Don Mosier; Mike McNalley; David Crews
Subject: FROM TONY CAMPBELL RE: MOU Committee
Date: Wednesday, February 14, 2018 12:05:59 PM
Attachments: image002.png
Importance: High

SENDING ON BEHALF OF TONY CAMPBELL:

-
All:

I was asked to put together a committee to assist with the resolution to our MOU issue. You, and the following, are being asked to serve on this committee. I'm thinking this will not require a substantial amount of time. Plus, I will try to use phone conferencing where possible.

Directors: **1) Joe Spalding 2) Bill Shearer 3) Landis Cornett**

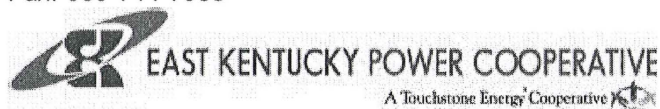
CEO's: **1) Mike Williams 2) Tim Sharp 3) Chris Brewer 4) Mark Stallons**

If you would rather not serve on the committee please let me know as soon as possible, and I'll make some changes.

I'm going to try and kick this off early next week by conference call.

Regards,
Anthony "Tony" Campbell

President and CEO
Phone: 859-745-9313
Fax: 859-744-7053



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From: David Smart
To: "A.L. Rosenberger -- Nolin"; "Alan Ahrman - Owen"; "Barry Myers -- Taylor County"; "Bill Prather -- Farmers"; Bobby Sexton; Boris Haynes; "Carol Fraley -- Grayson"; "Carol Wright - Jackson Energy"; "Chris Brewer - Clark Energy"; Danny Wallen; "Debbie Martin -- Shelby"; Dennis Holt; Elbert Hampton; Jerry Carter; "Jimmy Longmire -- Salt River"; Jody Hughes; "Joe Spalding (spaldingfarm@windstream.net)"; "Joni Hazelrigg"; "Kelly Shepherd"; "Ken Arrington -- Grayson"; "Kerry Howard -- Licking Valley"; "Landis Cornett"; "Mark Stallons -- Owen"; "Mickey Miller -- Nolin"; Mike Williams; "Paul Hawkins -- Farmers"; "Raymond Rucker"; "Ted Hampton"; Ted Holbrook; "Tim Eldridge"; "Tim Sharp - Salt River Electric"; "Wayne Stratton -- Shelby"; "William Shearer -- Clark"
Cc: Tony Campbell; Don Mosier; Mike McNalley; David Crews; Jeannie Jones; Terri Combs; Shanan Strange
Subject: Resolution for Approval to Enter into Power Purchase Agreement (Amended)
Date: Wednesday, February 14, 2018 11:46:14 AM
Attachments: Approval to Enter into Power Purchase Agreement (Amended).pdf

Dear Directors and CEOs,

As promised at yesterday's Board Meeting, I am sending to you the amended Board Resolution regarding EKPC's authority to enter into a power purchase agreement in the context of A3 and the MOU. I added the last sentence to the Resolution requiring Board review and approval of any such action by EKPC Management. I used Paul Hawkins' exact words. Thanks very much.

David

David Smart
General Counsel
East Kentucky Power Cooperative, Inc.
P.O. Box 707
Winchester, KY 40392-0707
(859) 745.9237 (DD)

Resolution

APPROVAL TO ENTER INTO POWER PURCHASE AGREEMENT

WHEREAS, on or about October 1, 1964, East Kentucky Power Cooperative (“EKPC”) entered into separate Wholesale Power Contracts with each of its Owner-Members. Each of the Wholesale Power Contracts contain identical provisions and under those contracts, EKPC sells and delivers to each of the sixteen Owner-Members and each of the sixteen Owner-Members purchases and receives, all electric power for the operations of their respective retail electric system; and

WHEREAS, in 2003 each Wholesale Power Contract was amended to permit each of the sixteen Owner-Members the ability to obtain power and energy from non-EKPC sources subject to certain limitations and required procedures, this amendment also known as “Amendment No. 3;” and

WHEREAS, on or about July 23, 2015, EKPC and each of the sixteen Owner-Members entered into a Memorandum of Understanding and Agreement Regarding Alternate Power Sources (“MOU”), which provides the framework by which the sixteen Owner-Members may pursue and contract with parties other than EKPC (“Alternate Source”) to satisfy a defined portion of their future power needs and includes provisions relating to, among other matters, limitations on the quantities of alternate source power that can be acquired by each Owner-Member, the length of the terms for which the alternate source power can be acquired, and the advance notice that must be provided by an Owner-Member before acquiring alternate-source power; and

WHEREAS, South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”) has provided notice to EKPC, pursuant to the terms of the MOU, that it intends to reduce and substitute 58 MW of its purchases from EKPC by using electric power and energy from an Alternate Source beginning in mid-2019, and, further, South Kentucky has filed an Application with the Kentucky Public Service Commission to approve its power purchase agreement with its Alternate Source provider, Morgan Stanley Capital Group; and

WHEREAS, the proposed power purchase contract South Kentucky has entered into has precipitated a concern from other Owner-Members of EKPC that South Kentucky and other potential distribution cooperatives exercising rights under the MOU will be unfairly subsidized by entering into power purchase contracts, to the detriment of those cooperatives not entering into those agreements; and

WHEREAS, it has always been the earnest resolve of EKPC to be prudent and fair with all of its Owner-Members in its business decisions and conduct; and

WHEREAS, an Owner-Member exercising its rights under the MOU may create a situation that is, or is perceived to be, a disproportionate or unfair allocation of

Resolution

alternate power from an alternate source.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of EKPC hereby authorizes and empowers EKPC to take the most economical action within the Wholesale Power Contract to procure a power purchase agreement (“PPA”) for those Owner-Members who do or did not have an opportunity, due to the original Amendment No. 3/MOU notice, to purchase a proportionate 5% allocation of alternate power from EKPC as an alternate source in complete compliance with the Wholesale Power Contract and Amendment No. 3. Any action taken by EKPC Management will be reviewed and approved by the Board of Directors.

From: Bill H Peyton
To: Jerry Carter
Cc: mmiller@nolinrecc.com; Allen Goggin External; tony.campbell@ekpc.coop; Louis Kerrick External; Don Mosier; ted.hampton@cumberlandvalley.coop; bsexton@bigsandyrecc.com; CHRIS BREWER (cbrewer@clarkenergy.com) (cbrewer@clarkenergy.com); kkhoward@lvrecc.com; carol.fraley@graysonrecc.com; tjsharp@srelectric.com; jhazelrigg@fme.coop; Jason Todd External; Mike Williams; Mike McNalley; debbiem@shelbyenergy.com; Joe Spalding External; Bill Prather; bmyers@tcrecc.com; carolwright@jacksonenergy.com; Kevin Preston; "Dennis Holt" (dholt@skrecc.com); david.crews@ekpc.coop; Hadden Dean
Subject: Re: Inter-County's Filing of the Notice of Intent to Exercise its Rights Under the Amendment 3 MOU
Date: Monday, February 12, 2018 6:33:04 PM

Great news, thanks for the update.

On Feb 12, 2018 5:19 PM, "Jerry Carter" <jerry@intercountyenergy.net> wrote:

My Fellow Cooperative Managers,

After great care and painstaking discussion by the board of directors of Inter-County Energy, I am informing you that Inter-County has exercised its rights under the Amendment 3 MOU.

Inter-County is willing and hopeful that an equitable solution can be obtained that serves the entire membership of each member-owner of East Kentucky Power Cooperative.

Sincerely,

Jerry W. Carter

President/CEO

Inter-County Energy

P.O. Box 87

Danville, KY 40423-0087

1-888-266-7322 (toll free), Extension 7831

859-936-7831 (direct)

859-236-3627 (fax)

859-324-2446 Cell



From: Jerry Carter
To: bsexton@bigsandyrecc.com; Mike Williams; [CHRIS BREWFER \(cbrewer@clarkenergy.com\)](mailto:CHRIS BREWFER (cbrewer@clarkenergy.com) (cbrewer@clarkenergy.com))
(cbrewer@clarkenergy.com); ted.hampton@cumberlandvalley.coop; jhazelrigg@fme.coop; carol.fraley@graysonrecc.com; Jerry Carter; carolwright@jacksonenergy.com; kxhoward@lvrecc.com; mmiller@nolinrecc.com; "Dennis Holt" (dholt@skrecc.com); debbiem@shelbyenergy.com; bmvers@tcrecc.com; tony.campbell@ekpc.coop; Don Mosier; Mike McNalley; david.crews@ekpc.coop; Bill Prather; tjsharp@srelectric.com
Cc: [Hadden Dean](#); [Allen Goggin External](#); [Bill Peyton External](#); [Jason Todd External](#); [Joe Spalding External](#); [Kevin Preston](#); [Louis Kerrick External](#)
Subject: Inter-County's Filing of the Notice of Intent to Exercise its Rights Under the Amendment 3 MOU
Date: Monday, February 12, 2018 5:20:12 PM

My Fellow Cooperative Managers,

After great care and painstaking discussion by the board of directors of Inter-County Energy, I am informing you that Inter-County has exercised its rights under the Amendment 3 MOU.

Inter-County is willing and hopeful that an equitable solution can be obtained that serves the entire membership of each member-owner of East Kentucky Power Cooperative.

Sincerely,

Jerry W. Carter

President/CEO

Inter-County Energy

P.O. Box 87

Danville, KY 40423-0087

1-888-266-7322 (toll free), Extension 7831

859-936-7831 (direct)

859-236-3627 (fax)

859-324-2446 Cell



From: Dennis Holt
To: bsexton@bigsandyrecc.com; Mike Williams; CHRIS BREWER (cbrewer@clarkenergy.com) (cbrewer@clarkenergy.com); ted.hampton@cumberlandvalley.coop; jhazelrigg@fme.coop; carol.fraley@graysonrecc.com; jerry@intercountvenergy.net; carolwright@jacksonenergy.com; kkhoward@lvrecc.com; mmiller@nolinrecc.com; debblem@shelbvenergy.com; bmyers@trecc.com; tony.campbell@ekpc.coop; Don Mosier; Mike McNailey; david.crews@ekpc.coop; Mark Stallons; Bill Prather; Tim Sharp
Subject: EKPC Amendment Three
Date: Monday, February 12, 2018 7:25:35 AM
Attachments: DOC021218-02122018072337.pdf

In advance of tomorrow's EKPC Board Meeting I am sending the attached letter for your review.

I look forward to seeing everyone at tomorrow's meeting.

Dennis Holt
President & CEO
South Kentucky RECC
Somerset, Kentucky 42503
Phone 606-678-4121
Cell 606-872-3555

Dennis Holt
President & CEO
Phone (606) 678-4121



200 Electric Avenue
P. O. Box 910
Somerset KY 42502

February 12, 2018

Dear Fellow Managers,

As you are all aware South Kentucky gave notice to East Kentucky Power (EKPC) on November 28, 2017 to exercise our Amendment Three Privileges. South Kentucky is aware of the concerns of other EKPC Member Cooperatives that the cumulative effect of all Amendment Three elections could be significant cost-shifting between and among us. Because of South Kentucky's recognition of this fact we are willing to work with the other distribution cooperatives to help mitigate these concerns.

South Kentucky has contracted with Morgan Stanley for a 58 Megawatt fixed energy product, and a 68 Megawatt Financial Capacity Hedge product. While South Kentucky remains obligated under this contract to take 58 Megawatts from Morgan Stanley, we are open to reasonable options to reduce the impact on the other distribution cooperatives.

During the due diligence phase of this transaction leading up to our Amendment Three notification to EKPC we have been very careful to meet all legal requirements outlined in Amendment Three and the corresponding Memorandum of Understanding agreed to by all of us, and approved by the Kentucky Public Service Commission. However, South Kentucky values its relationship to each of its sister cooperatives too much to allow disunity at EKPC. Because of this, at its recent monthly meeting, South Kentucky's Board of Directors voted and directed me to investigate ways in which we can reduce our election of 15% by 1/3, to a 10% election instead.

I am sure each of you understands that South Kentucky cannot now directly reduce the amount of power being procured in the contract with Morgan Stanley due to contractual obligations; however, we believe there may be other ways to transfer and/or assign a portion of our contracted amount so as to benefit other cooperatives and flatten out the effect of cost-shifting. We will all probably need EKPC's expertise in determining ways to achieve this transfer and/or assignment.

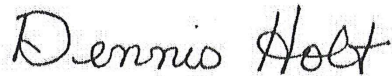
South Kentucky has expended significant expense in staff time, consultants and attorneys to reach this point in the process. We would hope that whoever ultimately benefits from

this transfer will recognize this fact and South Kentucky would expect some reasonable mitigation of its financial outlay from the participant(s).

South Kentucky stands ready to work with our sister distribution cooperatives to develop a plan to achieve the objective of mitigation of cost-shifting to the degree possible. I'm sure that we will all need to rely on EKPC's assistance as we move forward to accomplish this goal.

We can discuss this matter in greater detail at tomorrow's EKPC Board of Directors meeting.

Sincerely Yours,

A handwritten signature in black ink that reads "Dennis Holt". The signature is written in a cursive style with a large initial "D".

Dennis Holt
President & CEO
South Kentucky RECC
200 Electric Avenue
Somerset, Kentucky 42503

From: Joni Hazelrigg
To: Elaine Johns; mstallons@owenelectric.com; Tim Sharp; Carol Wright; Mike Williams; debbiem@shelbyenergy.com; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole; Barry Birkett
Subject: RE: Round 2 Meeting
Date: Monday, February 12, 2018 9:25:45 AM

I am available anytime Friday.
Thanks,
Joni

Joni Hazelrigg, President & CEO
Fleming-Mason Energy Cooperative, Inc.
P. O. Box 328 1449 Elizaville Rd.
Flemingsburg, KY 41041
O: 606.845.2661 C: 606.782.4526 F: 606.845.1008

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-----Original Message-----

From: Elaine Johns [mailto:Elaine.Johns@enervision-inc.com]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fme.coop>; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

With Round 2 pricing due in this Weds., 2/14, we were wondering if a Friday 2/16 afternoon meeting could work?

I have down Blue Grass Board on 2/19. Is there another before then?

Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: Chris Brewer
To: Elaine Johns; mstallons@owenelectric.com; Tim Sharp; Carol Wright; Mike Williams; debbiem@shelbyenergy.com; Joni Hazelrigg
Cc: mmoore@owenelectric.com; Mary Ellen Cole; Barry Birkett
Subject: RE: Round 2 Meeting
Date: Monday, February 12, 2018 8:51:34 AM

I should be available.

Chris Brewer, PE
cbrewer@clarkenergy.com
859-901-9207
President & CEO
Clark Energy

-----Original Message-----

From: Elaine Johns [mailto:Elaine.Johns@enervision-inc.com]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fme.coop>; Chris Brewer <cbrewer@clarkenergy.com>
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

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Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: Mike Williams
To: "Elaine Johns"; mstallons@owenelectric.com; Tim Sharp; Carol Wright; debbiem@shelbyenergy.com; Joni Hazelrigg; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole; Barry Birkett
Subject: RE: Round 2 Meeting
Date: Monday, February 12, 2018 8:20:36 AM

I'm available anytime Friday.

Sincerely,

Michael I. Williams
President/CEO
Blue Grass Energy

-----Original Message-----

From: Elaine Johns [mailto:Elaine.Johns@enervision-inc.com]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fme.coop>; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

With Round 2 pricing due in thls Weds., 2/14, we were wondering if a Friday 2/16 afternoon meeting could work?

I have down Blue Grass Board on 2/19. Is there another before then?

Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: Tim Sharp
To: Elaine Johns; mstallons@owenelectric.com; Carol Wright; Mike Williams; debbiem@shelbyenergy.com; Joni Hazelrigg; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole; Barry Birkett
Subject: RE: Round 2 Meeting
Date: Monday, February 12, 2018 7:57:25 AM

I'm good anytime Friday.

Tim

-----Original Message-----

From: Elaine Johns [mailto:Elaine.Johns@enervision-inc.com]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fine.coop>; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

*** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email! ***

With Round 2 pricing due in thIs Weds., 2/14, we were wondering if a Friday 2/16 afternoon meeting could work?

I have down Blue Grass Board on 2/19. Is there another before then?

Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: [Mark Stallons](#)
To: [Carol Wright](#)
Cc: [Elaine Johns](#); [Tim Sharp](#); [Mike Williams](#); [debbiem@shelbyenergy.com](#); [Joni Hazelrigg](#); [cbrewer@clarkenergy.com](#); [Missy Moore](#); [Mary Ellen Cole](#); [Barry Birkett](#)
Subject: Re: Round 2 Meeting
Date: Monday, February 12, 2018 7:40:27 AM

All,

I have a prior meeting and can join at 3:15pm.

Mark

Mark Stallons
Sent from my iPhone

On Feb 12, 2018, at 7:25 AM, Carol Wright <carolwright@jacksonenergy.com> wrote:

***** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email! *****

I can join the meeting on Friday at 2:30pm.

Thanks,

Carol Wright
President & CEO
606-364-9213
<image003.jpg>

-----Original Message-----

From: Elaine Johns [<mailto:Elaine.Johns@enervision-inc.com>]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fme.coop>; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

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Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: Carol Wright
To: "Elaine Johns"; mstallons@owenelectric.com; Tim Sharp; Mike Williams; debbiem@shelbyenergy.com; Joni Hazelrigg; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole; Barry Birkett
Subject: RE: Round 2 Meeting
Date: Monday, February 12, 2018 7:25:10 AM

I can join the meeting on Friday at 2:30pm.

Thanks,

Carol Wright
President & CEO
606-364-9213



-----Original Message-----

From: Elaine Johns [mailto:Elaine.Johns@enervision-inc.com]
Sent: Sunday, February 11, 2018 9:35 PM
To: mstallons@owenelectric.com; Tim Sharp <tjsharp@srelectric.com>; Carol Wright <carolwright@jacksonenergy.com>; Mike Williams <mikew@bgenergy.com>; debbiem@shelbyenergy.com; Joni Hazelrigg <jhazelrigg@fme.coop>; cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; Mary Ellen Cole <Mary_Ellen.Cole@enervision-inc.com>; Barry Birkett <Barry.Birkett@enervision-inc.com>
Subject: Round 2 Meeting

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Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: Elaine Johns
To: mstallons@owenelectric.com; [Tim Sharp](mailto:Tim.Sharp); [Carol Wright](mailto:Carol.Wright); [Mike Williams](mailto:Mike.Williams); debbiem@shelbyenergy.com; [Joni Hazelrigg](mailto:Joni.Hazelrigg); cbrewer@clarkenergy.com
Cc: mmoore@owenelectric.com; [Mary Ellen Cole](mailto:MaryEllen.Cole); [Barry Birkett](mailto:Barry.Birkett)
Subject: Round 2 Meeting
Date: Sunday, February 11, 2018 9:35:36 PM

With Round 2 pricing due in thIs Weds., 2/14, we were wondering if a Friday 2/16 afternoon meeting could work?

I have down Blue Grass Board on 2/19. Is there another before then?

Please let me know if you can make a joinme meeting on Friday 2/16 at 2:30pm. If not, let us know what works for you —

Thanks,
Elaine

Sent from my iPhone

From: [Joni Hazelrigg](#)
To: [Mark Stallons](#)
Cc: [Mike Williams](#); [Carol Wright](#); [Tim Sharp](#); [Debbie Martin](#); [Chris Brewer](#)
Subject: Re: A3 Path Forward
Date: Saturday, February 10, 2018 6:06:55 PM

I am available after the board meeting on Tuesday also. I plan to attend the S.I. meeting Monday afternoon as well.

Thanks Mark for the spreadsheet and sharing your information.

Joni

Sent from my iPhone

On Feb 10, 2018, at 9:19 AM, Mark Stallons <mstallons@owenelectric.com> wrote:

>> All,

>>

>> Below please find an email string between Mike McNalley and me earlier in the week. Mike & I have had several phone calls as well. Based on conversations with all of you and EKPC the past few weeks, I suggest we consider the following as a possible path forward:

>>

>> 1. We approve S Kentucky's notice - to not approve would invite and basically guarantee a lawsuit battle much worse than Grayson

>> 2. We form a special committee comprised of interested CEO's/Manager's; EKPC key staff including Tony, Mike, Don & David; and Board Representation to accomplish the following:

>>

>> a. Agree to Identify possible pathways to move our portfolio in a financially prudent manner away from carbon risk assets by a defined time and present to the EKPC Board for further discussion and hopefully an agreement.

>> b. Provide a pathway for Member Owners to move to an increasing market based alternate source power supply portfolio without shifting costs. I believe we need to do this to give SKY reason to talk. They have spent considerable funds to secure market power and they will not simply give it up.

>> c. Based on January 2018 Amendment 3 (A3) load Allocation calculations, EKPC agrees to use the Jan 2018 method resulting in 161.9 MW to allocate present and future A3 market based power available to Member Owners.

>> d. Member Owner's agree that no one can exceed 5% of their cooperative's rolling 36 month coincident peak as identified by A3 and in the MOU and at present totals 161.9 MW.

>> e. S KY agrees to reduce their A3 percentage to 5% and assigns Morgan Stanley agreement to EKPC as an A3 noticed project.

>> f. The Kentucky Group of 7 agrees to work with EKPC and open their RFP process to any EKPC member owner.

> g. Member Owner's have a defined x day window to join the S KY Morgan Stanley Agreement up to 58MW or join the Kentucky Group and purchase up to their full 5% allocation as defined above.

>>

>> 3. If item 2 above fails, then we are left with intervention at the PSC and/or moving forward with the Kentucky Group RFP process.

>

>> Can we discuss either in person or by phone Monday, after BROC and before SI

>> in between Committee Meetings during lunch.

>

>> Your thoughts,

>>

>> Mark

>>

>>

>>

>>
>> -----Original Message-----
>> From: Mark Stallons
>> Sent: Wednesday, February 07, 2018 6:11 AM
>> To: Mike McNalley <Michael.McNalley@ekpc.coop>
>> Subject: Re: A3 Cost Shift Spreadsheet
>>
>> Mike,
>>
>> Thanks for taking a look. Your comments are spot on. I kept it simple and that does compromise accuracy.
>>
>> I have capacity as well as energy pricing in the short term. We should have escalators in the next few weeks.
>>
>> In regards to a twenty year NPV I have that in a different model with Owen alone. To improve accuracy, I need a more recent or adjusted EKPC financial forecast. I have the 2015 in my files. However, it is obviously dated.
>>
>> The ES and base rate 2018 EKPC budget numbers by Cooperative is necessary to finish the model. Without that I can not accurately show the impact on a Cooperative basis.
>>
>> Would also like to see present capacity and energy costs by generating unit for all of EKPC's units compared to market. In addition a range of expected market selling price and revenue, the remaining depreciation and resulting annual regulatory asset cost for each of EKPC's generating assets.
>>
>> In other words what is the cost of our steel hedge compared to market and what if any possible pathways do we have to lessen our stranded costs. What is our enterprise risk associated with Dems regaining control of the EPA, house and or Senate? What is our risk mitigation plan if Bevin and the Republicans deregulate Kentucky?
>>
>> The S KY Amendment 3 move highlights a handful of questions that I am sure the EKPC staff understand, have thought about, and have concluded that staying with a steel hedge is our best response. In the last few weeks I have found that most board of directors and CEO's can not explain the value or risk of a steel hedge at \$15 to \$25 per MWh above the PJM market.
>>
>> I found this simple spreadsheet to be a useful tool to educate my board concerning the impact of SKY's actions as well as a means to explain the possible outcomes associated with a variety of mitigation strategies. If we work together, I believe we can develop a more accurate model to educate all stakeholders including the PSC.
>>
>> I can talk about the above anytime this morning.
>>
>> Thanks,
>>
>> Mark
>>
>>
>> Mark Stallons
>> Sent from my iPhone
>>
>>> On Feb 6, 2018, at 5:25 PM, Mike McNalley <Michael.McNalley@ekpc.coop> wrote:
>>>
>>> Didn't hear from you today but did see a couple of issues. One is the \$20/MWh savings could decline over time if (a) EKPC continues to lower cost, and/or (b) there are any escalators or Re-openers in the contract. So using the first year savings probably overstates it, and the NPVs should be adjusted.
>>> Second is that there is no capacity cost. I don't know what is being quoted, but I do know that it follows market so could escalate quite dramatically. Might erase all remaining savings.
>>>
>>> If you get some time Wed, give me a shout.
>>>
>>> Mike McNalley

>>> EVP & CFO
>>> East Kentucky Power Cooperative, Inc.
>>> 859-745-9209 office
>>> 859-595-3897 cell
>>> michael.mcnalley@ekpc.coop<mailto:michael.mcnalley@ekpc.coop>
>>>
>>>
>>> On Feb 5, 2018, at 5:31 PM, Mark Stallons
<mstallons@owenelectric.com<mailto:mstallons@owenelectric.com>> wrote:
>>>
>>> Mike,
>>>
>>> Here is my simple spreadsheet. What is a good time to call tomorrow?
>>>
>>> Thanks,
>>>
>>> Mark
>>>
>>> Mark A. Stallons
>>> President & CEO
>>>
>>> Owen Electric Cooperative
>>> 8205 Hwy 127N; PO Box 400
>>> Owenton, KY 40359
>>>
>>> * Direct Line: 502-563-3500
>>> *Mobile: 502-514-1650
>>> *Email: mstallons@owenelectric.com<mailto:mstallons@owenelectric.com>
>>> <image001.jpg>
>>>
>>> "One of your goals for the future is for you to identify and solve your own problems. But since you are new,
come on up and we'll talk."
>>> Source: The One Minute Manager, Page 30.
>>>
>>> PRIVILEGED OR CONFIDENTIAL NOTICE: This e-mail message is for the sole use of the intended
recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or
distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy
all copies of the original message.
>>>
>>>
>>> <Cost Shift 020318.xlsx>

From: Mark Stallons
To: Bill Prather; Tim Sharp
Cc: bsexton@bigsandyrecc.com; Mike Williams; CHRIS BREWER (cbrewer@clarkenergy.com) (cbrewer@clarkenergy.com); ted.hampton@cumberlandvalley.coop; jhazelrigg@fme.coop; carol.frale@graysonrecc.com; jerry@intercountyenergy.net; carolwright@jacksonenergy.com; kkhoward@lvrecc.com; mmiller@nolinrecc.com; "Dennis Holt" (dholt@skrecc.com); debbiem@shelbyenergy.com; bmyers@tcrecc.com; tony.campbell@ekpc.coop; Don Mosier; Mike McNalley; david.crews@ekpc.coop
Subject: RE: EKPC Amendment Three Notification
Date: Friday, February 9, 2018 1:44:34 PM
Attachments: [A3 Cost Shift 020818.xlsx](#)

Fellow Manager's,

Owen has likewise given EKPC notification on the remaining balance of our Amendment 3 rights. As Tim and Bill have expressed, Owen is also hopeful that we can work together to find common ground and determine a pathway that meets all of our 500,000 plus members desire for affordable and reliable energy. As developed in 2003, Amendment 3's differential between an individual coops ability to go to market for 15% while EKPC's allotment is simply 5%, has always been recognized and is a serious problem that creates major inequities. When we negotiated the MOU, unfortunately we were unable to mitigate this risk and agree on a common percentage that applied to both EKPC and the Member Owners.

In Owen's board room discussions, we used the attached excel spreadsheet to understand the Amendment 3 impacts to EKPC and all 16 member owners. You are welcome to modify and use this model to see what your Cooperative's impacts are under a variety of scenarios. Please understand that some data is not readily available and as a result I have made assumptions that affect the outcome. For example in the last tab entitled "Cost shift", I used the 2017 capital credit allocations to estimate each cooperatives power bill. To receive a more accurate estimated impact, please input your actual 2017 Environmental Surcharge power expense in column D (highlighted green) and your Base Rate power bill in column F also highlighted green.

The first tab, titled "Jan 2018 Allotment", is a historical summary of Amendment 3 notices and the balances by cooperative as of February 8, 2018. I have included Farmer's recent notice, however, I simply applied the notice to the remaining balance. If a prior notice has been rescinded then my assumption is not accurate. If you want to see the impact of your Cooperative's decision to give notice or to not give notice please update column X and Y highlighted in green and entitled 2018 PJM Notices with either your remaining balance in column Z, the pro-rata share in column AA, or leave as zero. Please note that column AE, titled "Net Member Savings(Loss)" identifies the resulting cost impact. As you change your notice and as others change their notice the impacts shift.

The second tab, titled "A3 Savings" takes the noticed amount from tab 1 "Jan 2018 Allotment" and calculates the annual savings that your individual cooperative could expect in year 1 if the price spread was \$20. You can change the price spread highlighted in green to any number you choose.

The third tab, titled "EKPC Impact" shows the impact on the Environmental Surcharge and on the Base Rates charged to each member owner based upon the number of cooperatives who have given notice. Please note that the cost shifts are proportional to the cost shifts identified in EKPC's letter dated December 27, 2017 which discusses said cost shifts and mitigation. Please also note that the

notices provided since November 2017 are estimated to result in roughly a \$7 Million dollar reduction (6.44%) in EKPC's environmental surcharge revenue and roughly a \$22 Million reduction (2.88%) in base rate revenue. As you change your notice choice on tab 1, the impact is updated.

The fourth tab, entitled "Cost Shift", displays the savings if you exercise Amendment 3, the resulting cost shifts, and the net impact on all 16 cooperatives. Unfortunately, the bottom line is that exercising your Amendment 3 option will not completely mitigate the negative cost impacts or totally reduce the cost shifts. The only successful way forward is for all of us is to sit down and develop a new path that is beneficial to all concerned.

I do not claim the attached spreadsheet to be perfect, however, I do believe it is directionally correct and a good start. I am also very willing to work with interested parties to modify and improve the model. Should you have any questions, please do not hesitate to call.

Sincerely,

Mark

From: Bill Prather [mailto:bprather@farmersrecc.net]

Sent: Thursday, February 08, 2018 3:53 PM

To: Tim Sharp <tjsharp@srelectric.com>

Cc: bsexton@big sandyrecc.com; Mike Williams (mikew@bgenergy.com) <mikew@bgenergy.com>; CHRIS BREWER (cbrewer@clarkenergy.com) (cbrewer@clarkenergy.com) <cbrewer@clarkenergy.com>; ted.hampton@cumberlandvalley.coop; jhazelrigg@fme.coop; carol.frale@graysonrecc.com; jerry@intercountyenergy.net; carolwright@jacksonenergy.com; kkhoward@lvrecc.com; mmiller@nolinrecc.com; Mark Stallons <mstallons@owenelectric.com>; 'Dennis Holt' (dholt@skrecc.com) <dholt@skrecc.com>; debbiem@shelbyenergy.com; bmyers@trecc.com; tony.campbell@ekpc.coop

Subject: Re: EKPC Amendment Three Notification

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Folks,

Like Tim at Salt River, I wanted to give you a heads up that Farmers has likewise given EKPC notification on the remaining balance of our Amendment 3 rights. Farmers too, is hopeful that we can all determine a path forward that will be beneficial to all sixteen member-owners. We look forward to working together to find common ground that is fair to all. We do not philosophically support where Amendment 3 is currently taking us all, and hope we can find a better way for our sixteen members.

Bill Prather
Farmers RECC

On Fri, Feb 2, 2018 at 7:11 AM, Tim Sharp <tjsharp@srelectric.com> wrote:

| As a courtesy, we want to make you aware that Salt River Electric has given East Kentucky

Power notification yesterday of our intention to exercise our Amendment Three rights.

Salt River Electric has given East Kentucky Power notice of our intent to acquire the remaining amount up to 5% of our rolling three year average peak from an alternate source. This alternate source is scheduled to begin on September 1, 2019.

Per Tony Campbell's memo of 1/30/18, Salt River is more than willing to work toward a strategy is more beneficial to all of EKPC's members.

Please feel free to contact me if you have any questions or concerns.

Tim Sharp
Salt River Electric

--

William T. Prather
President/CEO
Farmers Rural Electric Cooperative Corporation
504 South Broadway
Glasgow, Kentucky 42141
270-651-2191, ext. 8300
bprather@farmersrecc.com



EKPC 5% Limit					A3 Allotments, Based on Data Through January 2018							
Owner-Member Cooperative	EKPC CP (MW) for Month of			Average	5% Limit	Owner-Member Cooperative	Owner-Member Peak (MW)			Average	5% Election	15% Election
	Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018				Feb 2015- Jan 2016	Feb 2016- Jan 2017	Feb 2017- Jan 2018			
Big Sandy	89.5	56.9	74.3	73.6	3.7	Big Sandy	89.5	58.8	74.3	74.2	3.710	11.1
Blue Grass	410.9	324.4	382.2	372.5	18.6	Blue Grass	410.9	324.4	383.2	372.8	18.642	55.9
Clark	154.0	113.6	139.4	135.7	6.8	Clark	154.0	113.6	140.1	135.9	6.796	20.4
Cumberland Valley	158.3	109.6	141.3	136.4	6.8	Cumberland Valley	158.3	110.0	141.3	136.5	6.826	20.5
Farmers	136.4	115.9	138.4	130.2	6.5	Farmers	136.8	115.9	138.4	130.3	6.517	19.6
Fleming Mason	196.9	166.9	189.1	184.3	9.2	Fleming Mason	198.0	179.7	189.1	188.9	9.445	28.3
Grayson	85.2	57.6	72.7	71.9	3.6	Grayson	85.2	58.3	72.7	72.1	3.603	10.8
Inter-County	171.1	134.1	158.6	154.6	7.7	Inter-County	171.1	134.4	158.6	154.7	7.736	23.2
Jackson	325.6	230.2	293.6	283.2	14.2	Jackson	327.7	232.2	293.6	284.5	14.226	42.7
Licking Valley	88.6	58.7	75.0	74.1	3.7	Licking Valley	88.6	60.6	76.6	75.3	3.763	11.3
Nolin	211.1	199.1	215.5	208.6	10.4	Nolin	230.4	199.1	216.1	215.2	10.760	32.3
Owen	347.4	350.7	423.8	374.0	18.7	Owen	430.9	401.5	447.5	426.6	21.330	64.0
Salt River	314.4	262.0	306.4	294.3	14.7	Salt River	316.1	262.0	306.4	294.8	14.742	44.2
Shelby	120.5	99.6	113.9	111.3	5.6	Shelby	120.5	101.6	113.9	112.0	5.599	16.8
South Kentucky	458.9	353.4	426.2	412.9	20.6	South Kentucky	458.9	353.4	426.2	412.9	20.643	61.9
Taylor	159.4	139.1	157.0	151.8	7.6	Taylor	160.2	139.1	157.0	152.1	7.604	22.8
Total	3,428.1	2,771.8	3,307.4	3,169.1	158.5	Total	3,537.0	2,844.5	3,335.0	3,238.8	161.9	

A3 Balances as of January 2018									
Owner-Member Cooperative	Allocation		Notice Before 2018 & 2018 Non PJM Notices	PJM Notice Yor N	Please choose your 2018 PJM Notice	5% Balance	Live Pro-rata Share of Balance	Feb 8 2018 Pro-Rata Share of Balance	
	%	MW							MW
Big Sandy	5%	3.7	0.0	N	0.0	3.7	1.9	1.9	
Blue Grass	5%	18.6	0.0	N	0.0	18.6	9.5	9.5	
Clark	5%	6.8	0.0	N	0.0	6.8	3.5	3.5	
Cumberland Valley	5%	6.8	0.0	N	0.0	6.8	3.5	3.5	
Farmers*	5%	6.5	4.6	Y	1.9	0.0	0.0	0.0	
Fleming Mason*	5%	9.4	1.4	N	0.0	8.0	4.1	4.1	
Grayson	5%	3.6	0.0	N	0.0	3.6	1.8	1.8	
Inter-County	5%	7.7	0.0	N	0.0	7.7	4.0	4.0	
Jackson*	5%	14.2	6.0	Y	8.0	0.0	0.0	0.0	
Licking Valley	5%	3.8	0.0	N	0.0	3.8	1.9	1.9	
Nolin	5%	10.8	0.0	N	0.0	10.8	5.5	5.5	
Owen*	5%	21.3	2.0	Y	19.3	0.0	0.0	0.0	
Salt River*	5%	14.7	2.0	Y	12.7	0.0	0.0	0.0	
Shelby	5%	5.6	0.0	N	0.0	5.6	2.9	2.9	
South Kentucky*	15%	61.9	58.0	N	0.0	0.0	0.0	0.0	
Taylor	5%	7.6	0.0	N	0.0	7.6	3.9	3.9	
<i>* indicates project in place or in process.</i>									
Total		203.2	74.0		41.9	83.2	42.6	42.5	

Total projects MW cannot exceed 5% of the 3 year average of EKPC CP, which is currently 158.5 MW.

Feb 2015-Jan 2016 Peak Occurred Feb 2015
 Feb 2016-Jan 2017 Peak Occurred Jan 2017
 Feb 2017-Jan 2018 Peak Occurred Jan 2018

Noticed Projects						
Owner-Member	Project	Notice Given			MW	Delivery Date
Jackson	Irvine LFGTE				1.6	10/2013
Jackson	Dupree Energy Sys				1.0	3/2015
Farmers	Federal Mogul DG				3.6	2005
Farmers	Glasgow LFGTE				1.0	11/2015
Salt River	Lock 7				2.0	2013
Owen	Owen Office				2.0	2016
South Kentucky	PJM/Market	12/2018			58.0	6/2019
Salt River	PJM/Market	2/2018			12.7	9/2019
Owen	PJM/Market	2/2018			19.3	9/2019
Fleming-Mason	LFG PPA	2/2018			1.4	10/2018
Jackson	PJM Market	2/2019			8.0	
Jackson	Hydro	2/2020			3.4	
Total Projects					114.0	
Not to Exceed 158.5 MW						
Remaining Balance of 5% Amendment 3 Pool Feb 8, 2018					44.46	
Noticed February 8, 2019 not in above					1.9	

Assumed Savings per Year (DRAFT)			
Cooperative	MW Load Noticed 2018	Savings per MW	Savings per Year
Big Sandy	0.00	\$ 20.00	\$ -
Blue Grass	0.00	\$ 20.00	\$ -
Clark	0.00	\$ 20.00	\$ -
Cumberland Valley	0.00	\$ 20.00	\$ -
Farmers	1.90	\$ 20.00	\$ 332,880
Fleming Mason	0.00	\$ 20.00	\$ -
Grayson	0.00	\$ 20.00	\$ -
Inter-County	0.00	\$ 20.00	\$ -
Jackson	8.00	\$ 20.00	\$ 1,401,600
Licking Valley	0.00	\$ 20.00	\$ -
Nolin	0.00	\$ 20.00	\$ -
Owen	19.30	\$ 20.00	\$ 3,381,360
Salt River	12.70	\$ 20.00	\$ 2,225,040
Shelby	0.00	\$ 20.00	\$ -
South Kentucky	\$ 58.00	\$ 20.00	\$ 10,161,600
Taylor	0.00	\$ 20.00	\$ -
Totals	99.90		17,502,480

Amendment 3 Impact on EKPC (DRAFT)

Notice	MW	MWh/Year	ES \$ Shift	ES %	Base \$ Shift	Total \$ Shift
Big Sandy	0.0	-	\$ -	0.00%	\$ -	\$ -
Blue Grass	0.0	-	\$ -	0.00%	\$ -	\$ -
Clark	0.0	-	\$ -	0.00%	\$ -	\$ -
Cumberland Valley	0.0	-	\$ -	0.00%	\$ -	\$ -
Farmers	1.9	16,644	\$ 134,310.34	1.90%	\$ 425,862.07	\$ 560,172.41
Fleming Mason	0.0	-	\$ -	0.00%	\$ -	\$ -
Grayson	0.0	-	\$ -	0.00%	\$ -	\$ -
Inter-County	0.0	-	\$ -	0.00%	\$ -	\$ -
Jackson	8.0	70,080	\$ 565,517.24	8.01%	\$ 1,793,103.45	\$ 2,358,620.69
Licking Valley	0.0	-	\$ -	0.00%	\$ -	\$ -
Nolin	0.0	-	\$ -	0.00%	\$ -	\$ -
Owen	19.3	169,068	\$ 1,364,310.34	19.32%	\$ 4,325,862.07	\$ 5,690,172.41
Salt River	12.7	111,252	\$ 897,758.62	12.71%	\$ 2,846,551.72	\$ 3,744,310.34
Shelby	0.0	-	\$ -	0.00%	\$ -	\$ -
South Kentucky	58.0	508,080	\$ 4,100,000.00	58.06%	\$ 13,000,000.00	\$ 17,100,000.00
Taylor	0.0	-	\$ -	0.00%	\$ -	\$ -
Member Owner Total	99.9	875,124	\$ 7,061,896.55		\$ 22,391,379.31	\$ 29,453,275.86
EKPC 2018 Budget	29,194	13,534,101	EKPC Pass Thru		EKPC Rate Increase	

Cost Shift Percentages

EKPC Base Rate Impact	EKPC 2018 Budget (pgA2)	Base Shift	Percent Increase
Base Rate	\$ 777,941,988.00	\$ 22,391,379.31	2.88%
EKPC ES Revenue	\$ 109,603,865.00	\$ 7,061,896.55	6.44%

A3 Cost Shift Draft (2017 Actuals)

			6.44%		2.88%			
<i>Member Owner</i>	<i>2017 Capital Credits</i>	<i>Est. 2017 Member Owner ES Power Bill</i>	<i>ES Cost Increase</i>	<i>Est. 2017 Member Owner Base Rate Power Bill</i>	<i>Base Rate Increase</i>	<i>Base Rate Savings</i>	<i>Net Base Rate Savings (Loss)</i>	<i>Net Member Savings (Loss)</i>
Big Sandy	\$ 456,552.84	\$ 2,332,135.41	\$ 150,262.03	\$ 15,242,430.52	\$ 438,720.43	\$ -	\$ (438,720.43)	\$ (588,982.46)
Blue Grass	\$ 2,544,829.40	\$ 12,999,342.52	\$ 837,561.82	\$ 84,961,436.94	\$ 2,445,431.40	\$ -	\$ (2,445,431.40)	\$ (3,282,993.21)
Clark	\$ 902,424.95	\$ 4,609,712.16	\$ 297,008.78	\$ 30,128,275.19	\$ 867,177.31	\$ -	\$ (867,177.31)	\$ (1,164,186.09)
Cumberland Valley	\$ 891,226.76	\$ 4,552,510.25	\$ 293,323.20	\$ 29,754,413.47	\$ 856,416.50	\$ -	\$ (856,416.50)	\$ (1,149,739.70)
Farmers	\$ 978,324.48	\$ 4,997,417.51	\$ 315,865.14	\$ 32,662,249.82	\$ 940,112.29	\$ 332,880.00	\$ (607,232.29)	\$ (923,097.44)
Fleming Mason	\$ 1,594,149.10	\$ 8,143,135.32	\$ 524,671.09	\$ 53,222,113.14	\$ 1,531,883.54	\$ -	\$ (1,531,883.54)	\$ (2,056,554.62)
Grayson	\$ 504,925.70	\$ 2,579,230.70	\$ 166,182.65	\$ 16,857,402.32	\$ 485,203.90	\$ -	\$ (485,203.90)	\$ (651,386.55)
Inter-County	\$ 952,243.55	\$ 4,864,192.50	\$ 313,405.23	\$ 31,791,514.33	\$ 915,050.05	\$ -	\$ (915,050.05)	\$ (1,228,455.28)
Jackson	\$ 1,789,997.81	\$ 9,143,557.77	\$ 541,951.87	\$ 59,760,699.90	\$ 1,720,082.63	\$ 1,401,600.00	\$ (318,482.63)	\$ (860,434.50)
Licking Valley	\$ 502,348.35	\$ 2,566,065.24	\$ 165,334.38	\$ 16,771,355.15	\$ 482,727.22	\$ -	\$ (482,727.22)	\$ (648,061.60)
Nolin	\$ 1,438,700.80	\$ 7,349,083.79	\$ 473,509.48	\$ 48,032,330.69	\$ 1,382,506.86	\$ -	\$ (1,382,506.86)	\$ (1,856,016.34)
Owen	\$ 2,870,788.29	\$ 14,664,385.87	\$ 762,305.26	\$ 95,843,870.04	\$ 2,758,658.72	\$ 3,381,360.00	\$ 622,701.28	\$ (139,603.98)
Salt River	\$ 2,281,982.31	\$ 11,656,683.03	\$ 655,573.62	\$ 76,186,048.52	\$ 2,192,850.80	\$ 2,225,040.00	\$ 32,189.20	\$ (623,384.41)
Shelby	\$ 901,620.69	\$ 4,605,603.89	\$ 296,744.08	\$ 30,101,424.24	\$ 866,404.46	\$ -	\$ (866,404.46)	\$ (1,163,148.54)
South Kentucky	\$ 2,592,576.90	\$ 13,243,243.39	\$ 357,880.78	\$ 86,555,530.52	\$ 2,491,313.94	\$ 10,161,600.00	\$ 7,670,286.06	\$ 7,312,405.28
Taylor	\$ 939,573.41	\$ 4,799,471.66	\$ 309,235.19	\$ 31,368,510.21	\$ 902,874.79	\$ -	\$ (902,874.79)	\$ (1,212,109.99)
Total	\$ 22,142,265.34	\$ 113,105,771.00	\$ 6,460,814.60	\$ 739,239,605.00	\$ 21,277,414.84	\$ 17,502,480.00	\$ (3,774,934.84)	\$ (10,235,749.43)

From: [Debbie Martin](#)
To: [Mark Stallons](#)
Cc: [Mike Williams](#); [Carol Wright](#); [Tim Sharp](#); [Joni Hazelrigg](#); [Chris Brewer](#)
Subject: Re: A3 Path Forward
Date: Saturday, February 10, 2018 5:55:01 PM

I won't be available on Monday but will be available Tuesday following the board meeting.

*Debra J. Martin
President & CEO
Shelby Energy Cooperative
Office: (502) 633- 4163
Fax: (502) 633-2387*

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On Feb 10, 2018, at 4:33 PM, Mark Stallons <mstallons@owenelectric.com> wrote:

All,

I can meet Monday at lunch between Committee Meeting with whoever would like to talk. Meeting Tuesday at Clark after the EKPC board meeting sounds like a very good idea and works with my schedule.

Thanks,

Mark Stallons
Sent from my iPhone

On Feb 10, 2018, at 4:12 PM, Debbie Martin <debbiem@shelbyenergy.com> wrote:

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I like the suggestion of meeting after we have the EKPC board meeting on Tuesday. Also, if agreeable with the group, Chris's idea of meeting someplace other than EKPC may be good.

*Debra J. Martin
President & CEO
Shelby Energy Cooperative
Office: (502) 633- 4163
Fax: (502) 633-2387*

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message as well as any attachments. Shelby Energy Cooperative cannot guarantee the security of the transmission and assumes no responsibility for intentional or accidental receipt by a third party.

On Feb 10, 2018, at 3:49 PM, Mike Williams <mikew@bgenergy.com> wrote:

Would it be better to wait and see what options are presented during board meeting on Tuesday and we could afterwards or latter in the week to discuss next step?

Thanks,
Mike Williams

On Feb 10, 2018, at 9:19 AM, Mark Stallons
<mstallons@owenelectric.com> wrote:

All,

Below please find an email string between Mike McNalley and me earlier in the week. Mike & I have had several phone calls as well. Based on conversations with all of you and EKPC the past few weeks , I suggest we consider the following as a possible path forward:

1. We approve S Kentucky's notice - to not approve would invite and basically guarantee a lawsuit battle much worse than Grayson
2. We form a special committee comprised of interested CEO's/Manager's; EKPC key staff including Tony, Mike, Don & David; and Board Representation to accomplish the following:
 - a. Agree to Identify possible pathways to move our portfolio in a financially prudent manner away from carbon risk assets by a defined time and present to the EKPC Board for further discussion and hopefully an agreement.
 - b. Provide a pathway for Member Owners to move to an increasing market based alternate source power supply portfolio without shifting costs. I believe we need to do this to give SKY reason to talk. They have spent considerable funds to secure market power and they will not simply give it

up.

c. Based on January 2018 Amendment 3 (A3) load Allocation calculations, EKPC agrees to use the Jan 2018 method resulting in 161.9 MW to allocate present and future A3 market based power available to Member Owners.

d. Member Owner's agree that no one can exceed 5% of their cooperative's rolling 36 month coincident peak as identified by A3 and in the MOU and at present totals 161.9 MW.

e. S KY agrees to reduce their A3 percentage to 5% and assigns Morgan Stanley agreement to EKPC as an A3 noticed project.

f. The Kentucky Group of 7 agrees to work with EKPC and open their RFP process to any EKPC member owner.

g. Member Owner's have a defined x day window to join the S KY Morgan Stanley Agreement up to 58MW or join the Kentucky Group and purchase up to their full 5% allocation as defined above.

3. If item 2 above fails, then we are left with intervention at the PSC and/or moving forward with the Kentucky Group RFP process.

Can we discuss either in person or by phone Monday, after BROCC and before SI

in between Committee Meetings during lunch.

Your thoughts,

Mark

-----Original Message-----

From: Mark Stallons

Sent: Wednesday, February 07, 2018 6:11 AM

To: Mike McNalley
<Michael.McNalley@ekpc.coop>

Subject: Re: A3 Cost Shift Spreadsheet

Mike,

Thanks for taking a look. Your comments are spot on. I kept it simple and that does compromise accuracy.

I have capacity as well as energy pricing in the short term. We should have escalators in the next few weeks.

In regards to a twenty year NPV I have that in a different model with Owen alone. To improve accuracy, I need a more recent or adjusted EKPC financial forecast. I have the 2015 in my files. However, it is obviously dated.

The ES and base rate 2018 EKPC budget numbers by Cooperative is necessary to finish the model. Without that I can not accurately show the impact on a Cooperative basis.

Would also like to see present capacity and energy costs by generating unit for all of EKPC's units compared to market. In addition a range of expected market selling price and revenue, the remaining depreciation and resulting annual regulatory asset cost for each of EKPC's generating assets.

In other words what is the cost of our steel hedge compared to market and what if any possible pathways do we have to lessen our

stranded costs. What is our enterprise risk associated with Dems regaining control of the EPA, house and or Senate? What is our risk mitigation plan if Bevin and the Republicans deregulate Kentucky?

The S KY Amendment 3 move highlights a handful of questions that I am sure the EKPC staff understand, have thought about, and have concluded that staying with a steel hedge is our best response. In the last few weeks I have found that most board of directors and CEO's can not explain the value or risk of a steel hedge at \$15 to \$25 per MWh above the PJM market.

I found this simple spreadsheet to be a useful tool to educate my board concerning the impact of SKy's actions as well as a means to explain the possible outcomes associated with a variety of mitigation strategies. If we work together, I believe we can develop a more accurate model to educate all stakeholders including the PSC.

I can talk about the above anytime this morning.

Thanks,

Mark

Mark Stallons

Sent from my iPhone

On Feb 6, 2018, at 5:25 PM,
Mike McNalley
<Michael.McNalley@ekpc.coop>
wrote:

Didn't hear from you today but did see a couple of issues. One is the \$20/MWh savings could decline over time if (a) EKPC continues to lower cost, and/or (b) there are any escalators or Re-openers in the contract. So using the first year savings probably overstates it, and the NPVs should be adjusted.

Second is that there is no capacity cost. I don't know what is being quoted, but I do know that it follows market so could escalate quite dramatically. Might erase all remaining savings.

If you get some time Wed, give me a shout.

Mike McNalley

EVP & CFO

East Kentucky Power
Cooperative, Inc.

859-745-9209 office

859-595-3897 cell

michael.mcnalley@ekpc.coop<mailto:michael.mcnalley@ekpc.coop>

On Feb 5, 2018, at 5:31 PM,

Mark Stallons

<mstallons@owenelectric.com<mailto:mstallons@owenelectric.com>>

wrote:

Mike,

Here is my simple spreadsheet.
What is a good time to call tomorrow?

Thanks,

Mark

Mark A. Stallons
President & CEO

Owen Electric Cooperative
8205 Hwy 127N; PO Box 400
Owenton, KY 40359

* Direct Line: 502-563-3500

*Mobile: 502-514-1650

*Email:
mstallons@owenelectric.com<<mailto:mstallons@owenelectric.com>>

<image001.jpg>

"One of your goals for the future is for you to identify and solve your own problems. But since you are new, come on up and we'll talk."

Source: The One Minute Manager, Page 30.

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<Cost Shift 020318.xlsx>