

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF )  
NOLIN RURAL ELECTRIC COOPERATIVE )  
CORPORATION FOR PASS-THROUGH OF EAST ) Case No. 2021-00114  
KENTUCKY POWER COOPERATIVE, INC.'S )  
WHOLESALE RATE ADJUSTMENT )

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NOLIN RURAL ELECTRIC COOPERATIVE  
CORPORATION'S APPLICATION

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Comes now Nolin Rural Electric Cooperative Corporation ("Nolin"), by counsel, pursuant to KRS 278.455(2), 807 KAR 5:007 and other applicable law, and does hereby request the Kentucky Public Service Commission ("Commission") to grant it a pass-through of East Kentucky Power Cooperative Inc.'s ("EKPC") wholesale rate adjustment, respectfully stating as follows:

1. Nolin is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Nolin is engaged in the business of distributing retail electric power to approximately 35,300 members in the Kentucky counties of Breckinridge, Bullitt, Grayson, Green, Hardin, Hart, LaRue, Meade and Taylor.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Nolin's mailing address is 411 Ring Road, Elizabethtown, Kentucky 42701-6767 and its electronic mail address is [glee@nolinrecc.com](mailto:glee@nolinrecc.com).

3. Pursuant to 807 KAR 5:001, Section 14(2), Nolin is a Kentucky corporation that was incorporated on July 19, 1938 and is currently in good standing to conduct business within the Commonwealth of Kentucky.

4. Pursuant to 807 KAR 5:007, Sections 1(3) and Section 2(2), Nolin is one of the sixteen owner-member cooperatives of EKPC. EKPC has filed an Application for a general adjustment of its existing wholesale rates to its owner-members, including Nolin.<sup>1</sup> In accordance with KRS 278.455, Nolin seeks to pass-through the increase in EKPC's wholesale rates to Nolin's retail members.

5. Pursuant to 807 KAR 5:007 Section 2(1), attached as **Exhibit 1** to this Application are the proposed tariffs of Nolin incorporating the new rates and proposing an effective date of May 1, 2021, which is the same effective date proposed by EKPC in its rate case.

6. Pursuant to 807 KAR 5:007 Sections 1(4) and Section 2(2), attached as **Exhibit 2** to this Application is a comparison of the current and the proposed rates of Nolin.

7. Pursuant to 807 KAR 5:007 Sections 1(5)(a)-(b) and Section 2(2), attached as **Exhibit 3** to this Application is a billing analysis which shows the existing and proposed rates for each of Nolin's rate classes. Nolin further states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail members through its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.

8. Pursuant to 807 KAR 5:007 Sections 1(6) and Section 2(2), a certification that a complete copy of this filing has been mailed to the Kentucky Attorney General's Office of Rate Intervention and an electronic copy was also sent to [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov) is attached as **Exhibit 4**.

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<sup>1</sup> See *In the Matter of the Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets and Other General Relief*, Application, Case No. 2021-00103 (filed April 1, 2021).

9. Pursuant to 807 KAR 5:007 Sections 1(7)(b) and (8) and Section 2(2), notice of the proposed rate changes has been given, not more than thirty (30) days prior to April 1, 2021, by publication in a newspaper of general circulation throughout Nolin's service territory. A copy of the notice is attached as **Exhibit 5** and contains all of the required information pursuant to 807 KAR 5:007, Section 3.

10. This application is supported by the Testimony of Mr. John Wolfram, which is attached as **Exhibit 6**.

WHEREFORE, on the basis of the foregoing, Nolin respectfully requests that the Commission accept this Application for filing and allow Nolin to pass-through to its retail members the increase in the wholesale rates granted to EKPC and for the effective date of Nolin's pass-through rates to be the same as the effective date of EKPC's rate increase.

Done this 1<sup>st</sup> day of April 2021.

Respectfully submitted,



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(859) 368-7740  
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and

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john@johnscottlaw.org

*Counsel for Nolin Rural Electric  
Cooperative Corporation*

**Exhibit List**

<b>Document</b>	<b>Tab</b>
Proposed Tariffs Incorporating the New Rates Proposed to be Effective on May 1, 2021	1
Comparison of the Current and Proposed Rates	2
Billing Analysis Showing the Existing and Proposed Rates for Each Rate Class	3
Certification of Mailing to Office of Rate Intervention	4
Copy of Notice	5
Testimony of John Wolfram	6

Case No. 2021-00114  
Application – Exhibit 1

Proposed Tariffs

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
18<sup>th</sup> Revision Sheet No. 20

CANCELING PSC KY NO. 10  
17<sup>th</sup> Revision Sheet No. 20

**CLASSIFICATION OF SERVICE**

**SCHEDULE 1 - RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOBILE HOMES**

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to all residents for uses in the home or on the farm including trailers, mobile homes, schools, churches, community halls and non-profit community welfare institutions where the required total transformer capacity is 50 KVA or less, single or three phase.

TYPE OF SERVICE: Single phase 120/240 volts and three phase service where available at available voltages.

RATES PER MONTH:

- (I) Member Cost of Service Charge           \$14.03
- (I) All KWH Charge           \$0.09211 per KWH

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

- (I) MINIMUM CHARGE: The minimum monthly charge for service shall be \$14.03.

DATE OF ISSUE           April 1, 2021  
DATE EFFECTIVE       May 1, 2021  
ISSUED BY           *Gregory R. Lee*  
  President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
3<sup>rd</sup> Revision Sheet No. 21

**CANCELING PSC KY NO. 9**  
2<sup>nd</sup> Revision Sheet No. 21

**RULES AND REGULATIONS**

**SCHEDULE 1 - (Cont'd)**

SPECIAL RULES FOR SINGLE PHASE SERVICE

1. Service under this schedule will include all types of electrical appliances and apparatus operating on single phase, 60 cycle, 120/240 volts.
2. Prior written approval must be obtained from the Cooperative before installation of any motor of 10 H.P. single phase or larger.
3. Applicants for service to trailers and mobile homes are required to comply with Rule 34.
4. Applicants for service to permanent camp, campsite, cabins, barn or barnsite, or other buildings not classified as residential or commercial are required to comply with Rule 35.

SPECIAL RULES FOR THREE PHASE SERVICE

Applicants for three phase service, where available, shall be required to pay in advance the difference in construction cost between single phase and three phase service, including cost of transformers. If the applicant has established satisfactory credit or payment history with the Cooperative the cost may be paid over a period of 60 months. If payment is made monthly, 6% interest charges shall be added, calculated on the outstanding balance each month, and a contract for service must be completed.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY *Ledger R. Lee*  
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

FOR ENTIRE SERVICE AREA

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
18<sup>th</sup> Revision Sheet No. 22

CANCELING PSC KY NO. 10  
17<sup>th</sup> Revision Sheet No. 22

**CLASSIFICATION OF SERVICE**

**SCHEDULE 2 - COMMERCIAL, SMALL POWER, SINGLE PHASE AND THREE PHASE SERVICE**

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to commercial members and small power loads requiring transformer capacity of 50 KVA or less, single phase and commercial members requiring three phase service with 50 KVA or less of total transformer capacity all subject to the established rules and regulations of the Cooperative.

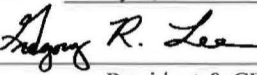
TYPE OF SERVICE: Single phase 120/240 volts and three phase service where available at available voltages.

RATES PER MONTH:

- (I) Member Cost of Service Charge \$23.90
- (I) All KWH Charge \$0.09151 per KWH

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

- (I) MINIMUM CHARGE: The minimum monthly charge for service shall be \$23.90.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.



Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
2<sup>nd</sup> Revision Sheet No. 23

**CANCELING PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 23

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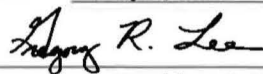
**RULES AND REGULATIONS**

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**SCHEDULE 2 – (Cont'd)**

SPECIAL RULES FOR THREE PHASE SERVICE

Applicants for three phase service, where available, shall be required to pay in advance the difference in construction cost between single phase and three phase service, including the cost of transformers. If the applicant has established satisfactory credit or payment history with the Cooperative the cost may be paid over a period of 60 months. If payment is made monthly, 6% interest charges shall be added, calculated on the outstanding balance each month, and a contract for service must be completed.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

**PSC KY NO. 10**  
17<sup>th</sup> Revision Sheet No. 24

**CANCELING PSC KY NO. 10**  
16<sup>th</sup> Revision Sheet No. 24

**CLASSIFICATION OF SERVICE**

**SCHEDULE 3 - LARGE POWER**

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to consumers located on or near Cooperatives three phase lines whose transformer capacity would be more than 50 KVA and the demand would be 99 kw or less. All subject to the established rules and regulations of the Cooperative.

TYPE OF SERVICE: Three phase 60 cycle at available voltages.

RATES PER MONTH:

(I) Member Cost of Service Charge \$36.37

Demand Charge:

(I) \$6.26 per kilowatt of billing demand per month

Energy Charge:

(I) \$0.07253 net per KWH

MINIMUM CHARGE: The computed minimum monthly charge shall be as specified in the contract for service.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the member for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT: The member agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90% and divided by the percent power factor.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
2<sup>nd</sup> Revision Sheet No. 25

**CANCELING PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 25

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**RULES AND REGULATIONS**

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**APPENDIX 3 – (Cont'd)**

Contract for Service: Applicants for service on this rate schedule shall be required to pay, in advance, the difference in construction cost between single and three phase service, including the cost of transformers. If the applicant has established satisfactory credit or payment history with the Cooperative the cost may be paid over a period of 60 months. If payment is made monthly, 6% interest charges shall be added, calculated on the outstanding balance each month, and a contract for service must be completed.

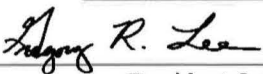
FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:5056.

**SPECIAL CONDITIONS:**

1. Delivery Point: If service is furnished as secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Member.

If service is furnished at the cooperative’s primary line voltage, the delivery point shall be the point of attachment of the Cooperative’s primary line to Member’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the Member.

2. Lighting: Both power and lighting shall be billed at the foregoing rate.

DATE OF ISSUE        April 1, 2021  
DATE EFFECTIVE     May 1, 2021  
ISSUED BY           
                                President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114. Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
17<sup>th</sup> Revision Sheet No. 26

CANCELING PSC KY NO. 10  
16<sup>th</sup> Revision Sheet No. 26

**CLASSIFICATION OF SERVICE**

**SCHEDULE 4 - INDUSTRIAL**

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to Members located on or near Cooperatives three phase lines whose transformer capacity would be 1000 KVA or less and the demand would be 100 kw or more. All subject to the established rules and regulations of the Cooperative.

TYPE OF SERVICE: Three phase 60 cycle at available voltages.

RATES PER MONTH:

(I) Member Cost of Service Charge: \$44.17

Demand Charge:

(I) \$5.14 per kilowatt of billing demand per month

Energy Charge:

(I) \$0.06347 net per KWH

MINIMUM CHARGE: The minimum monthly charge for service shall be the Member Cost of Service Charge.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the Member for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT: The member agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90% and divided by the percent power factor.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY *Ludwig R. Lee*  
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

PSC KY NO. 10  
2<sup>nd</sup> Revision Sheet No. 27

CANCELING PSC KY NO. 10  
1<sup>st</sup> Revision Sheet No. 27

**RULES AND REGULATIONS**

**SCHEDULE 4 – (Cont'd)**

CONTRACT FOR SERVICE: Applicants for service on this rate schedule shall be required to pay in advance the difference in construction cost between single and three phase service, including the cost of transformers. If the applicant has established satisfactory credit or payment history with the Cooperative the cost may be paid over a period of 60 months. If payment is made monthly, 6% interest charges shall be added, calculated on the outstanding balance each month, and a contract for service must be completed.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL CONDITIONS:

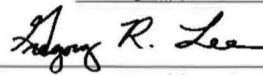
1. Delivery Point: If service is furnished as secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Member.

If service is furnished at cooperative's primary line voltage, the delivery point shall be the point of attachment of Cooperative's primary line to Member's transformer structure unless otherwise specified in the contract for service. All wiring pole lines, and other electrical equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the Member.

2. Lighting: Both power and lighting shall be billed at the foregoing rate.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

### CLASSIFICATION OF SERVICE

#### SCHEDULE 5 - SECURITY LIGHTS

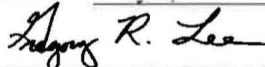
APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to all Members of the Cooperative subject to the established rules and regulations of the Cooperative.

TYPES OF SERVICES AVAILABLE	PER MONTH CHARGE PER UNIT	
H.P.S. 100 Watt on a twenty-five foot (25') pole or an existing pole	\$10.13	(I)
L.E.D. 70 Watt on a twenty-five foot (25') pole or an existing pole	\$9.78	(I)
Directional floodlight 100 Watt HPS to be mounted on existing pole	\$8.98	(I)
Directional floodlight 70 Watt L.E.D. to be mounted on existing pole	\$17.49	(I)
Directional floodlight 250 Watt HPS to be mounted on existing pole	\$15.01	(I)
Directional floodlight 108 Watt L.E.D. to be mounted on existing pole	\$18.29	(I)
Directional floodlight 400 Watt HPS to be mounted on existing pole	\$20.33	(I)
Directional floodlight 208 Watt L.E.D. to be mounted on existing pole	\$20.42	(I)
Colonial Type 100 Watt HPS with twenty-foot (20') fiberglass colonial post for underground service only	\$13.40	(I)
Contemporary Type 400 Watt HPS - for underground service only; to be used with the thirty-foot fiberglass pole - (charge does not include pole)	\$21.85	(I)
Thirty-foot (30') fiberglass pole; to be used with underground services only	\$10.63	
Twenty-five foot (25') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.46	
Thirty-foot (30') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.84	
Twenty-five foot (25') wood pole for underground services only - (charge does not include lighting fixture)	\$3.44	

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY 

President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
 411 Ring Road  
 Elizabethtown, KY 42701-6767

PSC KY NO. 10  
 6<sup>th</sup> Revision Sheet No. 28.1

CANCELING PSC KY NO. 10  
 5<sup>th</sup> Revision Sheet No. 28.1

**CLASSIFICATION OF SERVICE**

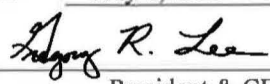
**SCHEDULE 5 – SECURITY LIGHTS (cont.)**

TYPES OF SERVICES AVAILABLE	PER MONTH CHARGE PER UNIT	
Thirty-foot (30') wood pole for underground services only - (charge does not include lighting fixture)	\$3.83	
Acorn Contemporary Type 400 Watt HPS – for underground service only; to be used with the thirty (30') foot fiberglass pole – (Charge does not include pole.)	\$34.99	(I)
Santa Rosa Contemporary Type 150 Watt HPS – for underground service only; to be used with twenty (20') foot fluted pole	\$34.64	(I)
Santa Rosa Contemporary Type 150 Watt HPS – for underground service only; to be used with twenty (20') foot fluted pole – (charge does not include lighting fixture or pole)	\$9.47	(I)

\* All High Pressure Sodium fixtures will be phased out upon failure and replaced with LED. Upon replacement, the member will be responsible for the current LED rates, if applicable. Newly installed fixtures may be limited to LED as dictated by supply levels.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
 President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

PSC KY NO. 10  
2<sup>nd</sup> Revision Sheet No. 29

CANCELING PSC KY NO. 10  
1<sup>st</sup> Revision Sheet No. 29

**RULES AND REGULATIONS**

**SCHEDULE 5 – Security Lights (Cont'd)**

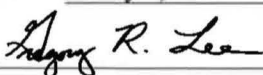
FUEL ADJUSTMENT CLAUSE: The above rates may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5.056.

CONDITIONS OF SERVICE:

1. The Member shall furnish the location for the lighting unit, suitable to both parties, and shall permit any tree trimming required for the conductors or unit installation.
2. Units shall be located within 150 feet from an existing Cooperative-owned secondary line.
3. The lighting units shall be controlled by photocelle from dusk to dawn.
4. If underground facilities are requested, the Member will provide the trench and 1 1/4 " Schedule 40 Electrical Grade PVC conduit placed to the Cooperative's specifications.
5. The unit, together with the poles and conductors, may be removed at any time by the Cooperative upon failure of the Member to pay the charges set forth herein in accordance with the Cooperative's established rules for billing and collecting electric accounts.
6. The Member shall execute the Cooperative's standard "Security Light Agreement" before service will be furnished under this rate schedule. The minimum period for this agreement shall be one (1) year for which the Member agrees to pay as set forth herein.
7. When additional facilities are requested by the Member, the Cooperative may furnish them at an additional charge to be determined by the Cooperative. All facilities furnished by the Cooperative shall be standard stocked material.
8. The unit installed remains the property of the Cooperative and will be removed at the request of the Member upon or after the anniversary date of the Security Light Agreement. 3 year?

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.



Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

CANCELING PSC KY NO. 10

Original Sheet No. 29A

**RULES AND REGULATIONS**

**SCHEDULE 5 – SECURITY LIGHTS (Cont'd)**

9. Service interruptions to lighting unit shall be reported by the Member to the Cooperative. Replacement of lamps and all other necessary repairs shall be made only during the regular working hours of the Cooperative's service personnel, as soon as possible after notice of such interruption of service is received. No reduction will be made to the Members' monthly charge under this schedule for service interruption time due to lamp failure or other cause beyond the control of the cooperative.
10. Cooperative will perform all maintenance and replacement of parts without charge to the member.
11. Electrical Service and connections shall be provided by the Cooperative.
12. Service for the above units shall be un-metered and billed on a monthly bill with other electrical service furnished by the Cooperative.
13. The Member shall be responsible for fixture replacement or repairs when caused from willful damage, vandalism, or causes other than normal burnouts.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY *Gregory R. Lee*  
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 30

**CANCELING PSC KY NO. 10**  
Original Sheet No. 30

**RULES AND REGULATIONS**


**SCHEDULE 6 – STREET LIGHTING**

Applicable: Entire Service Area

AVAILABILITY OF SERVICE: This rate schedule is available for street lighting services shown herein, in any incorporated community in which the cooperative operates. Service is subject to the provisions herein and the provisions of the Cooperative's standard contract. Should the service not meet the standard provision, then the Cooperative reserves the right to revise the charges listed hereinafter so as to include any unusual cost involved.

**CONDITIONS OF SERVICE:**

1. All night service shall be from dusk to dawn.
2. Standard Overhead System: Street lighting equipment furnished under the standard overhead rate shall consist of wood poles, brackets, appropriate fixtures for the lamps being used, the necessary overhead street lighting, protective equipment, controls and overhead wiring and transformers. The Cooperative will install, own, operate and maintain the entire street lighting service, included with the standard overhead rate. The Cooperative will, upon request furnish under the ornamental service rate, monolubar aluminum poles of its own choosing, together with overhead wiring and all other equipment and provisions set out above. The customer will pay the Ornamental Service Rate.
3. Other than Standard Overhead System: Should the customer require a system or equipment other than the standard overhead system set out above, the customer may make a non-refundable contribution to the Cooperative in an amount equal to the difference between the cost of the standard system and the cost of the system or equipment required. The customer shall similarly pay the difference in cost between replacements or required system or equipment and replacement of standard overhead systems or equipment. The Cooperative will maintain and operate the entire street lighting system. The customer shall pay the standard overhead rate, except where special or ornamental street lighting service or underground wiring is involved. However, if the customer agrees to maintain the underground and replace same when necessary at customer's expense, then the standard overhead rate or ornamental rate will apply as applicable.
4. Any costs which are to be borne by the consumer will be paid at the time of the installations.

DATE OF ISSUE April 1, 2021  
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ISSUED BY   
President & CEO

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Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

**PSC KY NO. 10**  
22<sup>nd</sup> Revision Sheet No. 31

**CANCELING PSC KY NO. 10**  
21<sup>st</sup> Revision Sheet No. 31

**CLASSIFICATION OF SERVICE**

**SCHEDULE 6 - STREET LIGHTING (Cont'd.)**

**RATE:**

High Pressure Sodium (H.P.S.), Light Emitting Diode (L.E.D.), Series or Multiple.

**STANDARD OVERHEAD (WOOD POLE):**

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$10.37 per light per mth	(I)
H.P.S. fixture	250	\$15.59 per light per mth	(I)
H.P.S. fixture	400	\$20.31 per light per mth	(I)
L.E.D. fixture	70	\$10.31 per light per mth	(I)
L.E.D. fixture	108	\$11.99 per light per mth	(I)
L.E.D. fixture	208	\$17.26 per light per mth	(I)

**ORNAMENTAL SERVICE OVERHEAD (Aluminum Poles)**

	<u>Watts/Light</u>		
H.P.S. fixture	100	\$23.79 per light per mth	(I)
H.P.S. fixture	250	\$28.04 per light per mth	(I)
H.P.S. fixture	400	\$31.89 per light per mth	(I)

**ORNAMENTAL SERVICE UNDERGROUND (Fiberglass Poles)**

	<u>Watts/Light</u>		
H.P.S. fixture	400	\$37.24 per light per mth	(I)
H.P. S. fixture Santa Rosa with 20' fluted pole	150	\$36.53 per light per mth	(I)
H.P.S. fixture (Charge does not include lighting fixture or pole)	150	\$10.00 per light per mth	(I)

\* All High Pressure Sodium fixtures will be phased out upon failure and replaced with LED. Upon replacement, the member will be responsible for the current LED rates, if applicable. Newly installed fixtures may be limited to LED as dictated by supply levels.

**FUEL ADJUSTMENT CLAUSE:** The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
15<sup>th</sup> Revision Sheet No. 32

**CANCELING PSC KY NO. 10**  
14<sup>th</sup> Revision Sheet No. 32

**CLASSIFICATION OF SERVICE**

**SCHEDULE 7 - INDUSTRIAL**

APPLICABLE: Entire Service Area - where three phase service is available at available voltages.

AVAILABILITY: Available to all commercial and industrial Members whose kilowatt demand shall exceed 500 kw for lighting and/or heating and/or power, and whose demand charges will track the wholesale power suppliers.

TYPE OF SERVICE: Three phase 60 hertz at 12,470 volts, primary service as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

Demand Charge:

- (I) \$9.41 per kilowatt of billing demand per month

Energy Charge:

- (I) All KWH at \$0.05705 net per KWH

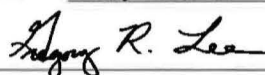
MINIMUM CHARGE: The computed minimum monthly charge shall be as specified in the Special Contract for service.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the Member for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT: The member agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90% and divided by the percent power factor.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 33

**CANCELING PSC KY NO. 10**  
Original Sheet No. 33

**RULES AND REGULATIONS**

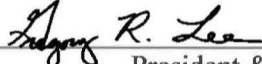
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**SCHEDULE 7 - INDUSTRIAL – (Cont'd)**

CONTRACT FOR SERVICE: The member must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:5056.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
14<sup>th</sup> Revision Sheet No. 34

CANCELING PSC KY NO. 10  
13<sup>th</sup> Revision Sheet No. 34

**CLASSIFICATION OF SERVICE**

**SCHEDULE 8 - SEASONAL TIME OF DAY**

APPLICABLE: Entire service area where three phase service is available.

AVAILABILITY: Available to all commercial and industrial Members whose kilowatt demand shall exceed 500 kw for lighting and/or heating and/or power, and whose demand charges will track the wholesale power suppliers.

TYPE OF SERVICE: Three phase 60 hertz voltages as agreed to in the five (5) year Contract for Service.

\*RATES PER MONTH:

- (I) Demand Charge: \$9.30 per kilowatt of billing demand per month
- (I) Energy Charge: All KWH at \$0.05705 net per KWH

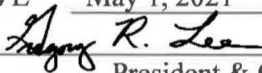
MINIMUM MONTHLY CHARGE: The computed minimum monthly charge shall be as specified in the Contract for service.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the Member for any fifteen (15) minutes interval (adjusted for power factor) in the below listed hours for each month.

<u>MONTHS</u>	<u>E.S.T. HOURS APPLICABLE FOR DEMAND BILLING</u>
October thru April	7:00 a.m. E.S.T. to 12 Noon E.S.T. 5:00 p.m. E.S.T. to 10:00 p.m. E.S.T.
May thru September	10:00 a.m. E.S.T. to 10:00 p.m. E.S.T.

Demands outside of the above hours will be disregarded for billing purposes.

POWER FACTOR ADJUSTMENT: The member agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90% and divided by the percent power factor.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 35

**CANCELING PSC KY NO. 10**  
Original Sheet No. 35

**RULES AND REGULATIONS**

**SCHEDULE 8 – SEASONAL TIME OF DAY (Cont'd)**

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:5056.

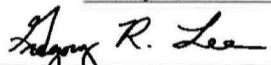
CONTRACT FOR SERVICE: The member must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

SPECIAL CONDITIONS:

1. Delivery Point: If service is furnished as secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the Member.

If service is furnished at primary voltage, the delivery point shall be the point of attachment of the primary line to the Member's transformer structure unless otherwise specified in the contract for Service. All wiring, pole lines and other electrical equipment on the load side of the delivery point shall be owned by and maintained by the Member. (Except metering equipment)

The Seller shall have the option of metering at secondary voltages.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

**PSC KY NO. 10**  
15<sup>th</sup> Revision Sheet No. 36

**CANCELING PSC KY NO. 10**  
14<sup>th</sup> Revision Sheet No. 36

**CLASSIFICATION OF SERVICE**

**SCHEDULE 9 - INDUSTRIAL**

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 1,000 to 4,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

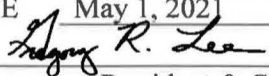
Consumer Charge:

- (I) \$1,241.08 where the industrial consumer demands and/or location requires construction of a substation.
- (I) \$634.40 where the industrial consumer's demand or location permits service from an existing substation.
- (I) Demand Charge: \$6.38 per kW of contract demand
- (I) \$9.28 per kW for all billing demand in excess of contract demand
- (I) Energy Charge: \$0.05479 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.



Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 37

**CANCELING PSC KY NO. 10**  
Original Sheet No. 37

**RULES AND REGULATIONS**

**SCHEDULE 9 – INDUSTRIAL (Cont'd)**

**MINIMUM CHARGE:** The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the contract demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

**POWER FACTOR ADJUSTMENT:** The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

**FUEL ADJUSTMENT CLAUSE:** The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

**CONTRACT FOR SERVICE:** The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY *Adrian R. Lea*  
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

**CLASSIFICATION OF SERVICE**

**SCHEDULE 10 - INDUSTRIAL**

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

- (I) Member Cost of Service Charge: \$1,270.05
- (I) Demand Charge: \$7.46 per kW of contract demand
- (I) \$10.39 per kW for all billing demand in excess of contract demand
- (I) Energy Charge: \$0.04746 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the contract demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) Member Cost of Service Charge

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY *Gregory R. Lee*  
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

CANCELING PSC KY NO. 10  
Original Sheet No. 39

**RULES AND REGULATIONS**

**SCHEDULE 10 – INDUSTRIAL (Cont'd)**

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONTRACT FOR SERVICE: The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

TERMS OF PAYMENT: All of the above rates are net, the gross being five (5%) percent higher. In the event the current monthly bill is not paid on or before twelve (12) days after the mailing of the bill the gross rate shall apply.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY *Ladon R. Lee*  
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
15<sup>th</sup> Revision Sheet No. 40

CANCELING PSC KY NO. 10  
14<sup>th</sup> Revision Sheet No. 40

**CLASSIFICATION OF SERVICE**

**SCHEDULE 11 - INDUSTRIAL**

APPLICABLE: Entire Service Area - Applicable to contracts where the monthly contract demand is equal to or greater than 10,000 kW, with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

- (I) Consumer Charge: \$1,269.88
- (I) Demand Charge: \$6.38 per kW of contract
- (I) \$9.30 per kW for all billing demand in excess of contract demand
- (I) Energy Charge: \$0.04776 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the contract demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY *Adrian R. Lee*  
President & CEO

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 41

**CANCELING PSC KY NO. 10**  
Original Sheet No. 41

**RULES AND REGULATIONS**

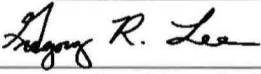
**SCHEDULE 11 – INDUSTRIAL (Cont'd)**

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for the line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:5056.

CONTRACT FOR SERVICE: The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

TERMS OF PAYMENT: All of the above rates are net, the gross being five (5%) percent higher. In the event the current monthly bill is not paid on or before twelve (12) days after the mailing of the bill the gross rate shall apply.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021  
ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
15<sup>th</sup> Revision Sheet No. 42

CANCELING PSC KY NO. 10  
14<sup>th</sup> Revision Sheet No. 42

**CLASSIFICATION OF SERVICE**

**SCHEDULE 12 - INDUSTRIAL C**

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 1,000 to 4,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

Consumer Charge:

- (I) \$1,269.88 where the industrial consumer demands and/or location requires construction of a substation.
- (I) \$635.52 where the industrial consumer's demand or location permits service from an existing substation.
- (I) Demand Charge: \$6.38 per kW of billing demand
- (I) Energy Charge: \$0.05488 per kWh

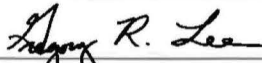
DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month, or preceding eleven months. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-8701

PSC KY NO. 10  
1<sup>st</sup> Revision Sheet No. 43

CANCELING PSC KY NO. 10  
Original Sheet No. 43

**RULES AND REGULATIONS**

**SCHEDULE 12 – INDUSTRIAL C (Cont'd)**

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

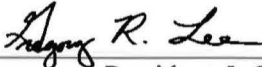
POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONTRACT FOR SERVICE: The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

TERMS OF PAYMENT: All of the above rates are net, the gross being five (5%) percent higher. In the event the current monthly bill is not paid on or before twelve (12) days after the mailing of the bill the gross rate shall apply.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
15<sup>th</sup> Revision Sheet No. 44

CANCELING PSC KY NO. 10  
14<sup>th</sup> Revision Sheet No. 44

**CLASSIFICATION OF SERVICE**

**SCHEDULE 13 - INDUSTRIAL C**

APPLICABLE: Entire Service Area - Applicable to contracts with contract demands of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

- (I) Consumer Charge: \$1,269.88
- (I) Demand Charge: \$6.38 per kW of billing demand
- (I) Energy Charge: \$0.04895 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY *Gregory R. Lee*  
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.



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Elizabethtown, KY 42701-6767

**PSC KY NO. 10**  
1<sup>st</sup> Revision Sheet No. 45

**CANCELING PSC KY NO. 10**  
Original Sheet No. 45

**CLASSIFICATION OF SERVICE**

**SCHEDULE 13 - INDUSTRIAL C (CONT'D)**

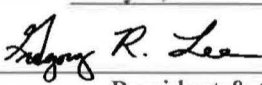
POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONTRACT FOR SERVICE: The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

TERMS OF PAYMENT: All of the above rates are net, the gross being five (5%) percent higher. In the event the current monthly bill is not paid on or before twelve (12) days after the mailing of the bill the gross rate shall apply.

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
15<sup>th</sup> Revision Sheet No. 46

CANCELING PSC KY NO. 10  
14<sup>th</sup> Revision Sheet No. 46

**CLASSIFICATION OF SERVICE**

**SCHEDULE 14 - INDUSTRIAL C**

APPLICABLE: Entire Service Area - Applicable to contracts where the monthly contract demand is equal to or greater than 10,000 kW, with a monthly energy usage equal to or greater than 425 hours per kW of contract demand.

TYPE OF SERVICE: Three phase 60 hertz at voltages as agreed to in the special five year Agreement for Service.

RATES PER MONTH:

- (I) Consumer Charge: \$1,269.88
- (I) Demand Charge: \$6.38 per kW of billing demand
- (I) Energy Charge: \$0.04776 per kWh

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

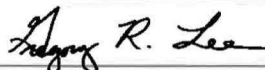
- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein):

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

MINIMUM CHARGE: The computed minimum monthly charge shall not be less than the sum of (a), (b) and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The consumer charge

DATE OF ISSUE April 1, 2021  
DATE EFFECTIVE May 1, 2021

ISSUED BY   
President & CEO

Issued by authority of an Order of the Public Service Commission  
of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Nolin RECC  
411 Ring Road  
Elizabethtown, KY 42701-6767

PSC KY NO. 10  
1<sup>st</sup> Revision Sheet No. 47

CANCELING PSC KY NO. 10  
Original Sheet No. 47

**CLASSIFICATION OF SERVICE**

**SCHEDULE 14 - INDUSTRIAL C (CONT'D)**

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE: The above rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This clause is only applicable to actual energy usage. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONTRACT FOR SERVICE: The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a five year contract.

TERMS OF PAYMENT: All of the above rates are net, the gross being five (5%) percent higher. In the event the current monthly bill is not paid on or before twelve (12) days after the mailing of the bill the gross rate shall apply.

DATE OF ISSUE April 1, 2021

DATE EFFECTIVE May 1, 2021

ISSUED BY *Gregory R. Lee*  
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2021-00114, Dated \_\_\_\_\_.

Special Contract Rates – AGC Automotive

Effective for Service Rendered on and after May 1, 2021,  
Pursuant to KPSC Order dated \_\_\_\_\_, 2021 in Case No. 2021-00114

Rates

<u>Description</u>	<u>Current Rate</u>	<u>May 1 Approved Rate</u>	
Customer Charge	\$5,454.00/month	\$5,726.70/month	(l)
Demand Charge			
Contract Demand per kW	\$ 6.98/kW/month	\$7.29/kW/month	(l)
Excess Demand per kW	\$ 1.38/kW/month	\$1.69/kW/month	
Energy Charge	\$0.03923/kWh/month	\$0.04148/kWh/month	(l)

Case No. 2021-00114  
Application – Exhibit 2

Existing & Proposed  
Rate Comparison

**NOLIN RECC  
Present & Proposed Rates**

Rate	Item	Present	Proposed
1	<u>Residential</u>		
	Customer Charge	\$ 13.50	\$ 14.03
	Energy Charge per kWh	\$ 0.08864	\$ 0.09211
2	<u>Commercial</u>		
	Customer Charge	\$ 23.00	\$ 23.90
	Energy Charge per kWh	\$ 0.08806	\$ 0.09151
3	<u>Large Power</u>		
	Customer Charge	\$ 35.00	\$ 36.37
	Demand Charge per kW	\$ 6.02	\$ 6.26
	Energy Charge per kWh	\$ 0.06979	\$ 0.07253
4	<u>Industrial</u>		
	Customer Charge	\$ 42.50	\$ 44.17
	Energy Charge per kWh	\$ 0.06108	\$ 0.06347
	Demand Charge over 10 KW per kW	\$ 4.95	\$ 5.14
9	<u>Industrial</u>		
	Customer Charge	\$ 610.48	\$ 634.40
	Demand Charge -Contract per kW	\$ 6.14	\$ 6.38
	Demand Charge - Excess per kW	\$ 8.93	\$ 9.28
	Energy Charge per kWh	\$ 0.05272	\$ 0.05479
5,6	<u>Lighting</u>		
	1 - SL 100W HPS	\$ 9.75	\$ 10.13
	1A - SL 70W LED	\$ 9.41	\$ 9.78
	1B - SL 55W LED	\$ 9.41	\$ 9.78
	12A - DFL 70 W LED EP	\$ 16.83	\$ 17.49
	13 - DFL 250 W HPS EP	\$ 14.44	\$ 15.01
	13A - DFL 108 W LED EP	\$ 17.60	\$ 18.29
	13B - DFL 109 W LED EP	\$ 17.60	\$ 18.29
	14 - DFL 400 W HPS EP	\$ 19.56	\$ 20.33
	14A - DFL 208 W LED EP	\$ 19.65	\$ 20.42
	14B - DFL 202 W LED EP	\$ 19.66	\$ 20.43
	15 - DEL 400 W CONTEMPARY UG	\$ 21.03	\$ 21.85
	21 - COLONIAL 20' FLUTED POLE	\$ 35.15	\$ 36.53
	21 A- COLONIAL 20' FLUTED POLE 35-70 W LED	\$ 33.29	\$ 34.59
	22 - SL ORN UG 400W20' FLUTED POLE	\$ 33.67	\$ 34.99
	23 - 20 FT FP COLONIAL	\$ 33.33	\$ 34.64
	25 - COLONIAL CONSTPDHPS FIXTURE	\$ 9.62	\$ 10.00
Special	<u>AGC Automotive</u>		
	Customer Charge	\$ 5,454.00	\$ 5,726.70
	Demand Charge per kW	\$ 6.98	\$ 7.29
	Interruptible Credit per kW	\$ (5.60)	\$ (5.60)
	Energy Charge per kWh	\$ 0.03923	\$ 0.04148
7	<u>Industrial</u>		
	Demand Charge per kW	\$ 9.04	\$ 9.41
	Energy Charge per kWh	\$ 0.05480	\$ 0.05705
8	<u>Seasonal TOD</u>		
	Demand Charge per kW	\$ 8.93	\$ 9.30
	Energy Charge per kWh	\$ 0.05480	\$ 0.05705
10	<u>Industrial</u>		
	Member Cost of Service Charge	\$ 1,220.00	\$ 1,270.05
	Demand Charge -Contract per kW	\$ 7.17	\$ 7.46
	Demand Charge - Excess per kW	\$ 9.98	\$ 10.39
	Energy Charge per kWh	\$ 0.04559	\$ 0.04746
11	<u>Industrial</u>		
	Consumer Charge	\$ 1,219.84	\$ 1,269.88
	Demand - Contract per kW	\$ 6.14	\$ 6.38
	Demand - Excess per kW	\$ 8.93	\$ 9.30
	Energy Charge per kWh	\$ 0.04588	\$ 0.04776

**NOLIN RECC  
Present & Proposed Rates**

<b>Rate</b>	<b>Item</b>	<b>Present</b>	<b>Proposed</b>
12	<u>Industrial C</u>		
	Consumer Charge New Substation	\$ 1,219.84	\$ 1,269.88
	Consumer Charge Existing Sub	\$ 610.48	\$ 635.52
	Demand - Contract per kW	\$ 6.14	\$ 6.38
	Energy Charge per kWh	\$ 0.05272	\$ 0.05488
13	<u>Industrial C</u>		
	Customer Charge	\$ 1,219.84	\$ 1,269.88
	Demand Charge per kW	\$ 6.14	\$ 6.38
	Energy Charge per kWh	\$ 0.04702	\$ 0.04895
14	<u>Industrial C</u>		
	Customer Charge	\$ 1,219.84	\$ 1,269.88
	Demand Charge per kW	\$ 6.14	\$ 6.38
	Energy Charge per kWh	\$ 0.04588	\$ 0.04776

Case No. 2021-00114  
Application – Exhibit 3

Billing Analysis for  
Each Rate Class



**NOLIN RECC**  
**Billing Analysis for Pass-Through Rate Increase**

Total Revenue Increase Allocated by East Kentucky Power Cooperative:	\$2,714,450
Total Rate G Revenue Increase Allocated by East Kentucky Power Cooperative:	\$343,175
Remaining Revenue Increase Allocated by East Kentucky Power Cooperative:	\$2,371,275

#	Item	Code	Present Revenue	Present Share	Allocation Revenue	Allocation Share	Allocated Increase	Proposed Revenue	Proposed Share	Base Rate Increase	Base %	Total %	Rounding	
1	<u>Base Rates</u>													
2	Residential	1	\$ 47,664,098	78.76%	\$ 47,664,098	78.76%	\$ 1,867,673	\$ 49,532,046	78.76%	\$ 1,867,949	3.92%	3.63%	\$ 276	
3	Commercial	2	\$ 2,892,155	4.78%	\$ 2,892,155	4.78%	\$ 113,326	\$ 3,005,468	4.78%	\$ 113,313	3.92%	3.63%	\$ (13)	
4	Large Power	3	\$ 2,181,713	3.61%	\$ 2,181,713	3.61%	\$ 85,488	\$ 2,267,526	3.61%	\$ 85,814	3.93%	3.67%	\$ 325	
5	Industrial	4	\$ 5,570,140	9.20%	\$ 5,570,140	9.20%	\$ 218,261	\$ 5,787,494	9.20%	\$ 217,355	3.90%	3.65%	\$ (906)	
6	Industrial	9	\$ 979,058	1.62%	\$ 979,058	1.62%	\$ 38,363	\$ 1,017,407	1.62%	\$ 38,349	3.92%	3.57%	\$ (14)	
7	Lighting	5,6	\$ 1,229,152	2.03%	\$ 1,229,152	2.03%	\$ 48,163	\$ 1,277,343	2.03%	\$ 48,190	3.92%	3.89%	\$ 27	
8	SubTotal Base Rates		\$ 60,516,315	100.00%	\$ 60,516,315	100.00%	\$ 2,371,275	\$ 62,887,285	100.00%	\$ 2,370,970	3.92%		\$ (305)	
9														
10	AGC Automotive	Special	\$ 5,643,012	100.00%	\$ 343,175	100.00%	\$ 343,175	\$ 5,986,076	100.00%	\$ 343,064	6.08%	5.79%	\$ (111)	
11														
12	TOTAL Base Rates		\$ 66,159,327		\$ 60,859,490		\$ 2,714,450	\$ 68,873,360		\$ 2,714,034	4.10%		\$ (416)	
13														
14	<u>Riders</u>													
15	FAC		\$ (2,090,947)				\$ (2,090,947)							
16	ES		\$ 7,017,702				\$ 7,017,702							
17	Prepay Daily Charges		\$ 82,348				\$ 82,348							
18	Other		\$ -				\$ -							
19	Total Riders		\$ 5,009,103				\$ 5,009,103							
20														
21	Total Revenue		\$ 71,168,429				\$ 73,882,463			\$ 2,714,034		3.81%		
22	Target Revenue									\$ 2,714,450				
23	Rate Rounding Variance									\$ (416)				
24	Rate Rounding Variance									-0.02%				



NOLIN RECC  
Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
38	Industrial	4													
39			Customer Charge	1,361	42.50	\$ 57,843	1.04%		44.17	\$ 60,115	\$ 2,273	3.93%	1.04%	0.00%	
40			Energy Charge per kWh	72,116,295	0.06108	\$ 4,404,863	79.08%		0.063473	\$ 4,577,438	\$ 172,574	3.92%	79.09%	0.01%	
41			Demand Charge per kW	223,724	4.95	\$ 1,107,434	19.88%		5.14	\$ 1,149,941	\$ 42,508	3.84%	19.87%	-0.01%	
42			Total Base Rates			\$ 5,570,140	100.00%	\$ 5,788,400		\$ 5,787,494	\$ 217,355	3.90%	100.00%	0.00%	\$ (905.97)
43			FAC			\$ (202,949)				\$ (202,949)	\$ -	-			
44			ES			\$ 590,914				\$ 590,914	\$ -	-			
45			Misc Adj			\$ -				\$ -	\$ -	-			
46			Other			\$ -				\$ -	\$ -	-			
47			Total Riders			\$ 387,965				\$ 387,965	\$ -	-			
48			TOTAL REVENUE			\$ 5,958,105				\$ 6,175,460	\$ 217,355	3.65%			
49			Average	52,987.73		\$ 4,377.74				\$ 4,537.44	\$ 159.70	3.65%			
50															
51	Industrial	9													
52			Customer Charge	12	610.48	\$ 7,326	0.75%		634.40	\$ 7,613	\$ 287	3.92%	0.75%	0.00%	
53			Demand Charge -Contract per kW	30,000	6.14	\$ 184,200	23.39%		6.38	\$ 191,400	\$ 7,200	3.91%	18.81%	-4.58%	
54			Demand Charge - Excess per kW	-	8.93	\$ -	0.00%		9.28	\$ -	\$ -	0.00%	0.00%	0.00%	
55			Energy Charge per kWh	14,938,020	0.05272	\$ 787,532	80.44%		0.054786	\$ 818,394	\$ 30,862	3.92%	80.44%	0.00%	
56			Total Base Rates			\$ 979,058	104.58%	\$ 1,017,422		\$ 1,017,407	\$ 38,349	3.92%	100.00%	-4.58%	\$ (14.49)
57			FAC			\$ (74,389)				\$ (74,389)	\$ -	-			
58			ES			\$ 168,333				\$ 168,333	\$ -	-			
59			Misc Adj			\$ -				\$ -	\$ -	-			
60			Other			\$ -				\$ -	\$ -	-			
61			Total Riders			\$ 93,945				\$ 93,945	\$ -	-			
62			TOTAL REVENUE			\$ 1,073,003				\$ 1,111,352	\$ 38,349	3.57%			
63			Average	1,244,835.00		\$ 89,416.89				\$ 92,612.64	\$ 3,195.75	3.57%			
64															

*Note*  
Rate switch from Rate 10  
to Rate 9 on 7/1/2019

NOLIN RECC  
Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance	
65	Lighting	5,6														
66		1 - SL 100W HPS		32,539	9.75 \$	317,255	25.81%		10.13 \$	329,620	\$ 12,365	3.90%	25.81%	-0.01%		
67		1A - SL 70W LED		45,049	9.41 \$	423,911	34.49%		9.78 \$	440,579	\$ 16,668	3.93%	34.49%	0.00%		
68		1B - SL 55W LED		2,454	9.41 \$	23,092	1.88%		9.78 \$	24,000	\$ 908	3.93%	1.88%	0.00%		
69		4 - SL CITY WE 100 W		10,817	9.98 \$	107,954	8.78%		10.37 \$	112,172	\$ 4,219	3.91%	8.78%	0.00%		
70		4A - SL CITY 70 W LED		9,873	9.92 \$	97,940	7.97%		10.31 \$	101,791	\$ 3,850	3.93%	7.97%	0.00%		
71		4B - SL CITY 55 W LED		174	9.93 \$	1,728	0.14%		10.32 \$	1,796	\$ 68	3.93%	0.14%	0.00%		
72		5 - SL CITY WP 250 W		664	15.00 \$	9,960	0.81%		15.59 \$	10,352	\$ 392	3.93%	0.81%	0.00%		
73		5A - WP 108 W LED		1	11.54 \$	12	0.00%		11.99 \$	12	\$ 0	3.90%	0.00%	0.00%		
74		5B - WE 109 W LED		-	11.54 \$	-	0.00%		11.99 \$	-	\$ -	0.00%	0.00%	0.00%		
75		6 - SL 400 W HPS		593	19.54 \$	11,587	0.94%		20.31 \$	12,044	\$ 457	3.94%	0.94%	0.00%		
76		6A - SL 208 W LED		-	16.61 \$	-	0.00%		17.26 \$	-	\$ -	0.00%	0.00%	0.00%		
77		6B - 202 W LED		-	16.61 \$	-	0.00%		17.26 \$	-	\$ -	0.00%	0.00%	0.00%		
78		7 - LT COLONIAL 100 W UG		3,003	12.89 \$	38,709	3.15%		13.40 \$	40,240	\$ 1,532	3.96%	3.15%	0.00%		
79		7A - LANT COLONIAL100 W LED		782	9.46 \$	7,398	0.60%		9.83 \$	7,687	\$ 289	3.91%	0.60%	0.00%		
80		8 - SL ORN UG 400 W		1,368	35.84 \$	49,029	3.99%		37.24 \$	50,944	\$ 1,915	3.91%	3.99%	0.00%		
81		10 - SL ORN A-POLE27,500 HPS		408	26.98 \$	11,008	0.90%		28.04 \$	11,440	\$ 432	3.93%	0.90%	0.00%		
82		11 - SL ORNMENATL A-POLE50,000 HPS		276	30.69 \$	8,470	0.69%		31.89 \$	8,802	\$ 331	3.91%	0.69%	0.00%		
83		12 - DFL 100 W HPS EP		719	8.64 \$	6,212	0.51%		8.98 \$	6,457	\$ 244	3.94%	0.51%	0.00%		
84		12A - DFL 70 W LED EP		56	16.83 \$	942	0.08%		17.49 \$	979	\$ 37	3.92%	0.08%	0.00%		
85		13 - DFL 250 W HPS EP		1,545	14.44 \$	22,310	1.82%		15.01 \$	23,190	\$ 881	3.95%	1.82%	0.00%		
86		13A - DFL 108 W LED EP		53	17.60 \$	933	0.08%		18.29 \$	969	\$ 37	3.92%	0.08%	0.00%		
87		13B - DFL 109 W LED EP		66	17.60 \$	1,162	0.09%		18.29 \$	1,207	\$ 46	3.92%	0.09%	0.00%		
88		14 - DFL 400 W HPS EP		2,605	19.56 \$	50,954	4.15%		20.33 \$	52,960	\$ 2,006	3.94%	4.15%	0.00%		
89		14A - DFL 208 W LED EP		15	19.65 \$	295	0.02%		20.42 \$	306	\$ 12	3.92%	0.02%	0.00%		
90		14B - DFL 202 W LED EP		232	19.66 \$	4,561	0.37%		20.43 \$	4,740	\$ 179	3.92%	0.37%	0.00%		
91		15 - DEL 400 W CONTEMPARY UG		84	21.03 \$	1,767	0.14%		21.85 \$	1,835	\$ 69	3.90%	0.14%	0.00%		
92		21 - COLONIAL 20' FLUTED POLE		72	35.15 \$	2,531	0.21%		36.53 \$	2,630	\$ 99	3.93%	0.21%	0.00%		
93		21 A- COLONIAL 20' FLUTED POLE 35-70 W Lt		312	33.29 \$	10,386	0.85%		34.59 \$	10,792	\$ 406	3.91%	0.84%	0.00%		
94		22 - SL ORN UG 400W20' FLUTED POLE		12	33.67 \$	404	0.03%		34.99 \$	420	\$ 16	3.92%	0.03%	0.00%		
95		23 - 20 FT FP COLONIAL		355	33.33 \$	11,832	0.96%		34.64 \$	12,297	\$ 465	3.93%	0.96%	0.00%		
96		25 - COLONIAL CONSTPDHPS FIXTURE		708	9.62 \$	6,811	0.55%		10.00 \$	7,080	\$ 269	3.95%	0.55%	0.00%		
97		Total Base Rates			\$	1,229,152	100.00%	\$ 1,277,315		\$ 1,277,343	\$ 48,190	3.92%	100.00%	0.00%	\$ 27.28	
98		FAC			\$	(35,100)				\$ (35,100)	\$ -	-				
99		ES			\$	43,831				\$ 43,831	\$ -	-				
100		Misc Adj			\$	-				\$ -	\$ -	-				
101		Other														
102		Total Riders			\$	8,731				\$ 8,731	\$ -	-				
103		TOTAL REVENUE			\$	1,237,883				\$ 1,286,073	\$ 48,190	3.89%				

104

**NOLIN RECC**  
**Billing Analysis for Pass-Through Rate Increase**

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
105	AGC Automotive	Special													
106			Customer Charge	12	5,454.00	\$ 65,448	1.16%		5,726.70	\$ 68,720	\$ 3,272	5.00%	1.15%	-0.01%	
106	Note:		Demand Charge per kW	203,052	6.98	\$ 1,417,300	25.12%		7.29	\$ 1,480,246	\$ 62,946	4.44%	24.73%	-0.39%	
107	Reduced Contract Demand		Interruptible Credit per kW	119,052	(5.60)	\$ (666,689)	-11.81%		(5.60)	\$ (666,689)	\$ -	0.00%	-11.14%	0.68%	
108	from 10,000 to 7,000 kW		Energy Charge per kWh	123,042,383	0.03923	\$ 4,826,953	85.54%		0.041480	\$ 5,103,798	\$ 276,845	5.74%	85.26%	-0.28%	
109			Total Base Rates			\$ 5,643,012	100.00%	\$ 5,986,187		\$ 5,986,076	\$ 343,064	6.08%	100.00%	0.00%	\$ (111)
110			FAC			\$ (325,536)				\$ (325,536)	\$ -	-			
111			ES			\$ 607,767				\$ 607,767	\$ -	-			
112			Misc Adj			\$ -				\$ -	\$ -	-			
113			Other			\$ -				\$ -	\$ -	-			
114			Total Riders			\$ 282,231				\$ 282,231	\$ -	-			
115			TOTAL REVENUE			\$ 5,925,242				\$ 6,268,306	\$ 343,064	5.79%			
116				10,253,531.92		\$ 493,770.21				\$ 522,358.85	\$ 28,588.64				
117															
118															
119															
120	TOTALS		Total Base Rates			\$ 66,159,327				\$ 68,873,360	\$ 2,714,034	4.10%			
121			FAC			\$ (2,090,947)				\$ (2,090,947)	\$ -	-			
122			ES			\$ 7,017,702				\$ 7,017,702	\$ -	-			
123			Misc Adj			\$ 82,348				\$ 82,348	\$ -	-			
124			Other			\$ -				\$ -	\$ -	-			
125			Total Riders			\$ 5,009,103				\$ 5,009,103	\$ -	-			
126			TOTAL REVENUE			\$ 71,168,429				\$ 73,882,463	\$ 2,714,034	3.81%			
127															
128			Rate Rounding Variance								\$ (416)				
129															
130			<b>RATES WITH NO CURRENT MEMBERS</b>												
131															
132	Industrial	7													
133			Demand Charge per kW			9.04				9.41					
134			Energy Charge per kWh			0.05480				0.05705					
135	Seasonal TOD	8													
136			Demand Charge per kW			8.93				9.30					
137			Energy Charge per kWh			0.05480				0.05705					
138	Industrial	10													
139			Member Cost of Service Charge			1,220.00				1,270.05					
140			Demand Charge -Contract per kW			7.17				7.46					
141			Demand Charge - Excess per kW			9.98				10.39					
142			Energy Charge per kWh			0.04559				0.04746					

NOLIN RECC  
Billing Analysis for Pass-Through Rate Increase

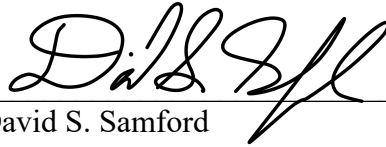
#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
143	Industrial	11													
144			Consumer Charge		1,219.84				1,269.88						
145			Demand - Contract per kW		6.14				6.38						
146			Demand - Excess per kW		8.93				9.30						
147			Energy Charge per kWh		0.04588				0.04776						
148	Industrial C	12													
149			Consumer Charge New Substation		1,219.84				1,269.88						
150			Consumer Charge Existing Sub		610.48				635.52						
151			Demand - Contract per kW		6.14				6.38						
152			Energy Charge per kWh		0.05272				0.05488						
153	Industrial C	13													
154			Customer Charge		1,219.84				1,269.88						
155			Demand Charge per kW		6.14				6.38						
156			Energy Charge per kWh		0.04702				0.04895						
157	Industrial C	14													
158			Customer Charge		1,219.84				1,269.88						
159			Demand Charge per kW		6.14				6.38						
160			Energy Charge per kWh		0.04588				0.04776						

Case No. 2021-00114  
Application – Exhibit 4

Certificate of Service to  
The Attorney General

**Exhibit 4**  
**Statement of Service to the Attorney General**

Pursuant to 807 KAR 5:007, Sections 1(6) and Section 2(2), the undersigned does hereby certify that a complete copy of this filing has been mailed to the Kentucky Attorney General's Office of Rate Intervention and an electronic copy was also sent to [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov) on this 1<sup>st</sup> day of April 2021.

A handwritten signature in black ink, appearing to read "D. S. Samford", is written over a horizontal line.

David S. Samford

*Counsel for Nolin Rural Electric  
Cooperative Corporation*



Case No. 2021-00114  
Application – Exhibit 5

Customer Notice

## NOTICE

In accordance with the requirements of the Public Service Commission (“Commission”) as set forth in 807 KAR 5:001, Section 17 and 807 KAR 5:007, Section 3, of the Rules and Regulations of the Commission, notice is hereby given to the member consumers of Nolin Rural Electric Cooperative Corporation (“Nolin RECC”) of a proposed rate adjustment. Nolin RECC intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc., pursuant to KRS 278.455(2), by filing an application with the Commission on April 1, 2021, in Case No. 2021-00114. The application will request that the proposed rates become effective May 1, 2021. The present and proposed rates for each customer classification to which the proposed rates will apply are set forth below:

Rate		Item	Present	Proposed
1	<u>Residential</u>			
		Customer Charge	\$ 13.50	\$ 14.03
		Energy Charge per kWh	\$ 0.08864	\$ 0.09211
2	<u>Commercial</u>			
		Customer Charge	\$ 23.00	\$ 23.90
		Energy Charge per kWh	\$ 0.08806	\$ 0.09151
3	<u>Large Power</u>			
		Customer Charge	\$ 35.00	\$ 36.37
		Demand Charge per kW	\$ 6.02	\$ 6.26
		Energy Charge per kWh	\$ 0.06979	\$ 0.07253
4	<u>Industrial</u>			
		Customer Charge	\$ 42.50	\$ 44.17
		Energy Charge per kWh	\$ 0.06108	\$ 0.06347
		Demand Charge over 10 KW per kW	\$ 4.95	\$ 5.14
9	<u>Industrial</u>			
		Customer Charge	\$ 610.48	\$ 634.40
		Demand Charge -Contract per kW	\$ 6.14	\$ 6.38
		Demand Charge - Excess per kW	\$ 8.93	\$ 9.28
		Energy Charge per kWh	\$ 0.05272	\$ 0.05479
5,6	<u>Lighting</u>			
		1 - SL 100W HPS	\$ 9.75	\$ 10.13
		1A - SL 70W LED	\$ 9.41	\$ 9.78
		1B - SL 55W LED	\$ 9.41	\$ 9.78
		12A - DFL 70 W LED EP	\$ 16.83	\$ 17.49
		13 - DFL 250 W HPS EP	\$ 14.44	\$ 15.01
		13A - DFL 108 W LED EP	\$ 17.60	\$ 18.29
		13B - DFL 109 W LED EP	\$ 17.60	\$ 18.29
		14 - DFL 400 W HPS EP	\$ 19.56	\$ 20.33
		14A - DFL 208 W LED EP	\$ 19.65	\$ 20.42
		14B - DFL 202 W LED EP	\$ 19.66	\$ 20.43
		15 - DEL 400 W CONTEMPARY UG	\$ 21.03	\$ 21.85
		21 - COLONIAL 20' FLUTED POLE	\$ 35.15	\$ 36.53

		21 A- COLONIAL 20' FLUTED POLE 35-70 W LED	\$ 33.29	\$ 34.59
		22 - SL ORN UG 400W 20' FLUTED POLE	\$ 33.67	\$ 34.99
		23 - 20 FT FP COLONIAL	\$ 33.33	\$ 34.64
		25 - COLONIAL CONSTPD HPS FIXTURE	\$ 9.62	\$ 10.00
Special	<u>AGC Automotive</u>			
		Customer Charge	\$ 5,454.00	\$ 5,726.70
		Demand Charge per kW	\$ 6.98	\$ 7.29
		Interruptible Credit per kW	\$ (5.60)	\$ (5.60)
		Energy Charge per kWh	\$ 0.03923	\$ 0.04148
7	<u>Industrial</u>			
		Demand Charge per kW	\$ 9.04	\$ 9.41
		Energy Charge per kWh	\$ 0.05480	\$ 0.05705
8	<u>Seasonal TOD</u>			
		Demand Charge per kW	\$ 8.93	\$ 9.30
		Energy Charge per kWh	\$ 0.05480	\$ 0.05705
10	<u>Industrial</u>			
		Member Cost of Service Charge	\$ 1,220.00	\$ 1,270.05
		Demand Charge -Contract per kW	\$ 7.17	\$ 7.46
		Demand Charge - Excess per kW	\$ 9.98	\$ 10.39
		Energy Charge per kWh	\$ 0.04559	\$ 0.04746
11	<u>Industrial</u>			
		Consumer Charge	\$ 1,219.84	\$ 1,269.88
		Demand - Contract per kW	\$ 6.14	\$ 6.38
		Demand - Excess per kW	\$ 8.93	\$ 9.30
		Energy Charge per kWh	\$ 0.04588	\$ 0.04776
12	<u>Industrial C</u>			
		Consumer Charge New Substation	\$ 1,219.84	\$ 1,269.88
		Consumer Charge Existing Sub	\$ 610.48	\$ 635.52
		Demand - Contract per kW	\$ 6.14	\$ 6.38
		Energy Charge per kWh	\$ 0.05272	\$ 0.05488
13	<u>Industrial C</u>			
		Customer Charge	\$ 1,219.84	\$ 1,269.88
		Demand Charge per kW	\$ 6.14	\$ 6.38
		Energy Charge per kWh	\$ 0.04702	\$ 0.04895
14	<u>Industrial C</u>			
		Customer Charge	\$ 1,219.84	\$ 1,269.88
		Demand Charge per kW	\$ 6.14	\$ 6.38
		Energy Charge per kWh	\$ 0.04588	\$ 0.04776

The effect of the change requested, in both dollar amounts and as a percentage, for each customer classification to which the proposed rates will apply is set forth below:

Rate			Increase	
			Dollars	Percent
Residential	1		\$ 1,867,949	3.63%
Commercial	2		\$ 113,313	3.63%

Large Power	3		\$ 85,814	3.67%
Industrial	4		\$ 217,355	3.65%
Industrial	9		\$ 38,349	3.57%
Lighting	5,6		\$ 48,190	3.89%
AGC Automotive	Special		\$ 343,064	5.79%
Total			\$ 2,714,034	3.81%

The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply is set forth below:

Rate		Average		Increase
		Usage (kWh)	Dollars	Percent
Residential	1	1,189	\$4.66	3.63%
Commercial	2	1,337	\$5.51	3.63%
Large Power	3	11,711	\$42.69	3.67%
Industrial	4	52,988	\$159.70	3.65%
Industrial	9	1,244,835	\$3,195.75	3.57%
Lighting	5,6	NA	NA	3.89%
AGC Automotive	Special	10,253,532	\$28,588.64	5.79%

A person may examine the application and any related documents Nolin RECC has filed with the PSC at the utility's principal office, located at:

Nolin Rural Electric Cooperative Corporation  
411 Ring Road  
Elizabethtown, Kentucky 42701-6767  
(270) 765-6153  
<https://nolinrecc.com>

A person may also examine the application: (i) at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or (ii) through the Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Nolin RECC, but the Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Commission at Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

Case No. 2021-00114  
Application – Exhibit 6

Testimony of John Wolfram  
Catalyst Consulting, LLC

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

**DIRECT TESTIMONY**

**OF**

**JOHN WOLFRAM  
PRINCIPAL OF CATALYST CONSULTING, LLC**

**ON BEHALF OF**

**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION  
BLUE GRASS ENERGY COOPERATIVE CORPORATION  
CLARK ENERGY COOPERATIVE, INC.  
CUMBERLAND VALLEY ELECTRIC INC.  
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION  
FLEMING-MASON ENERGY COOPERATIVE, INC.  
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION  
INTER-COUNTY ENERGY COOPERATIVE CORPORATION  
JACKSON ENERGY COOPERATIVE CORPORATION  
LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION  
NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION  
OWEN ELECTRIC COOPERATIVE INC.  
SALT RIVER ELECTRIC COOPERATIVE CORPORATION  
SHELBY ENERGY COOPERATIVE INC.  
SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION  
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION**

**FILED: April 1, 2021**

1  
2  
3  
4

**DIRECT TESTIMONY  
OF  
JOHN WOLFRAM**

5 **I. INTRODUCTION**

6 **Q. Please state your name, business address and occupation.**

7 A. My name is John Wolfram. I am the Principal of Catalyst Consulting LLC. My business  
8 address is 3308 Haddon Road, Louisville, Kentucky 40241.

9 **Q. On whose behalf are you testifying?**

10 A. I am testifying on behalf of each of the sixteen Owner-Members of East Kentucky Power  
11 Cooperative, Inc. ("EKPC").

12 **Q. Please summarize your education and professional experience.**

13 A. I received a Bachelor of Science degree in Electrical Engineering from the University of  
14 Notre Dame in 1990 and a Master of Science degree in Electrical Engineering from Drexel  
15 University in 1997. I founded Catalyst Consulting LLC in June 2012. From March 2010  
16 through May 2012, I was a Senior Consultant with The Prime Group, LLC. I have  
17 developed cost of service studies or rates for numerous electric and gas utilities, including  
18 electric distribution cooperatives, generation, and transmission cooperatives, municipal  
19 utilities, and investor-owned utilities. I have performed economic analyses, rate  
20 mechanism reviews, ISO/RTO membership evaluations, and wholesale formula rate  
21 reviews. I have also been employed by the parent companies of Louisville Gas and Electric  
22 Company ("LG&E") and Kentucky Utilities Company ("KU"), by the PJM  
23 Interconnection, and by the Cincinnati Gas & Electric Company.

24 **Q. Have you previously testified before the Kentucky Public Service Commission**  
25 **("Commission")?**

1 A. Yes. To date I have testified in over thirty different regulatory proceedings before this  
2 Commission, most recently in Case No. 2021-00066.<sup>1</sup>

3 **Q. What is the purpose of your testimony in this proceeding?**

4 A. The purpose of my testimony is to support the proposed rates of the Owner-Members of  
5 EKPC, reflecting the flow through of the effects of the increase in wholesale rates proposed  
6 by EKPC in Case No. 2021-00103,<sup>2</sup> pursuant to KRS 278.455.

7 **Q. Are you sponsoring any Exhibits?**

8 A. Yes. I have prepared the following exhibits to the Application in this docket:

- 9 • Exhibit 2: Comparison of Current and Proposed Rates
- 10 • Exhibit 3: Billing Analysis

11

12 **II. PASS THROUGH OF WHOLESALE RATE INCREASE**

13 **Q. What does KRS 278.455(2) permit for the pass-through of wholesale rate increases?**

14 A. KRS 278.455(2) specifies that

15 “Notwithstanding any other statute, **any revenue increase authorized by**  
16 **the Public Service Commission** or any revenue decrease authorized in  
17 subsection (1) of this section **that is to flow through the effects of an**  
18 **increase or decrease in wholesale rates may, at the distribution**  
19 **cooperative's discretion, be allocated to each class and within each tariff**  
20 **on a proportional basis that will result in no change in the rate design**  
21 **currently in effect....”** (emphasis added)

22

23

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<sup>1</sup> See *In the Matter of: The Electronic Application of Kenergy Corp. For A General Adjustment Of Rates Pursuant To Streamlined Procedure Pilot Program Established In Case No. 2018-00407*, Order, Case No. 2021-00066 (Ky. P.S.C. March 11, 2021).

<sup>2</sup> See *In The Matter Of: Electronic Application Of East Kentucky Power Cooperative, Inc. For A General Adjustment Of Rates, Approval Of Depreciation Study, Amortization Of Certain Regulatory Assets, And Other General Relief*, Case No. 2021-00103 (filed April 1, 2021).



1 **Q. Did EKPC provide you with the relevant data regarding its proposed wholesale**  
2 **increase?**

3 A. Yes. EKPC provided me with a summary of the proposed increase in dollars by  
4 distribution cooperative and by wholesale rate class, including the total proposed revenue  
5 increase in dollars for each distribution cooperative.

6 **Q. Please generally describe the approach you used to determine the proposed rates for**  
7 **each distribution cooperative.**

8 A. For each distribution cooperative, I first collected 2019 billing information for each rate  
9 class in the cooperative's Commission-approved tariffs, to correspond with the 2019 test  
10 period used by EKPC in Case No. 2021-00103. I calculated the billings for each rate class  
11 and for each base rate billing component within the respective classes (*e.g.*, customer  
12 charge, energy charge, demand charge). I also compiled annual amounts for rate riders,  
13 billing adjustments, and other non-base-rate billing items by class. I then determined  
14 "present" rates and revenues by accounting for a limited number of adjustments that I  
15 describe below. Then I allocated the EKPC revenue increase proportionately, first to each  
16 rate class, and then to the individual base rate billing components of each class. I  
17 determined the proposed per-unit charges such that the rate class revenue allocation shares  
18 and the billing component allocation shares were maintained. In other words, I allocated  
19 the increase first to the rate classes and then to the billing components on a proportionate  
20 basis, resulting in no change in the rate design currently in effect.

21 **Q. How did you adjust 2019 amounts to determine the "present" amounts?**

1 A. I adjusted 2019 data on an extremely limited basis. Because the Commission approved a  
2 Fuel Adjustment Clause (“FAC”) roll-in effective February 1, 2020,<sup>3</sup> it was necessary to  
3 adjust 2019 amounts to reflect the revised base energy charges and FAC charges. I adjusted  
4 2019 amounts to account for the FAC roll-in for all Owner-Members. Also, there were a  
5 small number of large commercial or industrial retail members that either switched rates  
6 or revised their contract demand amounts since 2019; I adjusted the billing determinants  
7 for these end-users to ensure that the rate calculations would result in no change in the  
8 retail rate design currently in effect. These types of adjustments are reflected where  
9 applicable in the “Present Rates” and “Present Revenues” in Exhibit 3 and are needed to  
10 ensure that the full effects of the wholesale rate increase are flowed through  
11 proportionately. Other than the FAC roll-in and limited number of rate switching/contract  
12 demand changes, I did not make any other adjustments to the test year data.

13 **Q. Did you consider the recent Commission Order in Case No. 2020-00095<sup>4</sup> (the**  
14 **“Kenergy Order”) in which the Commission clarified “proportional” for the purposes**  
15 **of the pass-through calculations?**

16 A. Yes. As I understand it, in simple terms the *Kenergy* Order states that a distribution  
17 cooperative should base its “proportions” in the pass-through calculation upon the most  
18 recent Commission approved revenue allocation and billing component revenue allocation  
19 from the cooperative’s last rate order. Here, my approach was to first attempt to determine

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<sup>3</sup> See *In The Matter Of Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. From November 1, 2016 Through October 31, 2018*, Order, Case No. 2019-00003 (Ky. P.S.C. Dec. 26, 2019); *In The Matter Of: Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. Cooperatives From November 1, 2016 Through October 31, 2018*, Order, Case No. 2019-00008 (Ky. P.S.C. Dec. 26, 2019; Order, Case No. 2019-00008 (Ky. P.S.C. Jan. 22, 2020).

<sup>4</sup> *In the Matter of: Electronic Application of Kenergy Corp. for a Declaratory Order*, Order, Case No. 2020-00095 (Ky. P.S.C. March 11, 2021).

1 the proposed rates based on the allocations from the last rate order. If those results proved  
2 to be self-evidently unreasonable, I then determined the proposed rates based on the present  
3 test year allocations, consistent with the method approved in the pass-through filings for  
4 EKPC's last two rate cases.<sup>5</sup>

5 **Q. Did the *Kenergy* Order method produce reasonable results for the EKPC distribution**  
6 **cooperatives?**

7 A. It did for Clark Energy and Cumberland Valley Electric because these utilities relied upon  
8 a 2019 test year in their last filings.<sup>6</sup> In other words for these utilities, the *Kenergy* Order  
9 method and the present test year allocation method are identical. For the other cooperatives  
10 that I analyzed using the *Kenergy* Order method,<sup>7</sup> the analysis did not produce reasonable  
11 rates for all rate classes. Thus, for those utilities I used the present test year allocations  
12 instead of the last rate order allocations to develop proposed rates.

13 **Q. Please describe how the *Kenergy* Order method provided unreasonable results for**  
14 **certain rate classes of the Owner-Members.**

15 A. Relying on the last rate order to allocate the total increase to the rate classes seems  
16 reasonable in theory, but has limitations based on how the customer mix within the rate  
17 classifications has changed over time. For some cooperatives, the list of rate classes with

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<sup>5</sup> See *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates*, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011); *In The Matter Of Application For General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.*, Order, Case No. 2006-00472 (Ky. P.S.C. Dec. 5, 2011).

<sup>6</sup> The same result is anticipated for Licking Valley RECC, who expects an order imminently in its streamlined rate filing currently before the Commission in Case No. 2020-00338, *In the Matter Of: Electronic Application of Licking Valley Rural Electric Cooperative Corporation For A General Adjustment Of Rates Pursuant To Streamlined Procedure Pilot Program Established In Case No. 2018-00407*. Licking Valley anticipates providing updated schedules in this docket following that order.

<sup>7</sup> The other cooperatives include all but Licking Valley RECC (see previous footnote) and Salt River Electric Cooperative, whose last rate order in Case No. 92-560 is dated September 28, 1993. I did not compute proposed rates using the *Kenergy* Order method for these two utilities.

1 active members differed from the last rate order and the present test year. The *Kenergy*  
2 Order does not specify how to address this kind of variance.

3 More importantly, relying on the last rate order to allocate the class revenue to the  
4 individual billing components was more problematic. For certain two-part rate classes like  
5 residential, the percentage split between customer charge revenue and energy charge  
6 revenue does not typically fluctuate much over time between rate cases, so for those classes  
7 the results were mostly reasonable. However, for rate classes with more than two parts –  
8 for example, a large customer class with four parts (customer charge, energy charge,  
9 contract demand charge, and excess demand charge) – it was more common for the  
10 percentage shares across the components to vary significantly between the last rate order  
11 method and the present test year method. For example, there might be zero excess demand  
12 kW (and thus revenue) in the present test year, but 25 percent excess demand revenue in  
13 the last rate order. The converse could also be true. In either event, holding the last rate  
14 order component percentages fixed and applying them to 2019 billing units often resulted  
15 in skewed charges on a per-unit basis. For most cooperatives, applying the last rate order  
16 component percentages yielded declines in the excess demand charge which would have  
17 resulted in a significant change to the rate design currently in effect (where the excess  
18 demand charge currently exceeds the contract demand charge). This appears to run afoul  
19 of the proportionality standard in KRS 278.455(2) and would result in a rate design change.  
20 It could also violate the ratemaking principle of gradualism. In situations like this, the  
21 cooperative elected to use the present test year allocations in full to develop proposed rates.

1 **Q. Did any cooperative use a hybrid approach where it employed the last rate order**  
2 ***Kenergy* Order method for some of its rate classes and the traditional test year method**  
3 **for other rate classes?**

4 A. No. Each cooperative used one method or the other. No cooperative opted to determine  
5 some rates from the *Kenergy* Order method and other rates from the present test year  
6 allocation method. Only one method was used consistently for determining all proposed  
7 rates for any particular Owner-Member.

8 **Q. Is it reasonable to use present test year allocations in instances where the *Kenergy***  
9 **Order method produced unreasonable results?**

10 A. Yes. In 1944, in *Federal Power Commission v. Hope Natural Gas Co.*, the Supreme Court  
11 held that, in setting maximum rates, the utility commission would not be "bound to the use  
12 of any single formula or combination of formulae in determining rates." Rather, it would  
13 be the "result reached, not the method employed" that would be controlling.<sup>8</sup> I am not an  
14 attorney, but it is my understanding that Kentucky law fully embraces the *Hope* Doctrine.  
15 The approach here was to use the *Kenergy* Order method to the fullest practical extent; in  
16 the cases where the *Kenergy* Order method did not produce reasonable rates, the use of the  
17 present test year allocations did so, consistent with previous Commission orders in pass-  
18 through rate cases. For this reason, the determination of proposed rates based on the  
19 present test year allocations should be accepted as it has been in the past, specifically in  
20 Case Nos. 2010-00167 and 2008-00409.

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<sup>8</sup> *Fed. Power Comm'n v. Hope Natural Gas Co.*, 320 U.S. 591, 602 (1944).

1 **Q. The *Kenergy* Order states that any revenue distortions could be addressed through**  
2 **subsequent rate filings by a distribution cooperative. If the last rate order approach**  
3 **is strictly applied, what is likely to happen?**

4 A. The overall revenue impact of the rate pass-through is consistent regardless of whether the  
5 *Kenergy* Order last rate order method or the present test year approach is applied. Either  
6 way, the distribution cooperative should be able to successfully absorb and pass through  
7 any increase in its wholesale power expense to its end-use retail members, even if the pass-  
8 through introduces some revenue distortions within a particular rate class. The bigger  
9 problem under the *Kenergy* Order method is that some end-use retail customer classes will  
10 immediately see very significant changes in their monthly bills. This skewing effect  
11 between retail customer classes will likely force most of EKPC's distribution cooperatives  
12 to file near-simultaneous rate cases shortly after EKPC's wholesale rates take effect. Since  
13 the goal behind the enactment of KRS 278.455 was to avoid the need for each distribution  
14 cooperative to file a rate case following an increase in wholesale rates, the *Kenergy* Order  
15 approach could work at somewhat cross-purposes to the policy embodied in the statute.

16 **Q. Did you treat any retail rate classes differently than the others in the pass-through**  
17 **calculation?**

18 A. For the most part, I made no distinction between retail rate classes taking service under  
19 EKPC's different wholesale rate classes (Rate B, Rate C, Rate E, etc.), consistent with  
20 previous Commission orders and Owner-Member pass-through rate filings. However, I  
21 did separately calculate proposed rates for retail members served under EKPC Rate G -  
22 Special Electric Contract Rate, as well as for those served under EKPC's other large special  
23 contracts. These are listed separately in Exhibit 2. These classes are given separate

1 consideration by EKPC, so I determined the retail rate increases associated with these  
2 classes using the specific data provided to me for these classes by EKPC. This is consistent  
3 with the treatment afforded these particular classes in EKPC’s last rate case in Case No.  
4 2010-00167,<sup>9</sup> which was based on KRS 278.455(3):

5 “Any increase or decrease as provided for in subsections (1) and (2) of this  
6 section shall not apply to special contracts under which the rates are subject  
7 to change or adjustment only as stipulated in the contract.”  
8

9 **Q. How did you determine proposed rates for any rate classes under which no retail**  
10 **members took service in 2019 (“vacant rate classes”)?**

11 A. For vacant rate classes, I first checked to see if the per-unit charges were identical to any  
12 per-unit charges of other, non-vacant rate classes; if so, I set the proposed vacant rate class  
13 per-unit charge equivalently. Otherwise, I increased the vacant rate class per-unit charges  
14 by the same percentage as the overall base rate increase for the utility. There is no revenue  
15 impact associated with these changes, but the changes are necessary for the flow through  
16 of the effects of the proposed EKPC rate increase to result in no change to the retail rate  
17 design currently in effect, particularly on an inter-class basis. (For example, increasing  
18 other per-unit rates without also increasing the vacant rate class rates will skew the current  
19 retail rates relative to one another and could inappropriately provide incentives for rate  
20 switching at the retail level.)

21

22 **III. CONCLUSION**

23 **Q. What is your recommendation to the Commission in this case?**

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<sup>9</sup> *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011).*

1 A. In this docket, the proposed rates are allocated to each retail class and within each retail  
2 tariff on a proportional basis, and result in no change in the retail rate design currently in  
3 effect. The proposed rates are fair, just, and reasonable, and are also consistent with KRS  
4 278.455 and prior Commission precedent, specifically Case Nos. 2010-00167 and 2008-  
5 00409. The proposed rates should be approved.

6 **Q. Does this conclude your testimony?**

7 A. Yes, it does.



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

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**VERIFICATION OF JOHN WOLFRAM**

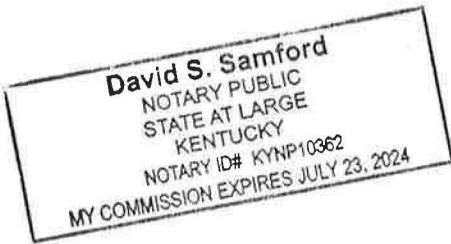
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COMMONWEALTH OF KENTUCKY    )  
  )  
COUNTY OF JEFFERSON         )

John Wolfram, being duly sworn, states that he has supervised the preparation of his Direct Testimony in this case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_  
John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 31<sup>st</sup> day of March, 2021, by John Wolfram.



  
\_\_\_\_\_  
Notary Commission No. KYNP10362  
Commission expiration: 7-23-24