

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)
SALT RIVER ELECTRIC COOPERATIVE)
CORPORATION FOR PASS-THROUGH OF) Case No. 2021-00116
EAST KENTUCKY POWER COOPERATIVE,)
INC.'S WHOLESALE RATE ADJUSTMENT)

SALT RIVER ELECTRIC COOPERATIVE
CORPORATION'S APPLICATION

Comes now Salt River Electric Cooperative Corporation ("Salt River"), 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. Salt River is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Salt River is engaged in the business of distributing retail electric power to approximately 52,400 members in the Kentucky counties of Anderson, Bullitt, Jefferson, LaRue, Marion, Mercer, Nelson, Shelby, Spencer and Washington.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Salt River's mailing address is 111 West Brashear Avenue, P.O. Box 609, Bardstown, Kentucky 40004-0609 and its electronic mail address is tjsharp@srelectric.com.

3. Pursuant to 807 KAR 5:001, Section 14(2), Salt River is a Kentucky corporation that was incorporated on April 14, 1939 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), Salt River 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 Salt River.¹ In accordance with KRS 278.455, Salt River seeks to pass-through the increase in EKPC's wholesale rates to Salt River to Salt River'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 Salt River 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 Salt River.

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 Salt River's rate classes. Salt River 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 is attached as **Exhibit 4**.

¹ 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 Salt River'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, Salt River respectfully requests that the Commission accept this Application for filing and allow Salt River to pass-through to its retail members the increase in the wholesale rates granted to EKPC and for the effective date of Salt River's pass-through rates to be the same as the effective date of EKPC's rate increase.

Done this 1st day of April 2021.

Respectfully submitted,



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*Counsel for Salt River Rural Electric
Cooperative Corporation*

Exhibit List

Document	Tab
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
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Case No. 2021-00116
Application – Exhibit 1

Proposed Tariffs

SALT RIVER ELECTRIC
Name of Issuing Corporation

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. No. 12

6th Original Sheet No 1

Canceling P.S.C. No. 12

5th Original Sheet 1

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE

SCHEDULE A-5

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to members of the Cooperative for all Farm and Home uses subject to the established rules and regulations of the Seller. The capacity of individual motors served upon this schedule shall not exceed 10 h.p.

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES*

Customer Charge	-	\$9.23 per month	
Energy Charge	-	\$.07880 per KWH	

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$9.23 where 25 KVA or less transformer capacity is required. For members requiring more than 25 KVA transformer capacity, the minimum monthly charge shall be increased at the rate of \$.75 of each additional KVA or fraction thereof required. Payment of the minimum charge shall entitle the member in all cases to the use of the number of kilowatt hours, corresponding to the minimum charge in accordance with the foregoing rate.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY /s/ Tim Sharp
TITLE: President & CEO

	<u>FOR ENTIRE TERRITORY SERVED</u>	
FORM FOR FILING RATE SCHEDULES	Community, Town or City P.S.C. No.	12
<u>SALT RIVER ELECTRIC</u>	6th Original Sheet No	3
Name of Issuing Corporation	Canceling P.S.C. No.	12
	5th Original Sheet	3

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE - TAXABLE

SCHEDULE A-ST

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to member of the Cooperative for all Farm and Home uses subject to applicable state sales tax and subject to the established rules and regulations of the Seller. The capacity of individual motors served upon this schedule shall not exceed 10 h.p.

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES*

Customer Charge	\$9.23 per month	
Energy Charge	\$.07880 per kWh	

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$9.23 where 25 KVA or less transformer capacity is required. For members requiring more than 25 KVA transformer capacity, the minimum monthly charge shall be increased at the rate of \$.75 of each additional KVA or fraction thereof required. Payment of the minimum charge shall entitle the member in all cases to the use of the number of kilowatt hours corresponding to the minimum charge in accordance with the foregoing rate.

DATE OF ISSUE: March 31, 2021

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ISSUED BY /s/ Tim sharp
TITLE: President & CEO

FOR ENTIRE TERRITORY SERVED
Community, Town or City

FORM FOR FILING RATE SCHEDULES	P.S.C. No.	12
<u>SALT RIVER ELECTRIC</u> Name of Issuing Corporation	6th Original Sheet No	5
	Canceling P.S.C. No.	12
	5th Original Sheet	5

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE (TIME OF DAY) SCHEDULE A-5-TOD

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to members of the Cooperative for all Farm and Home uses subject to the established rules and regulations of the Seller. The capacity of individual motors served upon this schedule shall not exceed 10 h.p. Consumer must remain on this tariff for a one (1) year minimum and must provide a sixty (60) day notice to change from this tariff to another one.

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES*

Consumer must select Option A or Option B.

Option A - Applicable complete year

Customer Charge	\$12.11 per month
On-Peak energy	\$ 0.10141 per kWh
Off-Peak energy	\$ 0.05459 per kWh

Winter season on-peak and off-peak hours are provided on the third page of this tariff.

DATE OF ISSUE: March 31, 2021

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May 01, 2021

ISSUED BY _____/s/ Tim Sharp _____
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No. 12

6th Original Sheet No 6

Canceling P.S.C. No. 12

5th Original Sheet 6

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE (TIME OF DAY) SCHEDULE A-5-TOD (cont)

Option B - Time-of-Day-Rates Applicable only for Winter Season

Customer Charge \$12.11 per month

Energy Rates

1. Winter Season (October-April)

On-Peak Energy	\$ 0.10141 per kWh	I
Off-Peak Energy	\$ 0.05459 per kWh	I

2. Summer Season (May-September)

All Energy	\$ 0.07880 per kWh	I
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Winter season on-peak and off-peak hours are provided on the third page of this tariff.

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$12.11 where 25 KVA or less transformer capacity is required. For members requiring more than 25 KVA transformer capacity, the minimum monthly charge shall be increased at the rate of \$.75 of each additional KVA or fraction thereof required. Payment of the minimum charge shall entitle the member in all cases to the use of the number of kilowatt hours, corresponding to the minimum charge in accordance with the foregoing rate.

DATE OF ISSUE: March 31, 2021

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May 01, 2021

ISSUED BY _____/s/ Tim Sharp
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

8

Canceling P.S.C. No.

12

5th Original Sheet

8

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE TAXABLE (TIME OF DAY) SCHEDULE A-5T-TOD

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to members of the Cooperative for all Farm and Home uses subject to applicable state tax and subject to the established rules and regulations of the Seller. The capacity of individual motors served upon this schedule shall not exceed 10 h.p. Consumer must remain on this tariff for a one (1) year minimum and must provide a sixty (60) day notice to change from this tariff to another one.

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES*

Consumer must select Option A or Option B.

Option A - Applicable complete year

Customer Charge	\$12.11 per month	I
On-Peak energy	\$ 0.10141 per kWh	I
Off-Peak energy	\$ 0.05459 per kWh	I

Winter season on-peak and off-peak hours are provided on the third page of this tariff.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY _____/s/ Tim Sharp _____
TITLE: President & CEO

Issued by authority of an order of the Public Service
Commission of Kentucky in Case No. 2019-000048
Dated: December 26, 2019

2/1/2020

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City
P.S.C. No. 12

SALT RIVER ELECTRIC
Name of Issuing Corporation

6th Original Sheet No 9
Canceling P.S.C, No. 12
5th Original Sheet 9

CLASSIFICATION OF SERVICE

FARM AND HOME SERVICE TAXABLE (TIME OF DAY) SCHEDULE A-5T-TOD

Option B - Time-of-Day-Rates Applicable only for Winter Season

Customer Charge	\$12.11 per month	I
Energy Rates		
1. Winter Season (October-April)		
On-Peak Energy	\$ 0.10141 per kWh	I
Off-Peak Energy	\$ 0.05459 per kWh	I
2. Summer Season (May-September)		
All Energy	\$ 0.07880 per kWh	I

Winter season on-peak and off-peak hours are provided on the third page of this tariff.

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$12.11 where 25 KVA or less transformer capacity is required. For members requiring more than 25 KVA transformer capacity, the minimum monthly charge shall be increased at the rate of \$.75 of each additional KVA or fraction thereof required. Payment of the minimum charge shall entitle the member in all cases to the use of the number of kilowatt hours, corresponding to the minimum charge in accordance with the foregoing rate.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 1, 2021

ISSUED BY /s/ Tim Sharp.
TITLE: President & CEO

Issued by authority of an order of the Public Service
Commission of Kentucky in Case No. 2019-000048
Dated: December 26, 2019

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC
Name of Issuing Corporation

P.S.C. No. 12
5th original Sheet No 13
Canceling P.S.C. No. 12
4th Original Sheet 13

CLASSIFICATION OF SERVICE

OUTDOOR LIGHTING _____ SCHEDULE OL

APPLICABLE:

In all territory served by Salt River Electric.

AVAILABILITY

Available to individuals, towns, villages, and other for controlled single or multiple outdoor lighting from dusk to dawn.

Service under this schedule is for a term of not less than one year and is subject to rules and regulations of the seller as approved by the Kentucky Public Service Commission.

MONTHLY RATE PER FIXTURE:			
Type of Light	Overhead Service		Monthly Charge per Lamp
	Wattage	Monthly KWH usage	
Mercury Vapor (MV)	175**	75	\$ 10.24
Sodium Vapor (HPS)	100	48	9.98
Sodium Vapor (HPS)	250	104	12.94
Sodium Vapor (HPS)	400	165	17.03
Decorative Underground (HSP)	100*	48	11.12
Underground Mercury Vapor (MV) w/o pole	175**	75	18.00
Underground Mercury Vapor (MV) With pole	175**	75	22.44
Overhead Durastar (MV)	175	75	11.00
Metal Halide (MH)	100	48	10.23
Underground Metal Halide (MH) w/o pole	100	48	17.99
Underground Metal Halide (MH) With pole	100	48	22.43

* Eligible only to lights hooked up before July 1, 1998.

** Eligible only to lights hooked up before December 31, 2007.

FUEL ADJUSTMENT CLAUSE

The above rate may be increased or decreased by an amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowances for line losses will not exceed 10% and is based on a twelve-month moving average of such losses.

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May 01, 2021

ISSUED BY /S/Tim Sharp

TITLE: President & CEO

SALT RIVER ELECTRIC

Name of Issuing Corporation P.S.C. No. 12
 6th Original Sheet No 18A
 Canceling P.S.C. No. 12
 5th Original Sheet 18A

CLASSIFICATION OF SERVICE

LED Outdoor Lighting Sch LED

AVAILABILITY

Outdoor lighting facilities for all territories served by Salt River Electric Cooperative Corporation.

RATES PER MONTH

<u>TYPE</u>	<u>LUMENS</u>	<u>RATE</u>
Open Bottom Light	Approximately 4,500 - 7,200	\$10.02
Cobra Head Light	Approximately 7,200 - 12,500	\$15.24
Directional Flood Light	Approximately 12,000 - 16,000	\$20.63
Ornamental Light With Pole	Approximately 4,500 - 7,200	\$28.63

CONDITIONS OF SERVICE

1. Rate applicable only to lamps and associated appurtenances on existing poles. Other facilities required may be provided subject to the Distributor's established policies and practices. All lamps, poles and associated appurtenances remain the property of the cooperative.

2. All lights are for a minimum of 12 months service. If customer requests disconnection prior to the completion of the first 12 months of service, the balance of the 12 months must be paid.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
 May 1 2021

ISSUED BY /s/ Tim Sharp
 TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No. 12

6th Original Sheet No 19

Canceling P.S.C. No. 12

5th Original Sheet 19

CLASSIFICATION OF SERVICE

COMMERCIAL AND SMALL POWER SERVICE

SCHEDULE B-2

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Availability to commercial, small industrial consumers, schools, churches, community halls, and three-phase farm consumers for all uses including lighting, appliances, cooking, heating and motors all subject to the established rules and regulations of the Cooperative covering this service.

Service under this schedule is limited to consumers whose load requirements do not exceed 150 KVA of transformer capacity, and/or all electric schools.

Consumers having their home on the same premises with their business establishments may include service to both on the same meter, in which case, all service will be billed under this schedule, using the rates set out below. If the consumer prefers he may make provisions for two meters, in which case, his usage for residential purpose will be billed under the appropriate schedule, and his usage for business will be billed under this schedule and rates.

TYPE OF SERVICE:

Single-phase, and three-phase at available secondary voltage.

RATES*

Customer Charge	\$12.42 per month	I
Energy Charge	\$.08569 per KWH	I

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May 1, 2020

ISSUED BY _____/s/ Tim Sharp _____
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C.

No. 12

6thOriginal Sheet No

23

Canceling P.S.C. No.

12

5thOriginal Sheet

23

CLASSIFICATION OF SERVICE

LARGE POWER SERVICE (Over 37.5 - Under 500 KW) SCHEDULE LLP-1

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to commercial, industrial consumers, schools, churches, community halls, and three-phase farm consumers subject to the established rules and regulations of the cooperative covering this service.

RATES*

KW Demand

\$7.00

1

Energy Charge

\$.06406 per KWH

1

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum average kilowatt load used by the consumer for any period of 15 consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

POWER FACTOR

The consumer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of this maximum demand is less than 80% the demand for billing purpose shall be the demand as indicated or recorded by the demand meter multiplied by 80% and divided by the present power factor.

DATE OF ISSUE: March 31, 2021

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May 01, 2021

ISSUED BY /s/ Tim Sharp
TITLE: President S CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6thOriginal Sheet No

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Canceling P.S.C. No.

12

5thOriginal Sheet

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CLASSIFICATION OF SERVICE

LARGE POWER 500 KW UNDER 3,000 KW
Secondary Voltage

SCHEDULE LLP-2

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to large industrial and commercial consumers located on or near Seller's three-phase line for all types of uses, subject to the established rules and regulations of the Seller.

RATES*

Demand Charge

\$7.00 per/mo per KW of
billing demand

Energy Charge

\$.06010 per kWh

1

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum average kilowatt load used by the consumer for any period of 15 consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

POWER FACTOR

The consumer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor at the time of this maximum demand is less than 80% the demand for billing purpose shall be the demand meter multiplied by 80% and divided by the percent power factor.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 1, 2021

ISSUED BY /s/ Tim Sharp
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6thOriginal Sheet No

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Canceling P.S.C. No.

12

5thOriginal Sheet

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CLASSIFICATION OF SERVICE

LARGE POWER 500 KW - 3,000 KW (Primary Voltage)

SCHEDULE LLP-3

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to large industrial and commercial consumers located on or near Seller's three-phase line for all types of usage, subject to the established rules and regulations.

RATES*

Demand Charge \$ 6.98 per month per KW of Billing Demand
Energy Charge \$.06001 per KWH

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum average kilowatt load used by the consumer for any period of 15 consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

POWER FACTOR

The consumer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor at the time of this maximum demand is less than 80% the demand for billing purpose shall be the demand as indicated or recorded by the demand meter multiplied by 80% and divided by the percent power factor.

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ISSUED BY _____ /s/ Tim Sharp
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES FOR ENTIRE TERRITORY SERVED Community, Town or City SALT RIVER ELECTRIC
Name of Issuing Corporation P.S.C. No. 12

6th Original Sheet No 35

Canceling P.S.C. No. 12

5th Original Sheet 35

CLASSIFICATION OF SERVICE

LARGE POWER 500 KW - 999 KW

SCHEDULE LLP-3-B1

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 500 KW - 999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

CONSUMER CHARGE

\$1005.76

DEMAND CHARGE

\$ 6.47 per KW of contract demand

\$ 9.38 per KW for all billing demand in excess of contract demand.

ENERGY CHARGE

\$.05255 per KWH.

I

DETERMINATION OF BILLING DEMAND

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand.

Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with the load center's peak, exceeds the contract demand. The load center's peak demand is 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:

Months

Hours Applicable for Demand Billing EST

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.

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ISSUED BY /s/ Tim Sharp _____

TITLE: President s CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

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Canceling P. S.C. No.

12

5th Original Sheet

38

CLASSIFICATION OF SERVICE

LARGE POWER 500 KW - 999 KW

SCHEDULE LLP-3-C1

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 500 KW - 999 with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

<u>CONSUMER CHARGE</u>	\$1005.76	1
<u>DEMAND CHARGE</u>	\$6.47 per KW of contract demand	1
<u>ENERGY DEMAND</u>	\$.05255 per kWh	1

DETERMINATION OF BILLING DEMAND

The billing demand (kilowatt 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 coincident with the load center's peak demand. The load center's peak demand is 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:

Months

Hours Applicable for Demand Billing - EST

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: March 31, 2021

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May 01, 2021

ISSUED BY: /s/ Tim Sharp _____

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES FOR

ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No. 12

6th Original Sheet No 41

Canceling P.S.C. No. 12

5th Original Sheet 41

CLASSIFICATION OF SERVICE

LARGE POWER 1,000 KW - 2,999 KW

SCHEDULE LLP-4-B1

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 1000 KW - 2999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

CONSUMER CHARGE

\$1861.62

DEMAND CHARGE

\$ 6.47 per KW of contract demand
\$ 9.38 per KW for all billing demand in excess of contract demand.

ENERGY CHARGE

\$.04904 per KWH.

DETERMINATION OF BILLING DEMAND

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand.

Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with the load center's peak, exceeds the contract demand. The load center's peak demand is 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:

Months

Hours Applicable for Demand Billing EST

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: March 31, 2021

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ISSUED BY /s/ Tim Sharp _____

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

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Canceling P.S.C. No.

12

5th Original Sheet

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CLASSIFICATION OF SERVICE

LARGE POWER 1,030 KW - 2,999 KW

SCHEDULE LLP-4-
C1

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 1000 KW - 2999 with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

CONSUMER CHARGE

\$1861.62

DEMAND CHARGE

\$6.47 per KW of contract demand

ENERGY DEMAND

\$.04904 per KWH

R

DETERMINATION OF BILLING DEMAND

The billing demand (kilowatt 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 coincident with the load center's peak demand. The load center's peak demand is 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:

Months Hours Applicable for Demand Billing - EST

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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY: /s/ Tim Sharp

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

**FOR ENTIRE TERRITORY SERVED
Community, Town or City**

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

47

Canceling P.S.C. No.

12

5th Original Sheet

47

CLASSIFICATION OF SERVICE

LARGE POWER 3,000 KW AND OVER

SCHEDULE LPR-1

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 3,000 KW for lighting and/or heating and/or power, and who are served directly from a distribution substation with no other consumers served from that station.

RATE*

Demand Charge \$9.87 per month per KW of billing demand.

Energy Charge \$.04623 Per KWH

DETERMINATION OF BILLING DEMAND

The billing demand charge shall be the maximum kilowatt demand established by the consumer for any period of 15 consecutive minutes during the month for which the bill is rendered as indicated or recorded by demand meter and adjusted for power factor as provided below.

POWER FACTOR

The consumer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor at the time of this maximum demand is less than 80% the demand for billing purpose shall be the demand as indicated or recorded by the demand meter multiplied by 80% and divided by the percent power factor.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY: /s/ Tim Sharp _____

TITLE: President « CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S ,C. No.

12

6thOriginal Sheet No

50

Canceling P.S.C. No.

12

5thOriginal Sheet

50

CLASSIFICATION OF SERVICE

LARGE POWER 3,000 KW AND OVER SCHEDULE LPR-2

APPLICABLE

In all territory served by Salt River Electric.

AVAILABILITY

Available to all commercial and industrial consumers for lighting and/or heating and/or power, and who are served directly from a distribution substation of 3000 KW capacity or above with no other consumers served from that station.

RATES*

Demand Charge	-	\$9.87 per month
Energy Charge	-	\$.04623 per KWH

DETERMINATION OF BILLING DEMAND

The billing demand charge shall be the maximum kilowatt demand established by the consumer for any fifteen (15) minutes interval (adjusted for power factor as provided below) in the below listed hours for each month:

<u>Month</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.

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

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE; Service rendered on and after
May 01, 2021

ISSUED BY /s/ Tim Sharp

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES FOR

ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

54

Canceling P.S.C. No.

12

5th Original Sheet

54

CLASSIFICATION OF SERVICE

LARGE POWER 3,000 KW AND OVER SCHEDULE LPR-3

APPLICABLE In all territory served by Salt River Electric.

AVAILABILITY

Available to all commercial and industrial consumers for lighting and/or heating and/or power, and who are served directly from a distribution substation of 3000 KW capacity or above.

RATES PER MONTH

Consumer Charge

500 KW - 999 KW	\$ 1005.76
1000 KW - 2999 KW	\$1861.62
3000 KW - 9999 KW	\$3573.34
10000 KW and over	\$5671.80

Demand Charge	-	\$9.87 per KW
Energy Charge	-	\$.04623 per kWh

1

DETERMINATION OF BILLING DEMAND

The billing demand charge shall be the maximum kilowatt demand established by the consumer for any fifteen (15) minutes interval (adjusted for power factor as provided below) in the below listed hours for each month:

Month _____ Hours Applicable for Demand Billing-EST

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.

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

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY /s/ Tim Sharp _____
TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES FOR ENTIRE TERRITORY SERVED

Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

58

Canceling P.S.C. No.

12

5th Original Sheet

58

CLASSIFICATION OF SERVICE

LARGE POWER 3,000 KW - 4,999 KW

SCHEDULE LPR-1-B1

APPLICABLE In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 3000 KW - 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand and who are served by a dedicated feeder(s) from a substation, and metered no more than one span from the substation, and also own the distribution facilities past the meter location. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

CONSUMER CHARGE

\$3573.34

DEMAND CHARGE

\$6.47 per KW of contract demand

\$9.38 per KW for all billing demand in excess of contract demand.

ENERGY CHARGE

\$.04475 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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY /s/ Tim Sharp

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES
. Community, Town or City

FOR ENTIRE TERRITORY SERVED

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No.

12

6th Original Sheet No

64

Canceling P.S.C. No.

12

5th Original Sheet

64

CLASSIFICATION OF SERVICE

LARGE POWER 5,000 KW - 9,999 KW SCHEDULE LPR-1-B2

APPLICABLE

In all territory served,

AVAILABILITY

Applicable to contracts with contract demands of 5,000 KW - 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand and who are served by a dedicated feeder(s) from a substation, and metered no more than one span from the substation, and also own the distribution facilities past the meter location. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

CONSUMER CHARGE

\$3573.34

DEMAND CHARGE

\$6.47 per KW of contract demand

\$9.38 per KW for all billing demand in excess of contract demand.

ENERGY CHARGE

\$.04287 per KWH

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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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after

May 01, 2021

ISSUED BY _____ /s/ Tim Sharp _____

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. No.	12
6th Original Sheet No	67
Canceling P.S.C. No.	12
5th Original Sheet	67

CLASSIFICATION OF SERVICE

LARGE POWER 5,000 KW - 9,999 KW

SCHEDULE LPR-1-C2

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 5,000 KW - 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand and who are served by a dedicated feeder(s) from a substation, and metered no more than one span from the substation, and also own the distribution facilities past the meter location. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

<u>CONSUMER CHARGE</u>	\$3573.35
<u>DEMAND CHARGE</u>	\$ 6.47 per KW of contract demand
<u>ENERGY CHARGE</u>	\$.04287 per KWH

I

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):

Months Hours Applicable for Demand Billing - EST

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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY: /s/ Tim Sharp _____

TITLE: President & CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED

SALT RIVER ELECTRIC

Name of Issuing Corporation

Community, Town or City

P.S.C. No. 12

6th Original Sheet No 70

Canceling P.S.C. No. 12

5th Original Sheet 70

CLASSIFICATION OF SERVICE

LARGE POWER 10,000 KW AND OVER

SCHEDULE LPR-1-B3

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand and who are served by a dedicated feeder(s) from a substation, and metered no more than one span from the substation, and also own the distribution facilities past the meter location. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative.

RATES PER MONTH

<u>CONSUMER CHARGE</u>	\$5671.80	I
<u>DEMAND CHARGE</u>	\$ 6.47 per KW of contract demand	
	\$ 9.38 per KW for all billing demand in excess of contract demand.	I
<u>ENERGY CHARGE</u>	\$.04251 per KWH	I

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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY: /s/ Tim Sharp
TITLE: President/4 CEO

FORM FOR FILING RATE SCHEDULES

FOR ENTIRE TERRITORY SERVED
Community, Town or City

SALT RIVER ELECTRIC

Name of Issuing Corporation

P.S.C. No. 12

6th Original Sheet No 73

Canceling P.S.C. No. 12

5th Original Sheet 73

CLASSIFICATION OF SERVICE

LARGE POWER 10,000 KW AND OVER SCHEDULE LPR-1-C3

APPLICABLE

In all territory served.

AVAILABILITY

Applicable to contracts with contract demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand and who are served by a dedicated feeder(s) from a substation, and metered no more than one span from the substation, and also own the distribution facilities past the meter location. These contracts will be between the Cooperative Association and the consumer subject to approval of East Kentucky Power Cooperative. RATES PER MONTH

CONSUMER CHARGE \$5671.80

DEMAND CHARGE \$ 6.47 per KW of contract demand

ENERGY CHARGE \$.04251 per KWH I

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):

Months Hours Applicable for Demand Billing - EST

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: March 31, 2021

DATE EFFECTIVE: Service rendered on and after
May 01, 2021

ISSUED BY _____ /s/ Tim Sharp _____

TITLE: President & CEO

Case No. 2021-00116
Application – Exhibit 2

Existing & Proposed
Rate Comparison

SALT RIVER ELECTRIC COOPERATIVE
Present & Proposed Rates

Rate	Item	Present	Proposed
1	<u>Farm & Home Service A-5</u>		
	Customer Charge	\$ 8.84	\$ 9.23
	Energy Charge per kWh	\$ 0.07546	\$ 0.07880
7	<u>Large Power 500-3000 KW LLP2</u>		
	Energy Charge per kWh	\$ 0.05755	\$ 0.06010
	Demand Charge per kW	\$ 6.70	\$ 7.00
8	<u>Commercial & Small Power B2</u>		
	Customer Charge	\$ 11.89	\$ 12.42
	Energy Charge per kWh	\$ 0.08206	\$ 0.08569
9	<u>Large Power LLP-1</u>		
	Demand Charge per kW	\$ 6.70	\$ 7.00
	Energy Charge per kWh	\$ 0.06135	\$ 0.06406
11	<u>Large Power LLP-3</u>		
	Demand Charge per kW	\$ 6.68	\$ 6.98
	Energy Charge per kWh	\$ 0.05747	\$ 0.06001
13	<u>Large Power LPR-2</u>		
	Demand Charge per kW	\$ 9.45	\$ 9.87
	Energy Charge per kWh	\$ 0.04427	\$ 0.04623
14	<u>Large Power LLP-4-B1</u>		
	Customer Charge	\$ 1,782.73	\$ 1,861.62
	Energy Charge per kWh	\$ 0.04696	\$ 0.04904
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
15	<u>Large Power LPR-1-B1</u>		
	Customer Charge	\$ 3,421.91	\$ 3,573.34
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
	Energy Charge per kWh	\$ 0.04285	\$ 0.04475
25	<u>Large Power LPR-1-B2</u>		
	Customer Charge	\$ 3,421.91	\$ 3,573.34
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
	Energy Charge per kWh	\$ 0.04105	\$ 0.04287
36	<u>LPR-3</u>		
	Customer Charge	\$ 963.14	\$ 1,005.76
	Demand Charge per kW	\$ 9.45	\$ 9.87
	Energy Charge per kWh	\$ 0.04427	\$ 0.04623
6	<u>Street Lighting Service OL & LED</u>		
	OL 175 Watt Mercury Vapor	\$ 9.81	\$ 10.24
	OL 100 HPS Sodium Vapor	\$ 9.56	\$ 9.98
	OL 250 HPS Sodium Vapor	\$ 12.39	\$ 12.94
	OL 400 HPS Sodium Vapor	\$ 16.31	\$ 17.03
	OL 100 HPS Decorative UDG	\$ 10.65	\$ 11.12
	OL 175 MV Decorative	\$ 17.24	\$ 18.00
	OL 175 MV Decorative W/P	\$ 21.49	\$ 22.44
	OL 175 MV Overhead Durastar	\$ 10.53	\$ 11.00
	LED LED Open Bottom	\$ 9.60	\$ 10.02
	LED LED Cobra Head	\$ 14.59	\$ 15.24
	LED LED Directional Flood	\$ 19.76	\$ 20.63
	LED LED Ornamental with Pole	\$ 27.42	\$ 28.63
	OL URD Metal Halide w Pole	\$ 21.48	\$ 22.43
	<u>Farm & Home Service Taxable A-5T</u>		
	Customer Charge	\$ 8.84	\$ 9.23
	Energy Charge per kWh	\$ 0.07546	\$ 0.07880

SALT RIVER ELECTRIC COOPERATIVE
Present & Proposed Rates

Rate	Item	Present	Proposed
<u>Farm & Home Service TOD Option A</u>			
	Customer Charge	\$ 11.60	\$ 12.11
	Energy Charge On Peak per kWh	\$ 0.09711	\$ 0.10141
	Energy Charge Off Peak per kWh	\$ 0.05228	\$ 0.05459
<u>Farm & Home Service TOD Option B</u>			
	Customer Charge	\$ 11.60	\$ 12.11
	Energy Charge Winter On Peak per kWh	\$ 0.09711	\$ 0.10141
	Energy Charge Winter Off Peak per kWh	\$ 0.05228	\$ 0.05459
	Energy Charge Summer All Hrs per kWh	\$ 0.07546	\$ 0.07880
<u>Farm & Home Service Taxable TOD Option A</u>			
	Customer Charge	\$ 11.60	\$ 12.11
	Energy Charge On Peak per kWh	\$ 0.09711	\$ 0.10141
	Energy Charge Off Peak per kWh	\$ 0.05228	\$ 0.05459
<u>Farm & Home Service Taxable TOD Option B</u>			
	Customer Charge	\$ 11.60	\$ 12.11
	Energy Charge Winter On Peak per kWh	\$ 0.09711	\$ 0.10141
	Energy Charge Winter Off Peak per kWh	\$ 0.05228	\$ 0.05459
	Energy Charge Summer All Hrs per kWh	\$ 0.07546	\$ 0.07880
<u>Large Power LLP-3</u>			
	Demand Charge per kW	\$ 6.68	\$ 6.98
	Energy Charge per kWh	\$ 0.05747	\$ 0.06001
<u>Large Power LLP-3-B1</u>			
	Customer Charge	\$ 963.14	\$ 1,005.76
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
	Energy Charge per kWh	\$ 0.05032	\$ 0.05255
<u>Large Power LLP-3-C1</u>			
	Customer Charge	\$ 963.14	\$ 1,005.76
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.05032	\$ 0.05255
<u>Large Power LLP-4-C1</u>			
	Customer Charge	\$ 1,782.73	\$ 1,861.62
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04696	\$ 0.04904
<u>Large Power LPR-1</u>			
	Demand Charge per kW	\$ 9.45	\$ 9.87
	Energy Charge per kWh	\$ 0.04427	\$ 0.04623
<u>Large Power LPR-1-C1</u>			
	Customer Charge	\$ 3,421.91	\$ 3,573.35
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04127	\$ 0.04310
<u>Large Power LPR-1-C2</u>			
	Customer Charge	\$ 3,421.91	\$ 3,573.35
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04105	\$ 0.04287
<u>Large Power LPR-1-B3</u>			
	Customer Charge	\$ 5,431.43	\$ 5,671.80
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge On Peak per kWh	\$ 8.98	\$ 9.38
	Energy Charge Off Peak per kWh	\$ 0.04071	\$ 0.04251
<u>Large Power LPR-1-C3</u>			
	Customer Charge	\$ 5,431.43	\$ 5,671.80
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge Off Peak per kWh	\$ 0.04071	\$ 0.04251

Case No. 2021-00116
Application – Exhibit 3

Billing Analysis for
Each Rate Class

SALT RIVER ELECTRIC COOPERATIVE
Billing Analysis for Pass-Through Rate Increase

Total Revenue Increase Allocated by East Kentucky Power Cooperative: \$4,236,958

#	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	Farm & Home Service A-5	1	\$ 60,265,069	62.94%	\$ 60,265,069	62.94%	\$ 2,666,871	\$ 62,931,785	62.94%	\$ 2,666,715	4.42%	4.05%	\$ (155)
3	Residential Marketing Rate R1	5,10	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	0.00%	NA	\$ -
4	Large Power 500-3000 KW LLP2	7	\$ 4,900,880	5.12%	\$ 4,900,880	5.12%	\$ 216,875	\$ 5,117,967	5.12%	\$ 217,087	4.43%	4.08%	\$ 211
5	Commercial & Small Power B2	8	\$ 7,310,109	7.63%	\$ 7,310,109	7.63%	\$ 323,489	\$ 7,633,618	7.63%	\$ 323,510	4.43%	4.04%	\$ 20
6	Large Power LLP-1	9	\$ 4,733,614	4.94%	\$ 4,733,614	4.94%	\$ 209,474	\$ 4,943,393	4.94%	\$ 209,779	4.43%	4.07%	\$ 306
7	Large Power LLP-3	11	\$ 6,263,488	6.54%	\$ 6,263,488	6.54%	\$ 277,174	\$ 6,541,230	6.54%	\$ 277,742	4.43%	4.14%	\$ 568
8	Large Power LPR-2	13	\$ 418,378	0.44%	\$ 418,378	0.44%	\$ 18,514	\$ 436,929	0.44%	\$ 18,551	4.43%	4.11%	\$ 37
9	Large Power LLP-4-B1	14	\$ 3,078,488	3.22%	\$ 3,078,488	3.22%	\$ 136,230	\$ 3,214,406	3.21%	\$ 135,919	4.42%	4.10%	\$ (312)
10	Large Power LPR-1-B1	15	\$ 2,254,039	2.35%	\$ 2,254,039	2.35%	\$ 99,747	\$ 2,353,667	2.35%	\$ 99,628	4.42%	4.15%	\$ (118)
11	Large Power LPR-1-B2	25	\$ 2,459,093	2.57%	\$ 2,459,093	2.57%	\$ 108,821	\$ 2,567,779	2.57%	\$ 108,686	4.42%	4.13%	\$ (134)
12	LPR-3	36	\$ 964,287	1.01%	\$ 964,287	1.01%	\$ 42,672	\$ 1,007,033	1.01%	\$ 42,746	4.43%	4.12%	\$ 74
13	Net Metering	41	\$ 66,086	0.07%	\$ 66,086	0.07%	\$ 2,924	\$ 69,010	0.07%	\$ 2,924	4.43%	4.10%	\$ (0)
14	Net Metering LLP-1 Large Power	43	\$ 122,087	0.13%	\$ 122,087	0.13%	\$ 5,403	\$ 127,496	0.13%	\$ 5,409	4.43%	4.07%	\$ 7
15	Prepaid Metering	51	\$ 2,035,120	2.13%	\$ 2,035,120	2.13%	\$ 90,059	\$ 2,125,174	2.13%	\$ 90,054	4.42%	4.06%	\$ (5)
16	Street Lighting Service OL & LED	6	\$ 874,653	0.91%	\$ 874,653	0.91%	\$ 38,705	\$ 913,070	0.91%	\$ 38,417	4.39%	4.18%	\$ (288)
17	SubTotal Base Rates		\$ 95,745,390	100.00%	\$ 95,745,390	100.00%	\$ 4,236,958	\$ 99,982,559	100.00%	\$ 4,237,169	4.43%		\$ 211
18													
19	TOTAL Base Rates		\$ 95,745,390	100.00%	\$ 95,745,390	100.00%	\$ 4,236,958	\$ 99,982,559	100.00%	\$ 4,237,169	4.43%		\$ 211
20													
21	<u>Riders</u>												
22	FAC		\$ (2,949,129)				\$ (2,949,129)						
23	ES		\$ 11,366,118				\$ 11,366,118						
24	Misc Adj		\$ -				\$ -						
25	Other		\$ -				\$ -						
26	Total Riders		\$ 8,416,989				\$ 8,416,989						
27													
28	Total Revenue		\$ 104,162,379				\$ 108,399,548			\$ 4,237,169		4.07%	
29	Target Revenue									\$ 4,236,958			
30	Rate Rounding Variance									\$ 211			
31	Rate Rounding Variance									0.00%			

SALT RIVER ELECTRIC COOPERATIVE
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
200															
201															
202	TOTALS		Total Base Rates		\$	95,745,390			\$	99,982,559	\$ 4,237,169	4.43%			
203			FAC		\$	(2,949,129)			\$	(2,949,129)	\$ -				
204			ES		\$	11,366,118			\$	11,366,118	\$ -				
205			Misc Adj		\$	-			\$	-	\$ -				
206			Other		\$	-			\$	-	\$ -				
207			Total Riders		\$	8,416,989			\$	8,416,989	\$ -				
208			TOTAL REVENUE		\$	104,162,379			\$	108,399,548	\$ 4,237,169	4.07%			
209															
210			Rate Rounding Variance							\$	211				
211															
212	RATES WITH NO CURRENT MEMBERS														
213															
214	Farm & Home Service Taxable A-5T														
215			Customer Charge			8.84				9.23					
216			Energy Charge per kWh			0.07546				0.07880					
217	Farm & Home Service TOD Option A														
218			Customer Charge			11.60				12.11					
219			Energy Charge On Peak per kWh			0.09711				0.10141					
220			Energy Charge Off Peak per kWh			0.05228				0.05459					
221	Farm & Home Service TOD Option B														
222			Customer Charge			11.60				12.11					
223			Energy Charge Winter On Peak per kWh			0.09711				0.10141					
224			Energy Charge Winter Off Peak per kWh			0.05228				0.05459					
225			Energy Charge Summer All Hrs per kWh			0.07546				0.07880					
226	Farm & Home Service Taxable TOD Option A														
227			Customer Charge			11.60				12.11					
228			Energy Charge On Peak per kWh			0.09711				0.10141					
229			Energy Charge Off Peak per kWh			0.05228				0.05459					
230	Farm & Home Service Taxable TOD Option B														
231			Customer Charge			11.60				12.11					
232			Energy Charge Winter On Peak per kWh			0.09711				0.10141					
233			Energy Charge Winter Off Peak per kWh			0.05228				0.05459					
234			Energy Charge Summer All Hrs per kWh			0.07546				0.07880					
235	Large Power LLP-3														
236			Demand Charge per kW			6.68				6.98					
237			Energy Charge per kWh			0.05747				0.06001					
238	Large Power LLP-3-B1														
239			Customer Charge			963.14				1,005.76					
240			Demand Charge Contract per kW			6.20				6.47					
241			Demand Charge Excess per kW			8.98				9.38					
242			Energy Charge per kWh			0.05032				0.05255					
243	Large Power LLP-3-C1														
244			Customer Charge			963.14				1,005.76					
245			Demand Charge per kW			6.20				6.47					
246			Energy Charge per kWh			0.05032				0.05255					
247	Large Power LLP-4-C1														
248			Customer Charge			1,782.73				1,861.62					
249			Demand Charge per kW			6.20				6.47					
250			Energy Charge per kWh			0.04696				0.04904					
251	Large Power LPR-1														
252			Demand Charge per kW			9.45				9.87					
253			Energy Charge per kWh			0.04427				0.04623					

SALT RIVER ELECTRIC COOPERATIVE
Billing Analysis for Pass-Through Rate Increase

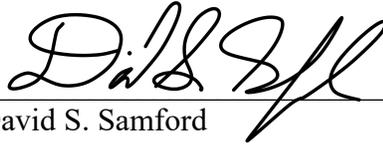
#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
254	Large Power LPR-1-C1														
255			Customer Charge		3,421.91				3,573.35						
256			Demand Charge per kW		6.20				6.47						
257			Energy Charge per kWh		0.04127				0.04310						
258	Large Power LPR-1-C2														
259			Customer Charge		3,421.91				3,573.35						
260			Demand Charge per kW		6.20				6.47						
261			Energy Charge per kWh		0.04105				0.04287						
262	Large Power LPR-1-B3														
263			Customer Charge		5,431.43				5,671.80						
264			Demand Charge per kW		6.20				6.47						
265			Energy Charge On Peak per kWh		8.98				9.38						
266			Energy Charge Off Peak per kWh		0.04071				0.04251						
267	Large Power LPR-1-C3														
268			Customer Charge		5,431.43				5,671.80						
269			Demand Charge per kW		6.20				6.47						
270			Energy Charge Off Peak per kWh		0.04071				0.04251						

Case No. 2021-00116
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 on this 1st day of April 2021.



David S. Samford

*Counsel for Salt River Electric
Cooperative Corporation*

Case No. 2021-00116
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 Salt River Electric Cooperative Corporation (“Salt River”) of a proposed rate adjustment. Salt River 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. 2021-00116. 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>Farm & Home Service A-5</u>		
	Customer Charge	\$ 8.84	\$ 9.23
	Energy Charge per kWh	\$ 0.07546	\$ 0.07880
7	<u>Large Power 500-3000 KW LLP2</u>		
	Energy Charge per kWh	\$ 0.05755	\$ 0.06010
	Demand Charge per kW	\$ 6.70	\$ 7.00
8	<u>Commercial & Small Power B2</u>		
	Customer Charge	\$ 11.89	\$ 12.42
	Energy Charge per kWh	\$ 0.08206	\$ 0.08569
9	<u>Large Power LLP-1</u>		
	Demand Charge per kW	\$ 6.70	\$ 7.00
	Energy Charge per kWh	\$ 0.06135	\$ 0.06406
11	<u>Large Power LLP-3</u>		
	Demand Charge per kW	\$ 6.68	\$ 6.98
	Energy Charge per kWh	\$ 0.05747	\$ 0.06001
13	<u>Large Power LPR-2</u>		
	Demand Charge per kW	\$ 9.45	\$ 9.87
	Energy Charge per kWh	\$ 0.04427	\$ 0.04623
14	<u>Large Power LLP-4-B1</u>		
	Customer Charge	\$ 1,782.73	\$ 1,861.62
	Energy Charge per kWh	\$ 0.04696	\$ 0.04904
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
15	<u>Large Power LPR-1-B1</u>		
	Customer Charge	\$ 3,421.91	\$ 3,573.34
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
	Energy Charge per kWh	\$ 0.04285	\$ 0.04475
25	<u>Large Power LPR-1-B2</u>		
	Customer Charge	\$ 3,421.91	\$ 3,573.34
	Demand Charge Contract per kW	\$ 6.20	\$ 6.47
	Demand Charge Excess per kW	\$ 8.98	\$ 9.38
	Energy Charge per kWh	\$ 0.04105	\$ 0.04287
36	<u>LPR-3</u>		
	Customer Charge	\$ 963.14	\$ 1,005.76
	Demand Charge per kW	\$ 9.45	\$ 9.87

		Energy Charge per kWh	\$ 0.04427	\$ 0.04623
6	<u>Street Lighting Service OL & LED</u>			
	OL	175 Watt Mercury Vapor	\$ 9.81	\$ 10.24
	OL	100 HPS Sodium Vapor	\$ 9.56	\$ 9.98
	OL	250 HPS Sodium Vapor	\$ 12.39	\$ 12.94
	OL	400 HPS Sodium Vapor	\$ 16.31	\$ 17.03
	OL	100 HPS Decorative UDG	\$ 10.65	\$ 11.12
	OL	175 MV Decorative	\$ 17.24	\$ 18.00
	OL	175 MV Decorative W/P	\$ 21.49	\$ 22.44
	OL	175 MV Overhead Durastar	\$ 10.53	\$ 11.00
	LED	LED Open Bottom	\$ 9.60	\$ 10.02
	LED	LED Cobra Head	\$ 14.59	\$ 15.24
	LED	LED Directional Flood	\$ 19.76	\$ 20.63
	LED	LED Ornamental with Pole	\$ 27.42	\$ 28.63
	OL	URD Metal Halide w Pole	\$ 21.48	\$ 22.43
	<u>Farm & Home Service Taxable A-5T</u>			
		Customer Charge	\$ 8.84	\$ 9.23
		Energy Charge per kWh	\$ 0.07546	\$ 0.07880
	<u>Farm & Home Service TOD Option A</u>			
		Customer Charge	\$ 11.60	\$ 12.11
		Energy Charge On Peak per kWh	\$ 0.09711	\$ 0.10141
		Energy Charge Off Peak per kWh	\$ 0.05228	\$ 0.05459
	<u>Farm & Home Service TOD Option B</u>			
		Customer Charge	\$ 11.60	\$ 12.11
		Energy Charge Winter On Peak per kWh	\$ 0.09711	\$ 0.10141
		Energy Charge Winter Off Peak per kWh	\$ 0.05228	\$ 0.05459
		Energy Charge Summer All Hrs per kWh	\$ 0.07546	\$ 0.07880
	<u>Farm & Home Service Taxable TOD Option A</u>			
		Customer Charge	\$ 11.60	\$ 12.11
		Energy Charge On Peak per kWh	\$ 0.09711	\$ 0.10141
		Energy Charge Off Peak per kWh	\$ 0.05228	\$ 0.05459
	<u>Farm & Home Service Taxable TOD Option B</u>			
		Customer Charge	\$ 11.60	\$ 12.11
		Energy Charge Winter On Peak per kWh	\$ 0.09711	\$ 0.10141
		Energy Charge Winter Off Peak per kWh	\$ 0.05228	\$ 0.05459
		Energy Charge Summer All Hrs per kWh	\$ 0.07546	\$ 0.07880
	<u>Large Power LLP-3</u>			
		Demand Charge per kW	\$ 6.68	\$ 6.98
		Energy Charge per kWh	\$ 0.05747	\$ 0.06001
	<u>Large Power LLP-3-B1</u>			
		Customer Charge	\$ 963.14	\$ 1,005.76
		Demand Charge Contract per kW	\$ 6.20	\$ 6.47
		Demand Charge Excess per kW	\$ 8.98	\$ 9.38
		Energy Charge per kWh	\$ 0.05032	\$ 0.05255
	<u>Large Power LLP-3-C1</u>			
		Customer Charge	\$ 963.14	\$ 1,005.76
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge per kWh	\$ 0.05032	\$ 0.05255
	<u>Large Power LLP-4-C1</u>			

		Customer Charge	\$ 1,782.73	\$ 1,861.62
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge per kWh	\$ 0.04696	\$ 0.04904
	<u>Large Power LPR-1</u>			
		Demand Charge per kW	\$ 9.45	\$ 9.87
		Energy Charge per kWh	\$ 0.04427	\$ 0.04623
	<u>Large Power LPR-1-C1</u>			
		Customer Charge	\$ 3,421.91	\$ 3,573.35
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge per kWh	\$ 0.04127	\$ 0.04310
	<u>Large Power LPR-1-C2</u>			
		Customer Charge	\$ 3,421.91	\$ 3,573.35
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge per kWh	\$ 0.04105	\$ 0.04287
	<u>Large Power LPR-1-B3</u>			
		Customer Charge	\$ 5,431.43	\$ 5,671.80
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge On Peak per kWh	\$ 8.98	\$ 9.38
		Energy Charge Off Peak per kWh	\$ 0.04071	\$ 0.04251
	<u>Large Power LPR-1-C3</u>			
		Customer Charge	\$ 5,431.43	\$ 5,671.80
		Demand Charge per kW	\$ 6.20	\$ 6.47
		Energy Charge Off Peak per kWh	\$ 0.04071	\$ 0.04251

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 Class			Increase	
			Dollars	Percent
1	Farm & Home Service A-5		\$ 2,666,715	4.05%
7	Large Power 500-3000 KW LLP2		\$ 217,087	4.08%
8	Commercial & Small Power B2		\$ 323,510	4.04%
9	Large Power LLP-1		\$ 209,779	4.07%
11	Large Power LLP-3		\$ 277,742	4.14%
13	Large Power LPR-2		\$ 18,551	4.11%
14	Large Power LLP-4-B1		\$ 135,919	4.10%
15	Large Power LPR-1-B1		\$ 99,628	4.15%
25	Large Power LPR-1-B2		\$ 108,686	4.13%
36	LPR-3		\$ 42,746	4.12%
41	Net Metering		\$ 2,924	4.10%
43	Net Metering LLP-1 Large Power		\$ 5,409	4.07%
51	Prepaid Metering		\$ 90,054	4.06%
6	Street Lighting Service OL & LED		\$ 38,417	4.18%
Total			\$4,237,169	4.07%

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 Class		Average	Increase	
		Usage (kWh)	Dollars	Percent
1	Farm & Home Service A-5	1,280	\$ 4.67	4.05%
7	Large Power 500-3000 KW LLP2	115,054	\$ 386.28	4.08%
8	Commercial & Small Power B2	2,417	\$ 9.30	4.04%
9	Large Power LLP-1	32,915	\$ 117.59	4.07%
11	Large Power LLP-3	381,787	\$ 1,223.53	4.14%
13	Large Power LPR-2	240,402	\$ 772.96	4.11%
14	Large Power LLP-4-B1	1,069,637	\$ 2,831.64	4.10%
15	Large Power LPR-1-B1	3,533,248	\$ 8,302.35	4.15%
25	Large Power LPR-1-B2	4,040,255	\$ 9,057.19	4.13%
36	LPR-3	1,197,685	\$ 3,562.20	4.12%
41	Net Metering	1,427	\$ 5.16	4.10%
43	Net Metering LLP-1 Large Power	128,740	\$ 450.78	4.07%
51	Prepaid Metering	1,283	\$ 0.04	4.06%
6	Street Lighting Service OL & LED	NA	NA	4.18%

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

Salt River Electric Cooperative Corporation
111 West Brashear Avenue
Bardstown, Kentucky 40004-1645
(502) 348-3931
<https://www.srelectric.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 Salt River, 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. 2021-00116
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. 2021-00066.¹

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. 2021-00103,² 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

¹ 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).

² 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, 2020,³ 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. 2020-00095⁴ (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

³ 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).

⁴ *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.⁵

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.⁶ 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,⁷ 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

⁵ 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).

⁶ 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.

⁷ 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.⁸ 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.

⁸ *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 2010-00167,⁹ 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?**

⁹ *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.

