## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE ELECTRONIC APPLICATION OF SALT RIVER ELECTRIC COOPERATIVE CORPORATION FOR PASS-THROUGH OF EAST KENTUCKY POWER COOPERATIVE, INC.'S WHOLESALE RATE ADJUSTMENT

Case No. 2021-00116

## 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.

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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.<sup>1</sup> 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**.

<sup>&</sup>lt;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 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 1<sup>st</sup> day of April 2021.

Respectfully submitted, David S. Samford

L. Allyson Honaker Goss Samford, PLLC 2365 Harrodsburg Road, Suite B-325 Lexington, KY 40504 (859) 368-7740 david@gosssamfordlaw.com allyson@gosssamfordlaw.com

and

Douglas Hubbard Fulton, Hubbard & Hubbard 117 East Stephen Foster Ave. Bardstown, KY 40004 (502) 348-6457 jdh@bardstown.com

Counsel for Salt River Rural Electric Cooperative Corporation

## <u>Exhibit List</u>

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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
6 <sup>th</sup> Origina	al Sheet No	1
Canceling P	P.S.C. No.	12
5 <sup>th</sup> Origina	al Sheet	1

## CLASSIFICATION OF SERVICE

## FARM AND HOME SERVICE

**SCHEDULE A-5** 

1

## 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 <u>/a/ Tim Sharp</u> TITLE: President & CEO

	FOR ENTIRE TERRITORY SERVED	
FORM FOR FILING RATE SCHEDULES	Community, Town or City P.S.C. No.	12
SALT RIVER ELECTRIC	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 Energy Charge** 

\$9.23per month \$.07880 per kWh I l

## **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

	FOR ENTIRE TERRITORY SERVED				
	Community, Town or City				
FORM FOR FILING RATE SCHEDULES	P.S.C. No.	12			
SALT RIVER ELECTRIC Name of Issuing Corporation	6th Original Sheet No				
	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 On-Peak energy Off-Peak energy

\$12.11 per month \$ 0.10141 per kWh \$ 0.05459 per kWh I

T

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 4 CEO

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 Applica	able	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

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 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

Name of Issuing Corporation

SALT RIVER ELECTRIC

FOR ENT	IRE TERRIT	ORY SE	RVED	
c	community,	Town o	or City	
P.S.C. I	No.			12
6th Orig	ginal Shee	t No		8
Canceli	ng P.S.C.	No.		12
5th Orig	ginal Shee	t		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)

	FOR ENTIRE TERRITORY SERVED	
	Community, Town or City	
FORM FOR FILING RATE SCHEDULES	P.S.C. No. 12	
SALT RIVER ELECTRIC	6th Original Sheet No	9
Name of Issuing Corporation		
	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 Applica	able 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
WIT BUGLAJ	A C.C.DOC DET VMI	

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 <u>/s/ Tim Sharp</u>, 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

#### SALT RIVER ELECTRIC

Name of Issuing Corporation

## FOR ENTIRE TERRITORY SERVED Community, Town or City

P.S.C. No. 12 Sth 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.

#### MONTHILY RATE PER FIXTURE:

Over	head Service	-0 -0.0	Monthly		
Type of Light	Wattage	Monthly KWH usage	Charge per Lamp		
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)	1(11)*	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 will not exceed 10% and is based on a twelve-month moving average of such losses.

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 F	ILING	RATE	SCHEDUL	ES	FOR	ENTI	RE	TERRITORY	SERVED	E.		
		Com	nunity	y, Town	or C	ity							
SALT	RIVER	ELECT	RIC										
Name	of Is:	suing	Corpo	ration		P.S	.c.	No.					

6th Original Sheet No 18A

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Canceling P.S.C. No. 12

5th Original Sheet IBA

## **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

TYPE	LUMENS			RATE
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

I.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

FOR ENTIRE TERRITORY SERVED Community, Town or City

SALT RIVER ELECTRIC Name of Issuing Corporation

#### P.S.C. No. 12

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Canceling P.S.C. No. 12

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#### 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
Energy Charge	\$ .08569 per KWH

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after May 1, 2020

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

Issued by authority of an order of the Public Service Commission of Kentucky in Case No. 2019-000040 Dated: December 26, 2019

#### SALT RIVER ELECTRIC

Name of Issuing Corporation

FOR	ENTIRE	TERRI	TORY	SEF	VED	
	Commu	nity,	Town	or	City	
	P.S	.c.			No.	12
6thO	riginal	Sheet	No			23
Cance	ling P.S	.C. N	ο.			12
5thO	riginal	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
Ener	rgy Charge

\$7.00 \$ .06406 per KWH I I

## **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

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

ISSUED BY <u>/s/ Tim Sharp</u> TITLE: President S CEO

FORM FOR FILING RATE SCHEDULES	FOR ENTIRE TERRITORY SERVE	
SALT RIVER ELECTRIC	Community, Town or Cit	Y
Name of Issuing Corporation	P.S C. No.	12
	6thOriginal Sheet No	27
	Canceling P.S.C. No.	12
	5thOriginal Sheet	27
<u>CLASSIFIC</u>	CATION OF SERVICE	

LARGE POWER 500 KW UNDER 3,000 KW	SCHEDULE LLP-2	
Secondary Voltage		

## 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

Energy Charge

## 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 \$7.00 per/mo per KW of billing demand \$ .06010 per kWh

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FORM	FOR FILING RATE SCHEDULES	FOR ENTIRE TERRITORY SERVED	
SALT	RIVER ELECTRIC	Community, Town or City	
Name	of Issuing Corporation	P.S.C. No.	12
		6thOriginal Sheet No	31
		Canceling P.S.C. No.	12
		5thOriginal Sheet	31

## 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.

DATE OF ISSUE: March 31, 2021 DATE EFFECTIVE: Service rendered on and after

May 01, 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

6th Original SheetNo	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.

#### 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:

MonthsHours Applicable for Demand Billing ESTOctober through April7:00 A.M. to 12:00 Noon<br/>5:00 P.M. to 10:00 P.M.May through September10:00 A.M. to 10:00 P.M.

DATE OF ISSUE: March 31, 2021

DATE EFFECTIVE: Service rendered on and after May 01, 2020

ISSUED BY <u>/s/ Tim Sharp</u> TITLE: President s CEO I

## SALT RIVER ELECTRIC

Name of Issuing Corporation

E OK	ENTIRE	TER	VI TOVI	r 91	SKVED
	Communi	tv.	Town	or	City

P.S.C. No. 12

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Canceling P. S.C. No. 12

5th Original Sheet 38

## CLASSIFICATION OF SERVICE

LARGE POWER 500 KW - 999 KW APPLICABLE

SCHEDULE LLP-3-C1

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**

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

DATE EFFECTIVE: Service rendered on and after

May 01, 2021

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

ENTIRE	TERRITORY	SERVED

Community, Town or City

SALT RIVER ELECTRIC Name of Issuing Corporation

P.S.C. No.		12
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Canceling P.S.	C. No.	12
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## **CLASSIFICATION OF SERVICE**

LARGE POWER 1,000 KW - 2,999 KW

SCHEDULE LLP-4-BI

#### 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.

\$.04904 per KWH.

ENERGY CHARGE

## 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

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

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

SALT RIVER ELECTRIC		Community, Town or City	
Name of Issuing Corporation	P.S.C. No.		12
		6th Original Sheet No	નું વૈ
		Canceling P.S.C. No.	12
		5th Original Sheet	44

FOR ENTIRE TERRITORY SERVED

## **CLASSIFICATION OF SERVICE**

LARGE POWER 1,030 KW - 2,999 KW

SCHEDULE LLP-4-CI

R

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 DEMAND CHARGE ENERGY DEMAND

\$1861.62 \$6.47 per KW of contract demand \$.04904 per KWH

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

May through September

7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. 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

SALT RIVER ELECTRIC Name of Issuing Corporation

FOR ENTIRE TERRITORY SERVED	
Community, Town or City	
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: <u>/s/ Tim Sharp</u> TITLE: President « CEO

SALT RIVER ELECTRIC Name of Issuing Corporation

FOR	ENTIRE TERRITORY SERVED	
FOR	Community, Town or City	
P.S ,0	C. No.	12
6thOr	iginal 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:

Month	Hours	Applicable	for	Demand	<b>Billing-EST</b>

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 <u>/s/ Tim Sharp</u> TITLE: President & CEO

#### ENTIRE TERRITORY SERVED Conununity, Town or City

SALT RIVER ELECTRIC Name of Issuing Corporation

		12
6th Original Sheet	No	54
Canceling P.S.C. No	e.	12
5 <sup>th</sup> Original Sheet		54

## **CLASSIFICATION OF SERVICE**

P.S.C. No.

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

<u>APPLICABLE</u> 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	-	S .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. 10:00 a.m. to 10:00 p.m.

May through September

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 <u>/s/ Tim Sharp</u> TITLE: President & CEO FORM FOR FILING RATE SCHEDULES FOR ENTIRE TERRITORY SERVED

SALT RIVER ELECTRIC		Community, Town or City	
Name of Issuing Corporation	P.S.C. No.		12
		6th Original SheetNo	58
		Canceling P.S.C. No.	12
		<u>5th Original</u> 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 \$3573.3	4
DEMAND CHARGE \$6.47 pc	r KW of contract demand
\$9.38 pc	er KW for all billing demand in excess of contract demand.
ENERGY CHARGE \$ .04475	5 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):

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	61
	Canceling P.S.C. No.	12
	5th Original Sheet	61

## **CLASSIFICATION OF SERVICE**

## LARGE POWER 3,000 KW - 4,999 KW APPLICABLE SCHEDULE LPR-1-C1 In all territory served.

## AVAILABILITY

Applicable to contracts with contract demands of 3,000 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\$3573.35DEMAND CHARGE\$ 6.47 per KW of contract demandENERGY CHARGE\$.04310 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 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** 

May through September

7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. 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

I

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

#### 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):

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

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

CONSUMER CHARGE DEMAND CHARGE ENERGY CHARGE \$3573.35 \$ 6.47 per KW of contract demand \$ .04287 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):

Months	Hours	Applicable	for	Demar	id E	311110	I - ESI	
October through April		7	1:00	A.M.	to	12:00	Noon	
			5:00	P.M.	to	10:00	P.M.	
May through September		1	.0:00	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

Mary July a

TITLE: President & CEO

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FOR ENTIRE TERRITORY SERVED Community, Town or City

SALT RIVER ELECTRIC Name of Issuing Corporation

6th Original Sheet No 70

12

Canceling P.S.C. No. 12

5th Original Sheet 70

CLASSIFICATION OF SERVICE

P.S.C. No.

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

CONSUMER CHARGE	\$5671.80	I
DEMAND CHARGE	\$ 6.47 per KW of contract demand	
	\$ 9.38 per KW for all billing demand in	I
	excess 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. 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 fo	r De	mand Billing-EST
October through April		7:00 A.M	. to	12:00 Noon
		5:00 P.1	1. to	10:00 P.M.
May through September		10:00 A.	1. to	0 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			
SALT RIVER ELECTRIC	Community, Town or City			
Name of Issuing Corporation	P.S C. No.	12		
	6thOriginal Sheet No			
	Canceling P.S.C. No.	12		
	5th Original Sheet	73		

#### CLASSIFICATION OF SERVICE

LARGE	POWER	10,000	KW	AND	OVER	SCHEDULE	LPR-1-C3
APPLIC	CABLE						
Transferration of the local distance of the							

\$

\$

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 ENERGY CHARGE

6.47 per KW of contract demand .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	Demar	nd I	Billing - ES	r
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	0 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	Farm & Home Service A-5					
		Customer Charge	\$	8.84	\$	9.23
		Energy Charge per kWh	\$	0.07546	\$	0.07880
7	Large Power 500-3000 KW LLP2					
		Energy Charge per kWh	\$	0.05755	\$	0.06010
		Demand Charge per kW	\$	6.70	\$	7.00
8	Commercial & Small Power B2	Overland Oberne	¢	14.00	¢	40.40
		Customer Charge	\$ \$	11.89 0.08206	\$ \$	12.42 0.08569
9	Large Power LLP-1	Energy Charge per kWh	Φ	0.06206	Φ	0.06569
9	Large Fower LLF-1	Demand Charge per kW	\$	6.70	\$	7.00
		Energy Charge per kWh	\$	0.06135	\$	0.06406
11	Large Power LLP-3		Ψ	0.00100	Ψ	0.00100
	<u></u>	Demand Charge per kW	\$	6.68	\$	6.98
		Energy Charge per kWh	\$	0.05747	\$	0.06001
13	Large Power LPR-2		·		•	
		Demand Charge per kW	\$	9.45	\$	9.87
		Energy Charge per kWh	\$	0.04427	\$	0.04623
14	Large Power LLP-4-B1					
		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	Large Power LPR-1-B1					
		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
05		Energy Charge per kWh	\$	0.04285	\$	0.04475
25	Large Power LPR-1-B2	Customer Charge	\$	3,421.91	\$	3,573.34
		Demand Charge Contract per kW	ֆ \$	6.20	э \$	3,573.34 6.47
		Demand Charge Excess per kW	\$	8.98	\$	9.38
		Energy Charge per kWh	\$	0.04105	\$	0.04287
36	LPR-3		Ŧ		*	
		Customer Charge	\$	963.14	\$	1,005.76
		Demand Charge per kW	\$	9.45	\$	9.87
		Energy Charge per kWh	\$	0.04427	\$	0.04623
6	Street Lighting Service OL & LED					
	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	LED Open Bottom LED Cobra Head	\$ \$	9.60 14.59	\$ \$	10.02 15.24
	LED	LED Directional Flood	э \$	14.59		20.63
	LED	LED Ornamental with Pole	ъ \$	27.42	\$ \$	20.63 28.63
	OL	URD Metal Halide w Pole	թ \$	27.42	э \$	20.03
	Farm & Home Service Taxable A-5		Ψ	21.70	Ψ	22.70
		Customer Charge	\$	8.84	\$	9.23
		Energy Charge per kWh	\$	0.07546	\$	0.07880
		07 - 0 - 1	-		٢	

## SALT RIVER ELECTRIC COOPERATIVE Present & Proposed Rates

Farm & Home Service TOD Option	Customer Charge Energy Charge On Peak per kWh Energy Charge Off Peak per kWh <u>n B</u> Customer Charge Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh DD Option A Customer Charge Energy Charge On Peak per kWh	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11.60 0.09711 0.05228 11.60 0.09711 0.05228 0.07546	\$ \$ \$ \$ \$	12 0.10 0.05 12
Farm & Home Service Taxable TC	Energy Charge On Peak per kWh Energy Charge Off Peak per kWh <u>n B</u> Customer Charge Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh <u>DD Option A</u> Customer Charge Energy Charge On Peak per kWh	\$\$	0.09711 0.05228 11.60 0.09711 0.05228	\$ \$ \$	0.10 0.05 1:
Farm & Home Service Taxable TC	Energy Charge Off Peak per kWh <u>n B</u> Customer Charge Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh <u>D Option A</u> Customer Charge Energy Charge On Peak per kWh	\$ \$ \$ \$	0.05228 11.60 0.09711 0.05228	\$ \$ \$	0.05 1
Farm & Home Service Taxable TC	<u>n B</u> Customer Charge Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh <u>D Option A</u> Customer Charge Energy Charge On Peak per kWh	\$ \$ \$ \$	11.60 0.09711 0.05228	\$ \$	1
Farm & Home Service Taxable TC	Customer Charge Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh <u>OD Option A</u> Customer Charge Energy Charge On Peak per kWh	\$ \$ \$	0.09711 0.05228	\$	
	Energy Charge Winter On Peak per kWh Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh DD Option A Customer Charge Energy Charge On Peak per kWh	\$ \$ \$	0.09711 0.05228	\$	
	Energy Charge Winter Off Peak per kWh Energy Charge Summer All Hrs per kWh <u>DD Option A</u> Customer Charge Energy Charge On Peak per kWh	\$ \$	0.05228	•	
	Energy Charge Summer All Hrs per kWh DD Option A Customer Charge Energy Charge On Peak per kWh	\$		\$	0.1
	DD Option A Customer Charge Energy Charge On Peak per kWh		0.07546		0.0
	Customer Charge Energy Charge On Peak per kWh			\$	0.0
arm & Home Service Taxable TC	Energy Charge On Peak per kWh				
arm & Home Service Taxable TC		\$	11.60	\$	1
arm & Home Service Taxable TC		\$	0.09711	\$	0.1
arm & Home Service Taxable TC	Energy Charge Off Peak per kWh	\$	0.05228	\$	0.0
	DD Option B				
	Customer Charge	\$	11.60	\$	1
	Energy Charge Winter On Peak per kWh	\$	0.09711	\$	0.1
	Energy Charge Winter Off Peak per kWh	\$	0.05228	\$	0.0
	Energy Charge Summer All Hrs per kWh	\$	0.07546	\$	0.0
arge Power LLP-3					
	Demand Charge per kW	\$	6.68	\$	
	Energy Charge per kWh	\$	0.05747		0.0
arge Power LLP-3-B1		*			
<u></u>	Customer Charge	\$	963.14	\$	1,00
	Demand Charge Contract per kW	\$	6.20	\$	.,
	Demand Charge Excess per kW	\$	8.98		
	Energy Charge per kWh	\$	0.05032		0.0
arge Power LLP-3-C1		Ψ	0.00002	Ψ	0.0
	Customer Charge	\$	963.14	\$	1,00
	Demand Charge per kW	Ψ \$	6.20	\$	1,00
	Energy Charge per kWh	φ \$	0.05032		0.0
arge Power LLP-4-C1	Energy Charge per KWII	Ψ	0.05052	ψ	0.0
arge Fower ELF-4-01	Customer Charge	¢	1,782.73	\$	1,86
		\$	6.20	ֆ \$	1,00
	Demand Charge per kW	\$	0.04696		0.0
area Doward DD 1	Energy Charge per kWh	\$	0.04696	\$	0.0
arge Power LPR-1	Demond Channe ner WW	۴	0.45	۴	
	Demand Charge per kW	\$	9.45	\$	0.0
	Energy Charge per kWh	\$	0.04427	\$	0.0
arge Power LPR-1-C1	Queters of Oberge	۴	0.404.04	۴	o
	Customer Charge	\$	3,421.91		3,57
	Demand Charge per kW	\$	6.20		<b>-</b> -
	Energy Charge per kWh	\$	0.04127	\$	0.0
arge Power LPR-1-C2					
	Customer Charge	\$	3,421.91		3,57
	Demand Charge per kW	\$	6.20		
_	Energy Charge per kWh	\$	0.04105	\$	0.0
arge Power LPR-1-B3					
	Customer Charge	\$	5,431.43		5,67
	Demand Charge per kW	\$	6.20		
	Energy Charge On Peak per kWh	\$	8.98	\$	
	Energy Charge Off Peak per kWh	\$	0.04071	\$	0.0
arge Power LPR-1-C3					
arge Power LPR-1-C3	Customer Charge	\$	5,431.43	\$	5,67
arge Power LPR-1-C3	Customer Charge Demand Charge per kW	\$ \$	5,431.43 6.20		5,67

# 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

щ	ltem	Code		Present Revenue	Present Share		Allocation Share	Allocated Increase		Proposed Revenue	Proposed Share	I	Base Rate	Deee %		Devi	
<u>#</u> 1	Base Rates	Code		Revenue	Share	Revenue	Share	Increase		Revenue	Share		Increase	Dase %	Total %	ROU	naing
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%	\$ 1	2,666,715	4.42%	4.05%	\$	(155)
3	Residential Marketing Rate R1	5,10	\$	-	0.00%		0.00%		\$	-	0.00%		_,000,110	0.00%	NA		-
4	Large Power 500-3000 KW LLP2	7	\$	4,900,880	5.12%	+	5.12%		+	5,117,967	5.12%		217,087	4.43%	4.08%	+	211
5	Commercial & Small Power B2	8	\$	7,310,109	7.63%		7.63%			7,633,618	7.63%		323,510	4.43%		*	20
6	Large Power LLP-1	9	\$	4,733,614	4.94%		4.94%			4,943,393	4.94%		209,779	4.43%	4.07%	\$	306
7	Large Power LLP-3	11	\$	6,263,488		\$ 6,263,488	6.54%			6,541,230	6.54%		277,742	4.43%	4.14%		568
8	Large Power LPR-2	13	\$	418,378	0.44%		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%		3.22%			3,214,406	3.21%		135,919	4.42%	4.10%	\$	(312)
10	Large Power LPR-1-B1	15	\$	2,254,039	2.35%		2.35%	\$ 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	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	4,237,169	4.43%		\$	211
20	D'stans																
21	<u>Riders</u>		¢	(0.040.400)					¢	(2,040,420)							
22	FAC ES		\$	(2,949,129)					\$ \$	(2,949,129)							
23 24	_		\$ \$	11,366,118					ֆ Տ	11,366,118							
	Misc Adj		¢						Ф \$								
25 26	Other Total Riders		\$ \$	- 8,416,989					ֆ Տ	8,416,989							
20 27	Total Riders		Φ	0,410,909					Φ	0,410,909							
28	Total Revenue		<b>\$</b> 1	104,162,379					\$	108,399,548		\$ 4	4,237,169		4.07%		
29	Target Revenue											\$ 4	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 Revenue	Proposed Rate	Proposed Revenue	Increase	\$ %	Proposed Share	Share Variance	R: Variar
Farm & Home Service A-5	1												
	Customer Charge	571,526	8.84 \$	5,052,290	8.38%		9.23 \$	- 1 - 1			8.38%	0.00%	
	Energy Charge per kWh	731,682,739	0.07546 \$	55,212,779	91.62%			57,656,600		4.43%	91.62%	0.00%	
	Total Base Rates		\$	60,265,069	100.00% \$			62,931,785		4.42%	100.00%	0.00% \$	(155.1
	FAC		\$	(1,752,229)	\$	2,666,871	\$	(1,752,229)		-			
	ES Misc Adj		\$ \$	7,277,824			\$ \$	7,277,824					
	Other		э \$	-			э S		p -	-			
	Total Riders		\$	5,525,595			\$	5,525,595	ş -	-			
	TOTAL REVENUE		\$	65,790,664			\$	68,457,380	2,666,715	4.05%			
	Average	1,280.23	\$	115.11			\$	119.78	4.67	4.05%			
Residential Marketing Rate R1	5,10												
	Customer Charge	3,501											
<u>Note:</u> Rate Cancelled	Energy Charge per kWh Demand Charge per kW	1,149,115											
Nate Gancened	Total Base Rates		\$		0.00% \$		\$	- 9	; -	NA	0.00%	0.00% \$	
	FAC		\$		\$		\$		6 -				
	ES		\$	-	•		\$		-	-			
	Misc Adj		\$	-			\$		5 -	-			
	Other Total Riders		\$	-			\$		•				
				-					- 6				
	TOTAL REVENUE		\$	-			\$	- 9	- 6	NA			
	Average	328.22	\$	-			\$	- :	6 -	NA			
Large Power 500-3000 KW LLP2	7												
	Customer Charge	562	- \$	-	0.00%		- \$			0.00%	0.00%	0.00%	
	Energy Charge per kWh Demand Charge per kW	64,482,877 177,596	0.05755 \$ 6.70 \$	3,710,990 1,189,891	75.72% 24.28%		0.06010 \$ 7.00 \$	- 1 1		4.43% 4.43%	75.72% 24.28%	0.00% 0.00%	
	Total Base Rates	177,590	<u> </u>	4,900,880	100.00% \$	E 117 7E6	7.00 \$ \$	5,117,967		4.43%	100.00%	0.00% \$	211
	FAC			(159,439)	\$			(159,439)		4.43%	100.00 %	0.00% φ	211
	ES		\$ \$	583,848	\$	210,075	\$ \$	583,848		-			
	Misc Adj		\$	-			ŝ	- 1		-			
	Other		\$				\$	-					
	Total Riders		\$	424,409			\$	424,409	ş -	-			
	TOTAL REVENUE		\$	5,325,290			\$	5,542,376	217,087	4.08%			
	Average	115,054.22	\$	9,475.60			\$	9,861.88	\$ 386.28	4.08%			
Commercial & Small Power B2	8												
	Customer Charge	34,772	11.89 \$	413,439	5.66% 94.34%		12.42 \$ 0.08569 \$	431,868 7.201.750		4.46% 4.42%	5.66%	0.00%	
	Energy Charge per kWh Total Base Rates	84,044,230	0.08206 \$	6,896,670		7 600 600		1 - 1			94.34%	0.00%	
			\$	7,310,109	100.00% \$		\$	7,633,618			100.00%	0.00% \$	20
	FAC ES		\$ \$	(209,618) 899,400	\$	323,489	\$ \$	(209,618) 899,400		2			
	Misc Adj		\$ \$	-			ş Ş	- 1		-			
	Other		\$	-			\$	-					
	Total Riders		\$	689,782			\$	689,782	ş -	-			
							¢	0.000.400					
	TOTAL REVENUE		\$	7,999,891			\$	8,323,400	323,510	4.04%			

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue		Target Revenue	Proposed Rate	Proposed Revenue	Increase \$		roposed Share	Share Variance	Rate Variance
51	Large Power LLP-1	9	Customers	1,784											
52			Demand Charge per kW	168,825	6.70 \$	1,131,129	23.90%		7.00 \$	1,181,776 \$			23.91%	0.01%	
53			Energy Charge per kWh	58,720,212	0.061350 \$	3,602,485	76.10%		0.064060 \$	3,761,617 \$			76.09%	-0.01%	
54			Total Base Rates		\$	4,733,614	100.00% \$	4,943,087	\$	4,943,393 \$	209,779 4.	43% 1	100.00%	0.00% \$	305.83
55			FAC		\$	(140,161)	\$	209,474	\$	(140,161) \$	-	-			
56			ES		\$	561,239			\$	561,239 \$		-			
57			Misc Adj		\$	-			\$	- \$	-	-			
58			Other		\$	-			\$	-					
59			Total Riders		\$	421,078			\$	421,078 \$		-			
60			TOTAL REVENUE		\$	5,154,692			\$	5,364,471 \$	209,779 4.	07%			
61 62			Average	32,914.92	\$	2,889.40			\$	3,006.99 \$	117.59 4.	.07%			
63	Large Power LLP-3	11	Customers	227											
64			Demand Charge per kW	192,038	6.68 \$	1,282,812	20.48%		6.98 \$	1,340,423 \$			20.49%	0.01%	
65			Energy Charge per kWh	86,665,675	0.05747 \$	4,980,676	79.52%		0.06001 \$	5,200,807 \$	220,131 4.	42%	79.51%	-0.01%	
66			Total Base Rates		\$	6,263,488	100.00% \$	6,540,662	\$	6,541,230 \$	277,742 4.	43% 1	100.00%	0.00% \$	568.09
67			FAC		\$	(212,545)	\$	277,174	\$	(212,545) \$	-	-			
68			ES		\$	664,063		·	\$	664,063 \$		-			
69			Misc Adj		\$	-			\$	- \$	-	-			
70			Other		\$	-			\$	-					
71			Total Riders		\$	451,518			\$	451,518 \$	-	-			
72			TOTAL REVENUE		\$	6,715,006			\$	6,992,749 \$	277,742 4.	14%			
73 74			Average	381,787.11	\$	29,581.53			\$	30,805.06 \$	1,223.53 4.	14%			
74	Large Power LPR-2	13	Customers	24											
76	5		Demand Charge per kW	17,244	9.45 \$	162,956	38.95%		9.87 \$	170,198 \$	7,242 4.	44%	38.95%	0.00%	
77			Energy Charge per kWh	5,769,645	0.04427 \$	255,422	61.05%		0.04623 \$	266,731 \$	11,309 4.	43%	61.05%	0.00%	
78			Total Base Rates		\$	418,378	100.00% \$	436,892	\$	436,929 \$	18,551 4.	43% 1	100.00%	0.00% \$	36.77
79			FAC		\$	(13,918)	\$	18,514	\$	(13,918) \$	-	-			
80			ES		\$	46,423			\$	46,423 \$	-	-			
81			Misc Adj		\$	-			\$	- \$	-	-			
82			Other		\$	-			\$	-					
83			Total Riders		\$	32,505			\$	32,505 \$	-	-			
84			TOTAL REVENUE		\$	450,883			\$	469,433 \$	18,551 4.	11%			
85 86			Average	240,401.88	\$	18,786.77			\$	19,559.73 \$	772.96 4.	11%			
87	Large Power LLP-4-B1	14													
88			Customer Charge	48	1,782.73 \$	85,571	2.78%		1,861.62 \$	89,358 \$			2.78%	0.00%	
89			Energy Charge per kWh	51,342,558	0.04696 \$	2,411,047	78.32%		0.04904 \$	2,517,839 \$			78.33%	0.01%	
89			Demand Charge Contract per kW	93,850	6.20 \$	581,870	18.90%		6.47 \$	607,210 \$			18.89%	-0.01%	
90			Demand Charge Excess per kW	-	8.98 \$	-	0.00%		9.38 \$	- \$	- 0.	.00%	0.00%	0.00%	
91			Total Base Rates		\$	3,078,488	100.00% \$	3,214,718	\$	3,214,406 \$	135,919 4.	42% 1	100.00%	0.00% \$	(311.55)
92			FAC		\$	(126,771)	\$	136,230	\$	(126,771) \$	-	-			
93			ES		\$	361,835			\$	361,835 \$	-	-			
94			Misc Adj		\$	-			\$	- \$	-	-			
95			Other		\$	-			\$	-					
96			Total Riders		\$	235,064			\$	235,064 \$		-			
97			TOTAL REVENUE		\$	3,313,552			\$	3,449,471 \$	135,919 4.	10%			
98				1,069,636.63		69,032.33				71,863.97	2,831.64				
99															

#	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
100	Large Power LPR-1-B1	15													
101			Customer Charge	12	3,421.91 \$	41,063	1.82%		3,573.34 \$	42,880 \$			1.82%	0.00%	
101			Demand Charge Contract per kW	63,900	6.20 \$	396,180	17.58%		6.47 \$	413,433 \$		4.35%	17.57%	-0.01%	
102			Demand Charge Excess per kW		8.98 \$	-	0.00%		9.38 \$	- \$		0.00%	0.00%	0.00%	
103			Energy Charge per kWh	42,398,976	0.04285 \$	1,816,796	80.60%		0.04475 \$	1,897,354 \$		4.43%	80.61%	0.01%	
104			Total Base Rates		\$	2,254,039	100.00% \$		\$	2,353,667 \$		4.42%	100.00%	0.00% \$	(118.30)
105			FAC		\$	(105,195)	\$	99,747	\$	(105,195) \$		-			
106			ES		\$	254,607			\$	254,607 \$		-			
107 108			Misc Adj		\$ \$	-			\$	- \$	-	-			
108			Other Total Riders		\$	- 149.412			\$ \$	- 149.412 \$	-				
110			TOTAL REVENUE		\$	2,403,452			\$	2,503,080 \$	99,628	4.15%			
111 112			Average	3,533,248.00	\$	200,287.63			\$	208,589.98 \$	8,302.35	4.15%			
113	Large Power LPR-1-B2	25													
114			Customer Charge	12	3,421.91 \$	41,063	1.67%		3,573.34 \$	42,880 \$		4.43%	1.67%	0.00%	
115			Demand Charge Contract per kW	69,000	6.20 \$	427,800	17.40%		6.47 \$	446,430 \$		4.35%	17.39%	-0.01%	
116			Demand Charge Excess per kW	-	8.98 \$	-	0.00%		9.38 \$	- \$		0.00%	0.00%	0.00%	
116			Energy Charge per kWh	48,483,063	0.04105 \$	1,990,230	80.93%		0.04287 \$	2,078,469 \$		4.43%	80.94%	0.01%	
117			Total Base Rates		\$	2,459,093	100.00% \$	2,567,913	\$	2,567,779 \$	108,686	4.42%	100.00%	0.00% \$	(134.29)
118			FAC		\$	(117,497)	\$	108,821	\$	(117,497) \$		-			
119			ES		\$	288,382			\$	288,382 \$		-			
120			Misc Adj		\$	-			\$	- \$	-	-			
121 122			Other Total Didara		\$	-			\$ \$	- 170.004 @					
			Total Riders		\$	170,884				170,884 \$					
123			TOTAL REVENUE		\$	2,629,977			\$	2,738,663 \$	108,686	4.13%			
124 125				4,040,255.25		219,164.76				228,221.95	9,057.19				
126	LPR-3	36													
127			Customer Charge	12	963.14 \$	11,558	1.20%		1,005.76 \$	12,069 \$	511	4.43%	1.20%	0.00%	
128			Demand Charge per kW	33,489	9.45 \$	316,471	32.82%		9.87 \$	330,536 \$	14,065	4.44%	32.82%	0.00%	
129			Energy Charge per kWh	14,372,222	0.04427 \$	636,258	65.98%		0.04623 \$	664,428 \$	28,170	4.43%	65.98%	0.00%	
130			Total Base Rates		\$	964,287	100.00% \$	1,006,959	\$	1,007,033 \$	42,746	4.43%	100.00%	0.00% \$	74.42
131			FAC		\$	(34,416)	\$	42,672	\$	(34,416) \$	-	-			
132			ES		\$	107,432			\$	107,432 \$	-	-			
133			Prepay Daily Charges		\$	-			\$	- \$	-	-			
134			Other		\$	-			\$	-					
135			Total Riders		\$	73,016			\$	73,016 \$	-	-			
136			TOTAL REVENUE		\$	1,037,303			\$	1,080,050 \$	42,746	4.12%			
137 138			Average	1,197,685.17	\$	86,441.96			\$	90,004.15 \$	3,562.20	4.12%			
139	Net Metering	41													
140			Customer Charge	567	8.84 \$	5,012	7.58%		9.23 \$	5,233 \$		4.41%	7.58%	0.00%	
141			Energy Charge per kWh	809,348	0.075460 \$	61,073	92.42%		0.07880 \$	63,777 \$	2,703	4.43%	92.42%	0.00%	
142			Total Base Rates		\$	66,086	100.00% \$	69,010	\$	69,010 \$	2,924	4.43%	100.00%	0.00% \$	(0.10)
143			FAC		\$	(1,653)	\$	2,924	\$	(1,653) \$	-	-			
144			ES		\$	6,818			\$	6,818 \$		-			
145			Misc Adj		\$	-			\$	- \$	-	-			
146			Other		\$	-			\$	-					
147			Total Riders		\$	5,165			\$			-			
148			TOTAL REVENUE		\$	71,251			\$	74,175 \$					
149 150			Average	1,427.42	\$	125.66			\$	130.82 \$	5.16	4.10%			

#	Classification		Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
151 152	Net Metering LLP-1 Large Power	43	Customer Charge	12	- \$		0.00%		- \$	- \$	_	0.00%	0.00%	0.00%	
153			Demand Charge per kW	4,076	6.70 \$	27,309	22.37%		7.00 \$	28,531 \$		4.48%	22.38%	0.01%	
154			Energy Charge per kWh	1,544,880	0.06135 \$	94,778	77.63%		0.06406 \$	98,965 \$	4,187	4.42%	77.62%	-0.01%	
155			Total Base Rates		\$	122,087	100.00% \$	127,490	\$	127,496 \$	5,409	4.43%	100.00%	0.00% \$	6.76
156			FAC		\$	(3,811)	\$	5,403	\$	(3,811) \$	-	-			
157			ES		\$	14,551			\$	14,551 \$		-			
158			Misc Adj		\$	-			\$	- \$	-	-			
159 160			Other Total Riders		\$	- 10,740			\$ \$	- 10,740 \$		-			
					*										
161			TOTAL REVENUE		\$	132,827			\$	138,236 \$	5,409	4.07%			
162 163			Average	128,740.00	\$	11,068.91			\$	11,519.70 \$	450.78	4.07%			
164	Prepaid Metering	51													
165			Customer Charge	19,268	8.84 \$	170,329	8.37%		9.23 \$	177,844 \$		4.41%	8.37%	0.00%	
166			Energy Charge per kWh	24,712,310	0.07546 \$	1,864,791	91.63%		0.07880 \$	1,947,330 \$		4.43%	91.63%	0.00%	
167			Total Base Rates		\$	2,035,120	100.00% \$		\$	2,125,174 \$		4.42%	100.00%	0.00% \$	(5.19)
168			FAC		\$	(60,986)	\$	90,059	\$	(60,986) \$		-			
169 170			ES Misc Adj		\$ \$	244,369			\$ \$	244,369 \$ - \$		-			
170			Other		3 S	-			э \$		-	-			
172			Total Riders		\$	183,383			\$	183,383 \$	-	-			
173			TOTAL REVENUE		\$	2,218,503			\$	2,308,557 \$	90,054	4.06%			
174			Average	1,282.56	\$	115.14			\$	119.81 \$	4.67	4.06%			
175															
176 177	Street Lighting Service OL & LED	6	175 Mott Mercury Vener	43,162	0.01 @	423,419	48.41%		10.24 \$	441,979 \$	18,560	4.38%	48.41%	0.00%	
177		OL OL	175 Watt Mercury Vapor 100 HPS Sodium Vapor	6,602	9.81 \$ 9.56 \$	63,115	46.41% 7.22%		9.98 \$	441,979 \$ 65,888 \$		4.38%	46.41% 7.22%	0.00%	
179		OL	250 HPS Sodium Vapor	3,149	12.39 \$	39,016	4.46%		12.94 \$	40,748 \$		4.44%	4.46%	0.00%	
180		OL	400 HPS Sodium Vapor	5,702	16.31 \$	93,000	10.63%		17.03 \$	97,105 \$		4.41%	10.64%	0.00%	
181		OL	100 HPS Decorative UDG	590	10.65 \$	6,284	0.72%		11.12 \$	6,561 \$		4.41%	0.72%	0.00%	
182 183		OL OL	175 MV Decorative 175 MV Decorative W/P	385 637	17.24 \$ 21.49 \$	6,637	0.76%		18.00 \$ 22.44 \$	6,930 \$		4.41% 4.42%	0.76% 1.57%	0.00% 0.00%	
184		OL	175 MV Decorative W/P 175 MV Overhead Durastar	48	10.53 \$	13,689 505	1.57% 0.06%		22.44 \$ 11.00 \$	14,294 \$ 528 \$		4.42%	0.06%	0.00%	
185		LED	LED Open Bottom	1,486	9.60 \$	14,266	1.63%		10.02 \$	14,890 \$		4.37%	1.63%	0.00%	
186		LED	LED Cobra Head	68	14.59 \$	992	0.11%		15.24 \$	1,036 \$		4.46%	0.11%	0.00%	
187		LED	LED Directional Flood	25	19.76 \$	494	0.06%		20.63 \$	516 \$		4.40%	0.06%	0.00%	
188		LED	LED Ornamental with Pole	12	27.42 \$	329	0.04%		28.63 \$	344 \$		4.41%	0.04%	0.00%	
189 190		OL OL	Metal Halide (MH) URD Metal Halide w/o Pole	20,568 258	9.80 \$ 17.23 \$	201,566 4,445	23.05% 0.51%		10.23 \$ 17.99 \$	210,411 \$ 4,641 \$		4.39% 4.41%	23.04% 0.51%	0.00% 0.00%	
190			URD Metal Halide w Pole	256 321	21.48 \$	4,445	0.51%		22.43 \$	7,200 \$		4.41%	0.51%	0.00%	
192		02	Total Base Rates	021	\$	874,653	100.00% \$	913,359	<u>22.40 </u> \$	913,070 \$		4.39%	100.00%	0.00% \$	(288.09)
193			FAC		\$	(10,891)	\$	38,705	\$	(10,891) \$		-			(
194			ES		\$	55,327			\$	55,327 \$		-			
195			Misc Adj		\$	-			\$	- \$	-	-			
196			Other												
197			Total Riders		\$	44,436			\$	44,436 \$		-			
198			TOTAL REVENUE		\$	919,089			\$	957,506 \$	38,417	4.18%			
199															

Classification C	ode Billing Component	Present Billing Units Rate	Present Revenue	Target Share	Target Proposed Revenue Rate	Proposed Revenue	Increase \$ %	Proposed Share V	Share ariance
OTALS	Total Base Rates	\$	95,745,390		:	\$ 99,982,559	\$ 4,237,169 4.43%		
	FAC	\$	(2,949,129)			\$ (2,949,129)	\$ -		
	ES	\$	11,366,118			\$ 11,366,118			
	Misc Adj	\$	-			\$-	\$-		
	Other	\$	-				\$-		
	Total Riders	\$	8,416,989			\$ 8,416,989	\$ -		
	TOTAL REVENUE	\$	104,162,379			\$ 108,399,548	\$ 4,237,169 4.07%		
	Rate Rounding Variance						\$ 211		
ATES WITH NO CURRENT MEMBERS									
arm & Home Service Taxable A-5T									
	Customer Charge	8.84			9.23				
	Energy Charge per kWh	0.07546			0.07880				
arm & Home Service TOD Option A									
	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				
arm & Home Service TOD Option B	Outline Observe	11.60			12.11				
	Customer Charge 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				
arm & Home Service Taxable TOD Option A		0.07040			0.07000				
	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				
arm & Home Service Taxable TOD Option E	3								
	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				
arge Power LLP-3	Energy Charge Summer All Hrs per kWh	0.07546			0.07880				
arge Power LLP-3	Demand Charge per kW	6.68			6.98				
	Energy Charge per kWh	0.05747			0.06001				
arge Power LLP-3-B1									
5	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				
arge Power LLP-3-C1									
	Customer Charge	963.14			1,005.76				
	Demand Charge per kW Energy Charge per kWh	6.20 0.05032			6.47 0.05255				
arge Power LLP-4-C1	Energy Charge per kwn	0.05032			0.05255				
aige i owel LLF-4-01	Customer Charge	1,782.73			1,861.62				
	Demand Charge per kW	6.20			6.47				
	Energy Charge per kWh	0.04696			0.04904				
arge Power LPR-1		0.04000			0.04004				
	Demand Charge per kW	9.45			9.87				
	Energy Charge per kWh	0.04427			0.04623				

#	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 rate intervention@ag.ky.gov on this 1<sup>st</sup> 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	Farm & Home Service A-5			
		Customer Charge	\$ 8.84	\$ 9.23
		Energy Charge per kWh	\$ 0.07546	\$ 0.07880
7	Large Power 500-3000 KW LLP2			
		Energy Charge per kWh	\$ 0.05755	\$ 0.06010
		Demand Charge per kW	\$ 6.70	\$ 7.00
8	Commercial & Small Power B2			
		Customer Charge	\$ 11.89	\$ 12.42
		Energy Charge per kWh	\$ 0.08206	\$ 0.08569
9	Large Power LLP-1			
		Demand Charge per kW	\$ 6.70	\$ 7.00
		Energy Charge per kWh	\$ 0.06135	\$ 0.06406
11	Large Power LLP-3			
		Demand Charge per kW	\$ 6.68	\$ 6.98
		Energy Charge per kWh	\$ 0.05747	\$ 0.06001
13	Large Power LPR-2			
		Demand Charge per kW	\$ 9.45	\$ 9.87
		Energy Charge per kWh	\$ 0.04427	\$ 0.04623
14	Large Power LLP-4-B1			
		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	Large Power LPR-1-B1			
		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	Large Power LPR-1-B2			
		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	LPR-3			
		Customer Charge	\$ 963.14	\$ 1,005.76
		Demand Charge per kW	\$ 9.45	\$ 9.87

		Energy Charge per kWh	\$	0.04427	\$	0.04623
6	Street Lighting Service OL & LED					
	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
	Farm & Home Service Taxable A-5T					
		Customer Charge	\$	8.84	\$	9.23
		Energy Charge per kWh	\$	0.07546	\$	0.07880
	Farm & Home Service TOD Option A		+		*	
	<b>i</b>	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
	Farm & Home Service TOD Option B		*		*	
		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
	Farm & Home Service Taxable TOD Option		Ψ	0.07510	Ŷ	0.07000
	A					
		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
	Farm & Home Service Taxable TOD Option B					
		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
	Large Power LLP-3					
		Demand Charge per kW	\$	6.68	\$	6.98
		Energy Charge per kWh	\$	0.05747	\$	0.06001
	Large Power LLP-3-B1					
		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
	Large Power LLP-3-C1					
		Customer Charge	\$	963.14	\$	1,005.76
		Demand Charge per kW	\$	6.20	\$	6.47
		Energy Charge per kWh	\$	0.05032	\$	0.05255
	Large Power LLP-4-C1					

	Customer Charge	\$ 1,782.73	\$ 1,861.62
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04696	\$ 0.04904
Large Power LPR-1			
	Demand Charge per kW	\$ 9.45	\$ 9.87
	Energy Charge per kWh	\$ 0.04427	\$ 0.04623
Large Power LPR-1-C1			
	Customer Charge	\$ 3,421.91	\$ 3,573.35
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04127	\$ 0.04310
Large Power LPR-1-C2			
	Customer Charge	\$ 3,421.91	\$ 3,573.35
	Demand Charge per kW	\$ 6.20	\$ 6.47
	Energy Charge per kWh	\$ 0.04105	\$ 0.04287
Large Power LPR-1-B3			
	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
Large Power LPR-1-C3			
	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:

		Increa	ise
Rate Class		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:

		Average Usage (kWh)		Increas	ise	
Rate Class				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
<b>5</b>	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")?

A. Yes. To date I have testified in over thirty different regulatory proceedings before this
 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:
  - Exhibit 2: Comparison of Current and Proposed Rates
- 10 Exhibit 3: Billing Analysis
- 11

9

# 12 II. <u>PASS THROUGH OF WHOLESALE RATE INCREASE</u>

## 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)

 $\frac{22}{23}$ 

<sup>&</sup>lt;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>&</sup>lt;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
distribution cooperative and by wholesale rate class, including the total proposed revenue
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 For each distribution cooperative, I first collected 2019 billing information for each rate A. 9 class in the cooperative's Commission-approved tariffs, to correspond with the 2019 test period used by EKPC in Case No. 2021-00103. I calculated the billings for each rate class 10 11 and for each base rate billing component within the respective classes (e.g., customer 12charge, 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 15describe 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 17determined 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 20basis, 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  $\mathbf{2}$ 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 2019 amounts to account for the FAC roll-in for all Owner-Members. Also, there were a 4  $\mathbf{5}$ 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 ensure that the full effects of the wholesale rate increase are flowed through 10 11 proportionately. Other than the FAC roll-in and limited number of rate switching/contract 12demand 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
 *"Kenergy* Order") in which the Commission clarified "proportional" for the purposes
 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

<sup>&</sup>lt;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>&</sup>lt;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).

the proposed rates based on the allocations from the last rate order. If those results proved
 to be self-evidently unreasonable, I then determined the proposed rates based on the present
 test year allocations, consistent with the method approved in the pass-through filings for
 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
- rates for all rate classes. Thus, for those utilities I used the present test year allocations
  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.

A. Relying on the last rate order to allocate the total increase to the rate classes seems
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

<sup>&</sup>lt;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>&</sup>lt;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>&</sup>lt;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.

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active members differed from the last rate order and the present test year. The *Kenergy* 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 individual billing components was more problematic. For certain two-part rate classes like 4  $\mathbf{5}$ 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 12kW (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 15in 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 17resulted 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. 20It could also violate the ratemaking principle of gradualism. In situations like this, the 21cooperative elected to use the present test year allocations in full to develop proposed rates.

1Q.Did any cooperative use a hybrid approach where it employed the last rate order2Kenergy Order method for some of its rate classes and the traditional test year method3for 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?

Yes. In 1944, in Federal Power Commission v. Hope Natural Gas Co., the Supreme Court 10 A. 11 held that, in setting maximum rates, the utility commission would not be "bound to the use 12of any single formula or combination of formulae in determining rates." Rather, it would be the "result reached, not the method employed" that would be controlling.<sup>8</sup> I am not an 13 14 attorney, but it is my understanding that Kentucky law fully embraces the Hope Doctrine. 15The 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 17present 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 20Case Nos. 2010-00167 and 2008-00409.

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

Q. The *Kenergy* Order states that any revenue distortions could be addressed through
 subsequent rate filings by a distribution cooperative. If the last rate order approach
 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  $\mathbf{5}$ *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 12to 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 15approach 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-throughcalculation?

A. For the most part, I made no distinction between retail rate classes taking service under
EKPC's different wholesale rate classes (Rate B, Rate C, Rate E, etc.), consistent with
previous Commission orders and Owner-Member pass-through rate filings. However, I
did separately calculate proposed rates for retail members served under EKPC Rate G Special Electric Contract Rate, as well as for those served under EKPC's other large special
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):
$5 \\ 6 \\ 7 \\ 8$		"Any increase or decrease as provided for in subsections (1) and (2) of this section shall not apply to special contracts under which the rates are subject to change or adjustment only as stipulated in the contract."
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?

<sup>&</sup>lt;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).

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

### **VERIFICATION OF JOHN WOLFRAM**

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.

M

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.

David S. Samford NOTARY PUBLIC STATE AT LARGE KENTUCKY NOTARY ID# KYNP10362 MY COMMISSION EXPIRES JULY 23, 2024

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Notary Commission No. KYNP10362

Commission expiration:	7.	- 7	23		2	4	
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