

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES)	CASE NO.
PURSUANT TO STREAMLINED PROCEDURE PILOT PROGRAM)	2023-00213
ESTABLISHED IN CASE NO. 2018-00407)	
)	

**RESPONSES TO THE ATTORNEY GENERAL'S FIRST REQUEST FOR
INFORMATION TO SHELBY ENERGY COOPERATIVE, INC.
DATED AUGUST 29, 2023**

Filed: September 12, 2023

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

THE ELECTRONIC APPLICATION OF)	
SHELBY ENERGY COOPERATIVE, INC.)	
FOR A GENERAL ADJUSTMENT OF)	Case No. 2023-00213
RATES PURSUANT TO STREAMLINED)	
PROCEDURE PILOT PROGRAM)	
ESTABLISHED IN CASE NO. 2018-00407)	

VERIFICATION OF MICHAEL MORIARTY

COMMONWEALTH OF KENTUCKY)
)
 COUNTY OF SHELBY)

Michael Moriarty, Chief Financial Officer of Shelby Energy Cooperative Inc, being duly sworn, states that he has supervised the preparation of certain responses to requests for information in the above-referenced 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.


 Michael Moriarty

The foregoing Verification was signed, acknowledged and sworn to before me this 31st day of August, 2023, by Michael Moriarty.




 Commission expiration: 7-28-2027

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

THE ELECTRONIC APPLICATION OF)
SHELBY ENERGY COOPERATIVE, INC.)
FOR A GENERAL ADJUSTMENT OF) Case No. 2023-00213
RATES PURSUANT TO STREAMLINED)
PROCEDURE PILOT PROGRAM)
ESTABLISHED IN CASE NO. 2018-00407)

VERIFICATION OF JOHN WOLFRAM

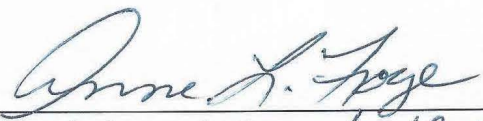
COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

John Wolfram, being duly sworn, states that he has supervised the preparation of certain responses to the Attorney General's First Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

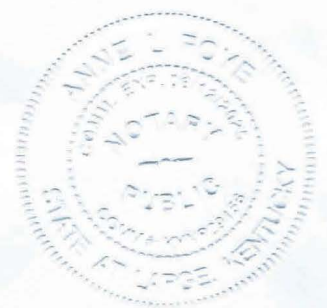


John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 30 day of August 2023, by John Wolfram.



Commission expiration: 6-12-2025



**SHELBY ENERGY COOPERATIVE INC.
PSC CASE NO. 2023-00213
RESPONSE TO REQUEST FOR INFORMATION**

AG'S REQUEST FOR INFORMATION DATED 8/29/23

REQUEST 1

RESPONSIBLE PARTY: Michael Moriarty

Request 1. Refer to the Application, page I, in which Shelby Energy Cooperative states that it provides electric power to approximately 13,960 members in the Kentucky counties of Anderson, Carroll, Franklin, Henry, Jefferson, Oldham, Owen, Shelby, Spencer, and Trimble.

- a. Provide a detailed account of the economic issues that the above-referenced counties were suffering from before the COVID-19 pandemic.
- b. Provide a detailed account of the economic situation that the above-referenced counties are battling after the COVID-19 pandemic.
- c. Explain in detail the extent to which Shelby Energy Cooperative has experienced a higher amount of uncollectible bills/accounts, including the amount of those outstanding accounts, during and after the COVID-19 pandemic.
 - i. Detail whether uncollected bills and/or outstanding accounts amounts were "write-offs" or absorbed by other members.
- d. Taking into account any increase in uncollectible bills/accounts due to the COVID- 19 pandemic, explain how Shelby Energy Cooperative's customers will be able to afford the current increase in electric rates sought in this case.

Response 1a. Prior to the COVID-19 pandemic, one of the biggest economic challenges was the geographic location of the service territory and lack of economic opportunity. Shelby Energy primarily serves residential accounts in Carroll, Henry, Shelby, and Trimble counties. According to 2019 Federal Reserve Economic Data, the percentage of these counties living below the poverty line was 24.1%, 18.3%, 11.2%, and 17.3%, respectively. The economy in these areas is centered primarily around agriculture and manufacturing. Development in Shelby Energy's southern service territory provides higher-paying job opportunities in Shelby County, however, there are fewer opportunities in Henry and Trimble counties, which correlates to the higher poverty rates in those areas. Aside from the continued development near Shelbyville, this continues to be an issue in 2023.

Response 1b. In addition to the issue stated in response 1a, the COVID-19 pandemic added stress from increased inflation and higher interest rates. In Henry and Trimble counties specifically, there are few opportunities to increase income to keep up with the increased cost-of-living. For individuals that were already struggling to pay their bills, higher interest rates mean it is now more expensive to put off the payment of everyday necessities that they cannot afford today.

Response 1c. In the three years prior to COVID-19 pandemic (calendar years 2017-2019), Shelby Energy write-offs averaged \$36,032 per year, with 2018 being the highest year with \$40,537 in write-offs. Following the moratorium on late fees and cutoffs in 2020, Shelby Energy wrote off \$106,943 of receivables in 2021 and \$60,391 in 2022. Write-offs through August 2023 are \$36,537, which is closer to pre-pandemic levels but still above the full-year average of write-

offs prior to 2020. For 2021 and 2022, Shelby Energy wrote off approximately \$95,270 more than the pre-pandemic average for a two-year period.

Response 1c(i). The write-offs mentioned above were a reduction in allowance for bad debt that was previously accrued. Allowance for bad debt is an accounting estimate of the uncollectible portion of accounts receivable. As this allowance is reduced over time, additional expense will be accrued to provide a sufficient estimate of the uncollectible portion of accounts receivable. Over time, the write-offs will ultimately be absorbed by other members.

Response 1d. While Shelby Energy recognizes that a rate increase creates challenges for members who struggle to keep their account current, there are government programs and local agencies that provide utility assistance to individuals. Shelby Energy provides this information to members who struggle to pay their electric bills. Shelby Energy also works with customers to allow them to make payment arrangements or utilize a budget billing program to alleviate the challenges of paying higher bills during the winter and summer months. Additionally, Shelby Energy offers a number of energy efficiency programs to help members save on their electric bills.

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REQUEST 2

RESPONSIBLE PARTY: Michael Moriarty

Request 2. Refer to the Application, page 2, Shelby Energy Cooperative notes that its existing rates went into effect on July 31, 2017, and since that time Shelby Energy Cooperative's operational costs have increased despite management supervision to minimize those cost escalation, and while at the same time its energy sales have essentially stayed the same.

- a. Provide a list of all aspects of the business that have experienced an increase in operational expenses since the Company's last general rate adjustment.
- b. For each aspect of the business where operational costs have increased, please detail the reason those costs increased, including the approximate amount of the increase in those operational expenses from the date of the Company's previous rate adjustment, July 31, 2017, to the date of this Application.
- c. Explain in detail and provide all examples of how management has attempted to control those increasing operational costs as detailed above.
- d. Refer to the Application, page 2. Shelby Energy Cooperative details several efforts it undertook to offset increasing operational costs. Explain in detail the amount of money the Company was able to save by implementing those efforts intended to offset some of the increasing costs of operation.

Response 2a. The main drivers of increased operational expenses are related to labor, material, and interest. Employee labor expenses increased approximately 19% from 2017 to 2022. Shelby Energy has not increased its employee head count over that time, and the increase in labor has been due to increased labor rates. Shelby Energy uses outside consultants annually to evaluate wages in order to remain competitive in the labor market. Shelby Energy uses contract construction crews extensively to supplement the labor required to build and maintain distribution plant. Contractor labor costs increased approximately 22% from 2017 to 2022. Material costs have increased significantly since Shelby Energy's last rate increase. On average, the per-unit cost of Shelby Energy's material inventory has increased 47%. As labor and material costs increased, Shelby Energy borrowed against its previous RUS construction work plan loan faster than it otherwise would have (i.e. Shelby Energy was not able to extend its four-year work plan loan to a fifth year). Interest rates increased sharply beginning in March 2022 and resulted in significantly more interest expense.

Response 2b. For comparison purposes, Shelby Energy will use 2018 costs compared to 2022 costs since 2018 was the first full year of operations after the last rate increase and 2022 is the most recently audited year. As mentioned in response 2a, labor costs for employees and contract labor increased significantly since the last rate increase. The average salary per full-time equivalent employee increased from \$73,999 in 2018 to \$87,903 in 2022, a 19% increase. Applying that percentage increase to 2018 wages results in a \$596,194 increase in employee wages. Similarly, Shelby Energy contractor rates increased 22% over that time period. Applying that percentage increase to 2018 wages results in a \$219,278 increase in contractor expenses.

Shelby Energy's proximity to Louisville makes recruiting and retaining quality employees a difficult task. Increasing wages is one of the few tools that Shelby Energy has to retain employees. Material costs tend to increase over time, but there was a substantial increase in material costs following COVID-19. Specific items such as PVC stick conduit increased as much as 350% from 2018 to 2022. Higher priced items such as transformers have increased by as much as 65%. Part of the increase is due to short supply that was met with high demand, and likely some price gauging by distributors to maximize their margins. Shelby Energy's ending inventory balance at its main warehouse in 2022 was \$1,172,097. Taking the same material item quantities and applying the per-unit costs as of December 31, 2018, would yield an inventory balance of \$632,957. In other words, an 85% increase from 2018 to 2022.

As the Federal Reserve began increasing rates in March 2022, Shelby Energy's costs of borrowing has increased steadily. The average rate on advances of long-term debt from 2018 through 2022 with RUS was 2.57%. Current RUS loan rates are over 5% for variable rate borrowings and close to 4.5% for 30-year fixed rates. Similarly, short-term borrowing rates were just over 2% in early 2022 but today are over 7%. Without increasing rates, Shelby Energy will continue to borrow at an accelerated pace during a time that interest rates are at a 20-year high, putting more financial hardship on the cooperative.

Response 2c. As mentioned in response 2b, the average salary for full-time equivalent employees increased 19% from 2018 to 2022. During that time the number of full-time equivalent employees decreased from 43 in 2018 to 42 in 2022. Shelby Energy has evaluated retirements and terminations to determine if there are opportunities to split responsibilities among remaining

employees rather than hiring replacements. For example, the retirement of the right-of-way coordinator in 2022 resulted in those job duties being split between operations managers rather than filling the vacant position.

The material constraints during COVID-19 required Shelby Energy to search for other vendors to source materials. During this process Shelby Energy has identified new suppliers that can provide materials at lower costs. Shelby Energy actively engages these vendors for pricing updates to find savings.

Shelby Energy actively manages cash flow and makes evaluations monthly to determine if short-term borrowing on lines of credit is more cost effective than advancing long-term loan funds on its construction work plan loan. Shelby Energy also put out to bid its banking services in 2022, and transitioned banks to earn a more favorable interest rate on deposits and reduce banking fees.

Response 2d. Page two of the rate application mentions the reduction of 1.9 full-time equivalent employees. As noted in response 2b, the average salary per full-time equivalent in 2022 was \$87,903. This would equate to a total savings of \$167,015 for 1.9 full-time equivalents. The application also mentions outsourcing underground locates to a contractor rather than Shelby Energy's prior practice of conducting locates with a two-man small bucket crew. As mentioned in page 8 of Michael Moriarty's direct testimony, this resulted in approximate savings of \$150,928 for the period from January to October 2022, which equates to annualized savings of approximately \$181,100.

**SHELBY ENERGY COOPERATIVE INC.
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REQUEST 3

RESPONSIBLE PARTY: Michael Moriarty

Request 3. In its last general rate adjustment, Case No. 2016-00434, Shelby Energy Cooperative reported servicing approximately 16,000 member-customers. In its current application, Shelby Energy Cooperative reports servicing 13,940 customers, a decrease of approximately 2,040, or 13% of its member-customer base. Refer also to the Direct Testimony of Jack Bragg ("Bragg Testimony"), Shelby Energy Cooperative CEO, at page 6, in which he alleges the Cooperative has gained 1,590 members "over a six-year period."

- a. Please rectify the inconsistency in the above-referenced averments.
- b. If Mr. Bragg is incorrect, explain in detail what lead to this material loss in customers.
- c. If Mr. Bragg is incorrect, explain whether a rate increase as sought in this case is

Response 3a. The inconsistency referenced in the data request is due to the difference in the definition of a member-customer and an account. A member-customer is a single individual or entity that has established a membership with Shelby Energy Cooperative. An account is a metered service on Shelby Energy's system. A member-customer may have multiple accounts on

Shelby Energy's system, therefore, the number of accounts is expected to be higher than the number of member-customers. At the time of Case No. 2016-00434, Shelby Energy had 15,991 accounts as of its most recent year-end. At the time of filing the current rate application, Shelby Energy has 13,940 member-customers who have established 17,581 accounts as of December 31, 2022 (an increase of 1,590 over a six-year period).

Response 3b. There was neither a net loss in member-customers nor accounts during the period since the last rate case.

Response 3c. See responses 3a and 3b.

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REQUEST 4

RESPONSIBLE PARTY: John Wolfram

Request 4. Refer to the Application, page 3. Shelby Energy Cooperative is requesting to achieve an Operating Times Interest Earned Ratio ("OTIER") of 1.75.

- a. Confirm that an OTIER of 1.75 is reasonable and will ensure that Shelby Energy Cooperative can provide safe and reliable service to its customers.
- b. If the Commission were to grant the Company its full requested rate increase, provide the resulting Times Interest Earned Ratio ("TIER"), all else equal.
- c. Identify the Times Interest Earned Ratio ("TIER") corresponding to the requested OTIER.
- d. Confirm that the requested TIER is reasonable and will ensure that Shelby Energy Cooperative can provide safe and reliable service to its customers.
- e. Provide the TIER and OTIER that are required by all loan contract terms.
- f. Confirm or deny that the typical loans that Shelby Energy Cooperative enters into only requires a TIER of 1.25. If denied, explain in full detail what TIER is generally required.
- g. If Shelby Energy Cooperative is requesting a TIER and OTIER that is

higher than the loan contract requirements, explain why it is making such requests.

- h. Explain how Shelby Energy Cooperative plans to utilize any additional funds that the Commission might award that is above and beyond the required TIER and OTIER amounts per certain loan contract terms, and how Shelby Energy Cooperative accounts for these funds.

Response 4a. Confirmed.

Response 4b. The requested increase will result in a TIER of 2.21.

Response 4c. See the response to part b.

Response 4d. Confirmed.

Response 4e. See response to PSC Staff's request for information, request 10.

Response 4f. Confirmed.

Response 4g. The loan covenants establish minimum requirements for financial metrics like TIER. Shelby considers it prudent to establish rates that permit the achievement of financial metrics above these minimums, and the Commission has supported this view in every distribution cooperative rate case of which Shelby is aware.

Response 4h. Shelby does not accept the premise of the question that the amounts above the minimum lender-required TIER or OTIER are "additional funds" for which separate allocation or tracking is warranted. On the contrary, Shelby uses TIER and OTIER in order to establish its total revenue requirement, consistent with standard Commission practices and traditional ratemaking methods for distribution cooperatives.

The cooperative is entitled to a reasonable opportunity to recover its prudently incurred costs and is also entitled to earn a fair and reasonable rate of return on its capital investments. All of Shelby's rate revenue allows the cooperative to recover its costs, earn a reasonable return on its investment, and manage contingencies related to providing safe, reliable, and cost-effective electric service to its members. The Commission has found in repeated distribution cooperative rate filings in recent years that a TIER of 2.00 provides that reasonable return. The Commission also established the OTIER cap of 1.85 for cooperatives using the Streamlined Procedure Pilot Program, which indicates an expectation by this Commission that cooperatives like Shelby should achieve financial metrics above the minimum thresholds established by the lenders. There are no "additional funds" and thus no special or separate "accounts for these funds" exist.

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REQUEST 5

RESPONSIBLE PARTY: John Wolfram

Request 5. Explain why Shelby Energy Cooperative is seeking to increase the monthly residential customer charge from \$15.48 to \$19.75, which is an approximate increase of 27.58%.

- a. Did Shelby Energy Cooperative contemplate implementing the proposed higher customer charge in two phases instead of a 27.58% increase at one time?
- b. See Ex_30_Shelby-Pres-Proposed-Rates-FILED.xlsx where SEC discloses the billing impacts to each tariff for the proposed revenue allocation. Did Shelby Energy Cooperative contemplate allocating a larger percentage of the requested revenue increase on commercial and industrial customers?
 - i. If so, please provide your reasoning for requesting that the overwhelming majority of the rate increase be shouldered by residential customers.

Response 5. See Wolfram Direct, pages 23-25.

SHELBY ENERGY COOPERATIVE INC.

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REQUEST 6

RESPONSIBLE PARTY: John Wolfram

Request 6. Refer to the Application, page 4.

Shelby Energy Cooperative states that its existing retail rates do not provide sufficient revenue to ensure the requisite financial strength going forward.

- a. Explain the criteria Shelby Energy Cooperative uses to determine if the retail rates provide sufficient revenue.
- b. Explain the criteria Shelby Energy Cooperative uses to determine if it has the requisite financial strength.

Response 6a. criteria include TIER and OTIER. See Wolfram Direct Exhibit JW-2.

Response 6b. See the response to part a. Shelby Energy strives to retire member capital credits on a 35-year cycle. Requisite financial strength also includes the ability to repay member capital credits. The inability to repay capital credits on a 35-year cycle would meet Shelby Energy's criteria that it lacks the requisite financial strength.

SHELBY ENERGY COOPERATIVE INC.

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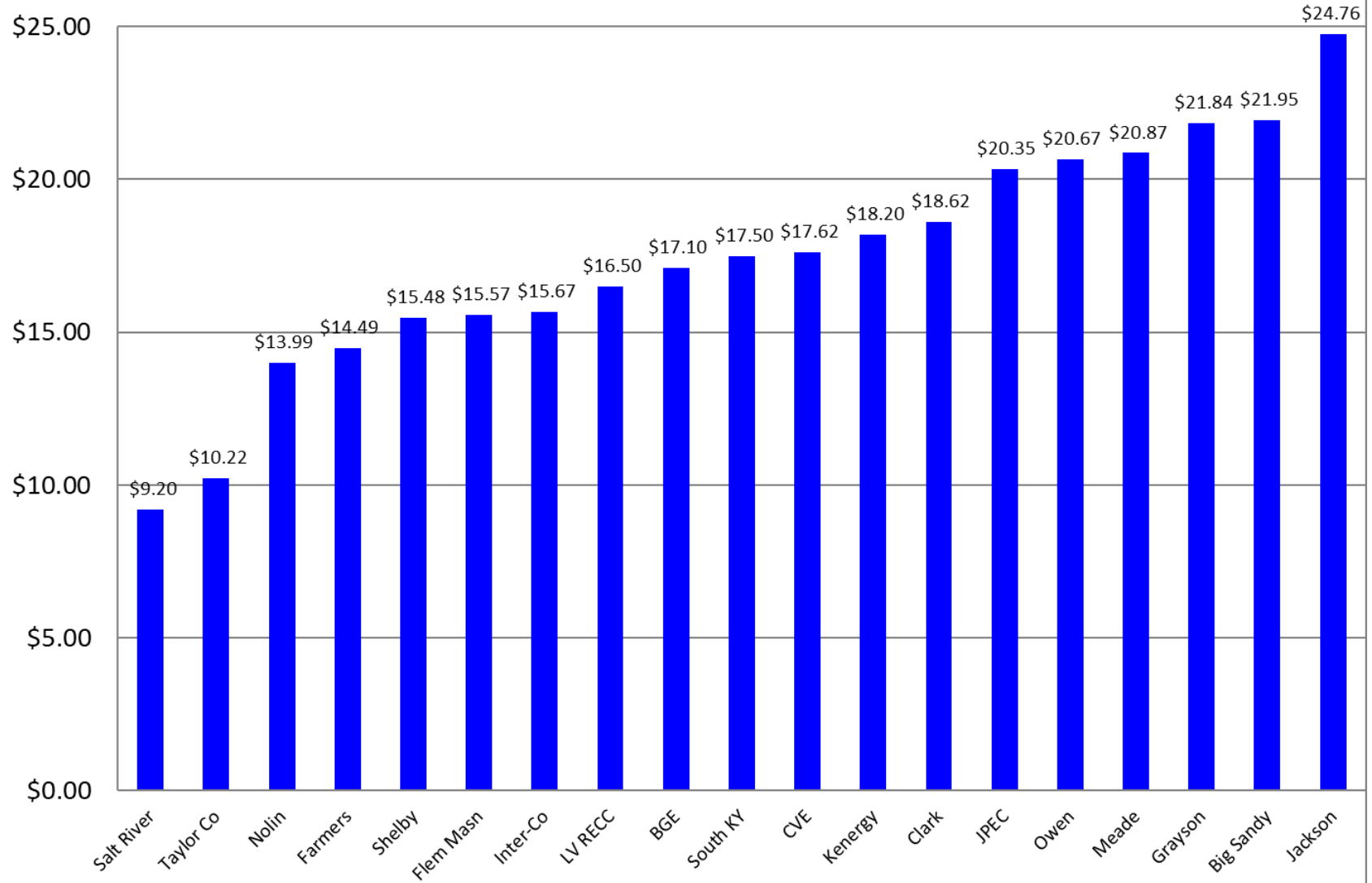
REQUEST 7

RESPONSIBLE PARTY: John Wolfram

Request 7. Shelby Energy Cooperative avers that its goal is to keep rates as low as possible for its members. Provide a list of all electrical utility cooperatives in Kentucky, with the corresponding monthly residential customer charge, residential volumetric charge, average bill, and rank the utilities from lowest to highest average bill. Ensure to provide all requested information in the response.

Response 7. Shelby did not compile all the requested information during the development of this case. The relevant information that the cooperative did compile, which only includes the monthly residential customer charge for electric distribution cooperatives in Kentucky, from publicly available data on the Commission's website, is attached.

Monthly Residential Fixed Charges



SHELBY ENERGY COOPERATIVE INC.

PSC CASE NO. 2023-00213

RESPONSE TO REQUEST FOR INFORMATION

AG'S REQUEST FOR INFORMATION DATED 8/29/23

REQUEST 8

RESPONSIBLE PARTY: Michael Moriarty

Request 8. Refer to the Application, Exhibit 1.

- a. Shelby Energy Cooperative asserts that "it has mitigated some of the increased costs by prudent changes by reducing its workforce by 1.9 full time employees, upgrading its ERP system allowing Shelby Energy to defer additional customer service representative hires and by outsourcing utility locates with significant savings." Provide a detailed description of each cost reduction, including the amount saved, listed in the above-referenced statement.

Response 8a. See response to request 2d for a detailed description and amount saved for the reduction of 1.9 full-time equivalents and the outsourcing of underground locates. Shelby Energy used PPP loan funds to invest in an upgraded ERP system. The new ERP system integrates the billing and accounting functions, making daily tasks more automated and allowing customer service representatives to focus more on serving members. In 2018, Shelby had five full-time customer service representatives (CSRs), and currently has three full-time CSRs plus two part-time CSRs. Replacing two full-time CSR positions with two part-time positions saved Shelby

Energy approximately \$33,300 annually in base wages and related employer payroll tax expense.

This does not take into account any potential additional cost savings for employer benefits foregone for items such as employer 401(k) match, medical insurance, and life insurance coverage.

SHELBY ENERGY COOPERATIVE INC.

PSC CASE NO. 2023-00213

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REQUEST 9

RESPONSIBLE PARTY: Michael Moriarty

Request 9. Refer to the Application, Exhibit 7, the Bragg Testimony, in which Mr. Bragg states that he has been employed as President/Chief Executive Officer at Shelby Energy Cooperative since December 1, 2018.

- a. Provide the names, positions, salaries, and date of hire for all employees of Shelby Energy Cooperative who are related to Mr. Bragg, if any.
- b. Provide the names of all members of the Shelby Energy Cooperative's Board of Directors who are related to Mr. Bragg, if any.
- c. Explain whether Shelby Energy Cooperative has a Nepotism Policy. If so, provide a copy of the policy. If not, explain why a Nepotism Policy is not in place, and whether Shelby Energy Cooperative is agreeable to implementing one.

Response 9a. None are related.

Response 9b. None are related.

Response 9c. Shelby Energy does not have a specific Nepotism Policy, but it is covered in Policy BP900 Employment of Personnel. A copy of that policy is attached with the appropriate sections concerning nepotism highlighted.

SHELBY ENERGY COOPERATIVE, INC
Shelbyville, Kentucky

BP900

“EMPLOYMENT OF PERSONNEL”

I. OBJECTIVE

It is the commitment of Shelby Energy to ensure fair and equal treatment for everyone in our employ. Employment, training, promotion, discipline, compensation, and all other decisions related to employment should be made without regard to race, age, religion, sex (including pregnancy, gender identity, and sexual orientation), color, national origin, genetic information, disability, or military status, or in retaliation against a person because the person complained about discrimination, filed a charge of discrimination or participated in an employment discrimination investigation or lawsuit.

The selection, training, promotion, and other employment practices are based on job-related qualifications. Shelby Energy strives to comply with all federal, state, and local laws that regulate employment practices.

Shelby Energy is committed to compliance with laws that address the employment of qualified persons with a disability. To this end, all recruitment is conducted in an ethical, professional, and non-discriminatory manner. Those requiring assistance in completing an application form or accommodation to participate in employment interviews, because of disability, will be accommodated. Efforts are made to accommodate those who can perform the essential functions of the job to enjoy employment opportunities with Shelby Energy.

II. CONTENT

- A. This policy covers all employment practices including, but not limited to: hiring, upgrading, demotion, transfer, recruitment, termination, or other forms of compensation and selection for training programs.
- B. A “full time,” “regular,” and/or “active” employee, as those terms are used in these policies, is defined as a person who is scheduled for a work week of not less than forty (40) hours for a period of fifty-two (52) weeks per year and is eligible for the employee benefit plans.
- C. A “close relative” of a current Shelby Energy employee, director, or attorney shall not be employed by Shelby Energy on a permanent basis. “Close relative” shall be defined as a person who by blood or marriage, including half, step and adoptive kin is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of the employee, board member, or attorney.
- D. If a Shelby Energy employee is in a domestic partnership with a current Shelby Energy employee, director, or attorney, or with a close relative of a current Shelby

Energy employee, director, or attorney, the employee will not be allowed to continue their employment with Shelby Energy. If two (2) Shelby Energy employees are affected, only one of the employees will be allowed to continue their employment with Shelby Energy. If the affected employees cannot decide which of them will terminate, the employee with the least service to Shelby Energy will be terminated at the end of thirty (30) days. A 'domestic partnership' as used in this policy shall be defined as an interpersonal relationship between two individuals of the same or opposite sex who live together and share a common domestic life but are not married to each other.

- E. Approval from the President and CEO is required to create a new position or fill a vacant position. A written job description must accompany the request.
- F. The minimum educational and experience requirements will be stated in the written job description.
- G. When an existing position is upgraded or combined with another position, the current employee(s) holding the position(s) will be given first consideration if qualified. If the current employee(s) is determined to be "unqualified," the position will be considered a new position and will be filled through the process found in Item "H" below.
- H. When an existing position becomes vacant, or a new position is created, this position will be announced inside and outside Shelby Energy. It will be posted internally on bulletin boards and/or Shelby Energy's Intranet, accessible to employees. Internal and external candidates will receive equal consideration.

External sources may include schools, specialized training facilities, other Internet sites, newspapers, job fairs, and other recruiting sources within the recruiting area.
- I. The selection of employee(s) to fill a position will be the responsibility of the hiring manager and a human resources representative, with guidance and approval of the President and CEO.
- J. All candidates must complete and sign a Shelby Energy application form. Those who refuse to complete and sign an application form will not be considered as a candidate for the position.
- K. The employment interview procedure must be structured and comply with the Guidelines for Selection established by the Equal Employment Opportunity Commission.
- L. Candidates for whom an employment offer will be made are required to have pre-employment drug and alcohol testing. Prospective employees will be required to disclose any prescribed medication and/or over-the-counter medications used, when such information is requested by the Medical Review Officer, prior to the

screening procedure. A positive drug screen will be an immediate disqualification for employment.

- M. The employment offer will be made in writing after conferring with the President and CEO.
- N. Certain positions require the completion of a post-offer physical examination to determine if the candidate can perform the essential functions of the position. The physician conducting the examination will be the final authority regarding physical ability. At the recommendation of the physician, the employment offer may be withdrawn.
- O. Each new employee will be provided with New Employee Orientation Training at which time the employee benefit program will be explained. Participation in specified Shelby Energy benefit programs is available to all employees, based on employment status.
- P. All regular employees are considered in training for the first (6) six months of employment. Employees may be dismissed at any time during or after the training period unless termination is covered by a contract.
- Q. Should two (2) employees marry after becoming employed at Shelby Energy, only one of the employees will be allowed to continue their employment with Shelby Energy. If the affected employees cannot decide which of them will terminate, the employee with the least service to Shelby Energy will be terminated at the end of 30 days.

III. RESPONSIBILITY

The President and CEO is responsible for the administration of this policy.

Adopted: 05/27/1965

Reviewed / Revised:	03/25/1976	06/23/1988	04/26/1990	05/27/1999	07/26/2001
	05/17/2007	09/22/2009	05/16/2011	07/19/2012	07/17/2013
	05/18/2015	05/25/2017	07/18/2019	10/28/2021	

SHELBY ENERGY COOPERATIVE INC.

PSC CASE NO. 2023-00213

RESPONSE TO REQUEST FOR INFORMATION

AG'S REQUEST FOR INFORMATION DATED 8/29/23

REQUEST 10

RESPONSIBLE PARTY: Michael Moriarty

Request 10. Refer to the Bragg Testimony, page 5.

- a. Mr. Bragg states that load growth has been slow and inconsistent due, in part, to slow economic growth. Provide the total customer and load growth for the years 2015 - present day.
- b. Explain in detail whether Shelby Energy Cooperative is concerned that increasing electricity prices will make it even more difficult to attract much needed businesses and jobs to its service area.

Response 10a. See attached exhibit.

Response 10b. Shelby Energy does not believe that the rate increase will have any impact on attracting businesses to the area because the vast majority of the increase only effects residential members. Shelby Energy also does not believe that the rate increase will have any effect on attracting prospective residential members to move to the area. Shelby Energy's service territory

borders investor-owned utility territory of LG&E and KU, both of which Shelby Energy is competitive with in terms of residential rates. Applying Shelby Energy's proposed kWh energy charge to the average monthly kWh usage for Shelby Energy customers in 2022, plus adding the proposed customer facility charge, produces an average monthly charge that is \$1.52 more than Kentucky Utilities and \$0.89 less than Louisville Gas & Electric per month, based on those utilities' published tariff rates.

ATTACHMENTS
ARE EXCEL
SPREADSHEETS
AND UPLOADED
SEPARATELY

SHELBY ENERGY COOPERATIVE INC.

PSC CASE NO. 2023-00213

RESPONSE TO REQUEST FOR INFORMATION

AG'S REQUEST FOR INFORMATION DATED 8/29/23

REQUEST 11

RESPONSIBLE PARTY: Michael Moriarty

Request 11. Refer to the Bragg Testimony, page 6. Mr. Bragg asserts that Shelby Energy Cooperative's "customer base has remained fairly consistent," however, Shelby Energy Cooperative's Application states, on page 3, that a "significantly decreased industrial load" has prompted its request for a general rate increase.

- a. Please rectify the discrepancy in these statements.
- b. Specifically, which customer base-residential, commercial, or industrial-has experienced the greatest decrease in revenue in the last calendar year. Please provide an amount of decreased revenue for each customer base in the two years prior to this Application date.

Response 11a. Shelby Energy's response to request 10a provides an attachment showing the customer count and kWh sales volume by customer class for the period from 2015 to 2023. The number of Shelby Energy's residential accounts in 2015 was 97% of all member accounts, and 3% of accounts were non-residential. In 2023, the number of residential accounts was 96% of all member accounts, and 4% of accounts were non-residential. In terms of customer accounts,

Shelby Energy’s customer base has remained consistent in that it primarily serves residential accounts. During the period from 2015 to 2023, Shelby Energy also experienced a significant decrease in industrial load, as noted in the application. Large Commercial kWh sales decreased from 164.7 million kWh in 2019 to 149.3 million kWh sales in 2020. A large part of this reduction in demand in 2020 was a result of the COVID-19 response, but the reduction continued in 2021 when one of Shelby Energy’s largest industrial accounts began winding down its operations and eventually closed their Shelbyville location in 2022.

Response 11b. See below revenue totals for the last two calendar years for Residential, Commercial, and Industrial customer classes. The year-over-year change in revenue dollars and percentage change in revenue by customer classes is also included in the table below. The Industrial class is the only class of customers to experience a decrease in revenue in the past two calendar years. Please also note that the revenue totals below include pass-through charges for the Environmental Surcharge and Fuel Adjustment Clause, which are not part of Shelby Energy’s base rates which Shelby Energy is proposing to change in this application. Shelby Energy, like all distribution cooperatives in Kentucky, began experiencing significantly higher fuel adjustment clause pass-through rates in November 2021 which is a large driver of the increased revenue dollars in 2021 and 2022.

Revenue by Customer Class						
	2022	Increase (Decrease) from Prior Year	Percentage Change from Prior Year	2021	Increase (Decrease) from Prior Year	Percentage Change from Prior Year
Residential	\$ 32,966,933	\$ 4,724,039	17%	\$ 28,242,894	\$ 2,805,933	11%
Commercial	\$ 9,644,909	\$ 1,341,432	16%	\$ 8,303,477	\$ 1,425,989	21%
Industrial	\$ 11,865,313	\$ 2,487,402	27%	\$ 9,377,911	\$ (46,961)	0%

SHELBY ENERGY COOPERATIVE INC.
PSC CASE NO. 2023-00213
RESPONSE TO REQUEST FOR INFORMATION
AG'S REQUEST FOR INFORMATION DATED 8/29/23
REQUEST 12

RESPONSIBLE PARTY: Michael Moriarty

Request 12. Refer to the Application, pages 3, which states that the Board of Directors determined that a general rate adjustment is necessary. Did any member of the Board of Directors vote not to proceed with the pending rate case? If so, provide the number of members that voted no, and the rationale for doing so.

Response 12. Per Attachment, the minutes to the June 15, 2023, meeting indicate that the vote to file was unanimous with no board member voting against proceeding.

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Special Meeting – June 15, 2023

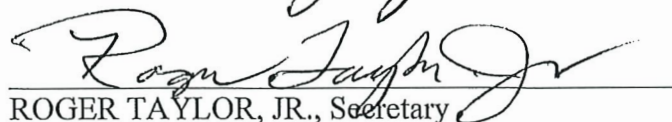
A Special Meeting of Members of Shelby Energy Cooperative, Inc. was called by Secretary Roger Taylor on June 2, 2023, via e-mail and United States mail in accordance with the Bylaws. All members of the Board were present, as well as Shelby Energy employees Nanette McCarty and Michael Moriarty; and John Wolfram of Catalyst Consulting, LLC.

The meeting was called to order by Chairman Ashley Chilton, at 1:30 p.m. on June 15, 2023, at the Shelby Energy Headquarters in Shelbyville, Kentucky. Wayne Stratton presented the Safety Moment on disposal of embers in a trash can and the risk of fire.

John Wolfram presented the Final Cost of Service Study and Proposed Rates and the Board subsequently discussed a Resolution to authorize and direct President and CEO Jack Bragg, Jr. to file a rate adjustment case with the Kentucky Public Service Commission, not to exceed \$2,500,000. Upon motion of Stratton, seconded by Arnold, the Resolution as unanimously approved.

There being no additional business, the meeting was adjourned.

The undersigned, being the Secretary of the Board of Directors of Shelby Energy Cooperative, Inc., hereby certifies that the foregoing minutes of the June 15, 2023, Special Meeting of Shelby Energy Cooperative Annual were this 20 day of July, 2023.



ROGER TAYLOR, JR., Secretary

SHELBY ENERGY COOPERATIVE INC.

PSC CASE NO. 2023-00213

RESPONSE TO REQUEST FOR INFORMATION

AG'S REQUEST FOR INFORMATION DATED 8/29/23

REQUEST 13

RESPONSIBLE PARTY: Michael Moriarty

Request 13. Refer to Exhibit JW-2, which states Shelby Energy Cooperative currently has 19 salaried employees and 27 hourly employees.

- a. Provide an organizational chart of Shelby Energy Cooperative, including all positions. If a position is vacant, please designate as such.
- b. Provide the number of salaried and hourly employees that Shelby Energy Cooperative has employed in each year for the years 2015 -2022.
- c. Explain in detail whether Shelby Energy Cooperative has analyzed the required staffing levels. Provide all analyses of the same. If no analysis has been performed, explain in detail why not given the change in load.
- d. Explain whether Shelby Energy Cooperative currently employs the above-referenced 27 hourly employees.
- e. If the answer to (c) is that Shelby Energy Cooperative does not currently employ the 27 hourly employees, explain whether Shelby Energy Cooperative agrees that all costs associated with these positions should not be included in rates. If Shelby Energy Cooperative does not agree with this statement then explain why not in detail.

- f. Provide a position title and job description for each hourly employee.
- g. Provide the number of employees, both salaried and hourly, that Shelby Energy Cooperative employs as of the date of this request.
- h. Provide a position title and job description for the 19 salaried positions, and specify whether these positions are non-union or union.
- i. Specify whether the 27 hourly employees are non-union or union.
- i. If Shelby Energy Cooperative has union employees, provide a copy of the union contract.

Response 13a. See attachments 13A and 13A-2 for organizational chart and individual listing of positions with designation of which positions are currently vacant.

Response 13b.

See below table for number of salaried and hourly employees that Shelby Energy employed for the years 2015 – 2022:

Year	Hourly	Salaried	Total Employees
2015	32	13	45
2016	28	14	42
2017	26	14	40
2018	25	16	41
2019	25	15	40
2020	25	16	41
2021	24	16	40
2022	25	15	40

Response 13c. Every staffing vacancy is analyzed prior to filling an open position. Discussions occur between the manager, CEO, and other management staff as necessary. Management looks for opportunities to consolidate job responsibilities to keep employee headcount down when possible. The OAG's request suggests that the decrease in industrial load should have necessitated a reduced employee headcount. Once an industrial member is established on service, there is typically not a significant amount of employee time required to maintain the account. The decreased industrial load does not correlate to a decrease in employee workload.

Response 13d. Shelby Energy currently employees all of the hourly employees mentioned except for the positions that are designated as open on Attachment 13A-2.

Response 13e. Shelby Energy does not agree with this statement because Shelby Energy intends on filling the positions. Shelby Energy currently has job openings listed on its website and is accepting applications at the time of this response.

Response 13f. See attachment 13F for job descriptions of hourly employee positions.

Response 13g. As of the date of this request, Shelby Energy employees 15 salaried and 21 hourly employees.

Response 13h. See attachment 13H for job descriptions of hourly employee positions.

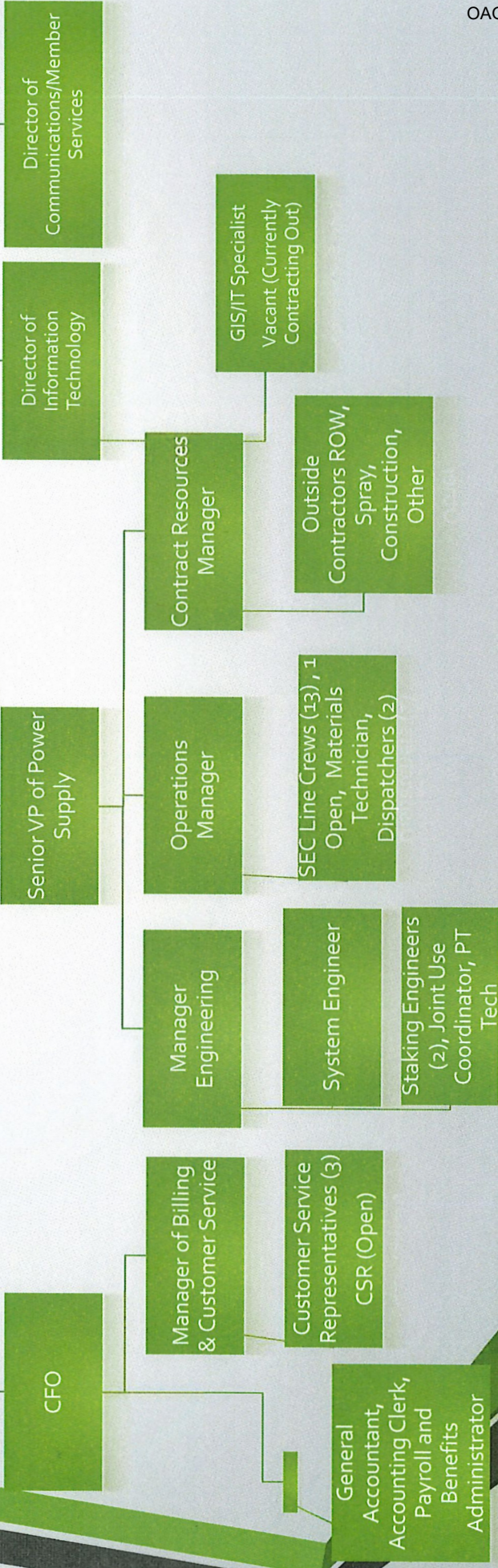
Response 13i. The 27 hourly employees in exhibit JW-2 include two individuals that are no longer employed at Shelby Energy. Please note that only 25 hourly employees are included

in the calculation of the revenue requirement. Of the 25 employees, 16 are union and 9 are non-union positions.

Response 13j. See attachment 13J for copy of union agreement with IBEW 2100.

Shelby Energy Cooperative, Inc. (9/1/2023)

President/CEO



Shelby Energy Cooperative		
Employees Per Schedule JW-2		
Salary Employees		
Exhibit JW-2	19	
Less Code R Employees (No Longer Employed Beginning of 2023)	(3)	
Salary Employees to Account For	16	
Hourly Employees		
Exhibit JW-2	27	
Less Code R Employees (No Longer Employed Beginning of 2023)	(2)	
Hourly Employees to Account For	25	
Total to Account For	41	

Shelby Energy Cooperative

As of 09/01/2023

	Position	Count
Salary Employees	CEO	
	CFO	
	SR. VP Power	
	Dir. I/T	
	Dir. Comm.	
	Mgr. Billing	
	Mgr. Engineering	
	Oper. Mgr.	
	Cont. Res. Mgr.	
	System Eng.	
	Staking Eng.	
	Staking Eng.	
	Joint Use Coord.	
	Dispatch	
	Dispatch	
	GIS (Open)	
		16
Hourly Employees	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman	
	Lineman (Open)	
	Lineman(May not replace)	
	General Accountant	
	Accounting Clerk	
	P/R Benefits Admin.	
	CSR	
CSR		
CSR		
CSR Open		
CSR PT (Will not fill)		
Material Tech		
Enginerring Tech PT		
		25
Total Accounted For		41

AGREEMENT

BETWEEN

SHELBY ENERGY COOPERATIVE, INC.

AND

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL
UNION 2100**

EFFECTIVE DATES: September 2, 2021, through September 1, 2024

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AGREEMENT

THIS AGREEMENT, made and entered into as of this _____ day of _____ 2021, by and between SHELBY ENERGY COOPERATIVE, INC. (hereinafter referred to as the "Cooperative"), and INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION 2100 (hereinafter referred to as the "Union").

ARTICLE 1

PREAMBLE

Statement of Principles and Union Responsibilities

The Union recognizes the responsibilities imposed on it as the bargaining agent for the employees covered by this Agreement and realizes that in order to provide maximum opportunities for continuing employment, good working conditions and good wages, the Cooperative must be in a strong marketing position, which means that it must provide quality services to its customers at the lowest possible costs and otherwise be able to operate its business efficiently, economically and competitively. The Union assumes its full responsibility in the attainment of these goals. The Union therefore agrees that it will cooperate with the Cooperative and support its efforts to assure a full day's work on the part of employees and require employees to recognize and abide by the rules and regulations, board policies and operating procedures established by the Cooperative. The Union will actively work to avoid absenteeism and any other practices which hurt or interfere with production and the efficient operation and management of the Cooperative in its efforts to operate and manage the business covered by this Agreement as efficiently and economically as possible, improve services and products, preserve equipment, prevent accidents and strengthen good will between the Cooperative and its employees, as well as with its suppliers and customers. The Union further recognizes that the

Cooperative has certain definite and stringent obligations and responsibilities to its customers and suppliers and the Union agrees that it will fully cooperate with the Cooperative in the performance and discharge of these obligations and responsibilities. The Cooperative recognizes its responsibilities to the Union and employees and herein pledges to cooperate with the Union and strive toward a harmonious relationship between labor and management of the Cooperative.

ARTICLE 2

RECOGNITION

The Cooperative recognizes the Union as the exclusive bargaining representative for all full-time and regular part-time employees employed by the Cooperative at its Shelbyville, Kentucky, facility, including the Crew Leaders, Lead Line Technicians, Line Technicians, Apprentice Line Technicians, Material Technician/Warehouse employees, but excluding all other employees, confidential employees, clerical employees, managers, guards and supervisors as defined by the National Labor Relations Act, as amended. It is the intention of the parties hereto that the bargaining unit covered by this Agreement shall be as established by the National Labor Relations Board in its "Certification of Representative" in Case No. 9-RC-18225, and this Article is included herein solely for the purpose of discharging the Cooperative's obligation under the law to recognize the Union.

ARTICLE 3

MANAGEMENT PREROGATIVES

The operation, control and management of the Cooperative's facilities and operations, and all business and activities of the Cooperative in connection therewith which are covered or affected by this Agreement, and the supervision and direction of the working forces at such facilities, operations and business are and shall continue to be solely and exclusively the functions and prerogatives of the management of the Cooperative. All of the rights, functions

and prerogatives of management which the Cooperative had prior to entering into this Agreement with the Union are reserved and retained exclusively to the Cooperative and shall not be questioned by the Union or any employee covered by this Agreement at any time or in any manner. In no event shall any right, function or prerogative of the Cooperative ever be deemed or construed to have been modified, diminished or impaired by any past practice or course of conduct, or otherwise, than by an explicit provision of this Agreement. Specifically, but without limiting or affecting the generality of the foregoing, it is distinctly understood and agreed that this Agreement does not affect and shall not be deemed or construed to impair or limit in anyway the Cooperative's right in its sole discretion and judgment, to determine the nature and extent of the business to be carried on by the Cooperative; determine the suppliers and customers with whom it will deal, and the prices at which and terms upon which its materials, equipment and supplies will be purchased, leased or otherwise acquired and its services and products will be sold; determine the size and composition of the working force covered by this Agreement, and assignment of work, and policies affecting the selection of employees; establish and enforce quality, production, construction and service standards for its employees, services and products; establish new departments; discontinue existing departments; introduce new and improved equipment, facilities and service methods; establish and change production and work performance standards; change, combine, establish or discontinue jobs or operations, set wage rates for such jobs or operations, and determine when and if vacancies in the working force shall be filled; determine the means and methods by which production and services will be made; determine the hours of operation; subcontract or procure from others any work of the business as the Cooperative may from time-to-time deem advisable or necessary, whenever and as often as, and to such extent as the Cooperative may deem necessary and advisable; and discontinue temporarily or permanently, in whole or in part, any operations of the business of the

Cooperative covered or affected by this Agreement. The Cooperative shall also have the right from time-to-time to make and enforce such reasonable rules applicable to employees covered by this Agreement, including rules concerning health and safety, alcohol and substance abuse, and to enforce, change, abolish or modify existing rules applicable to employees covered by this Agreement, as it may from time-to-time deem necessary or advisable, except as specifically limited herein.

ARTICLE 4

SUBCONTRACTING

It is understood by the Cooperative and the Union that, for the Cooperative to satisfy the demands of its customers and to successfully operate the business, contracting and/or subcontracting of work is necessary from time to time. It is therefore agreed by the Union that the Cooperative may, within its exclusive discretion, engage contractors for all construction, delivery, service and operations functions, and any and all other functions which it, in its exclusive discretion, deems necessary or desirable, with the exception that the Cooperative will not use this subcontracting clause to subcontract work while any employee who is fully qualified and capable of performing such work has any recall right, except in the case of an emergency. Subcontracting of work will not cause the direct layoff of bargaining unit employees. The exception in the preceding sentence shall not prohibit the Cooperative from subcontracting work to be performed by an employee recalled from layoff pending the employee's return to work from recall. Finally, neither this subcontracting provision nor any other provision of this Agreement shall limit, restrict, or prohibit the Cooperative from subcontracting or continuing to subcontract any work the Cooperative subcontracted prior to the execution of this Agreement.

ARTICLE 5

DISCIPLINE AND DISCHARGE

SECTION 1.

The Cooperative shall have the right to discipline and discharge employees during their probationary period without cause and without recourse by the Union or by such probationary employee to the grievance procedure of this Agreement.

SECTION 2.

Discipline and discharge of employees will be at the sole discretion of the Cooperative. However, such discipline and discharge will only be administered for just cause (which shall include the "Rules of Conduct" adopted and implemented in accordance with Article 3 of this Agreement.)

SECTION 3.

It is agreed that in the event an employee is given any disciplinary action, including a warning notice, one (1) copy of the warning notice will be given to the employee, one (1) copy will be sent to the Union Office and one (1) copy will be retained in the employee's personnel file. A warning notice or notices for any cause may constitute a basis for discharge for any subsequent infraction and it is understood and recognized by the parties hereto that certain infractions, including those specified in Section 2 of this Article, may, at the Cooperative's sole discretion, result in immediate discharge without warning. It is further understood and recognized that in any event the Cooperative may, in its sole discretion, discharge an employee who receives three (3) warning notices for any cause or combination of causes in a rolling twelve (12) month period.

SECTION 4.

Apprentice Employees: For the purposes of the Agreement, an apprentice may be terminated, without recourse, for the following reasons:

1) The employee fails to complete the Apprentice Lineman training and obtain the job classification of a qualified Journeyman Lineman (Line Technician) within the designated time as determined by the Cooperative; or

2) the Safety Committee informs the CEO that the employee is unable or unwilling to carry out the field portion of their duties in an acceptable manner. Any Apprentice Line Technician serving on the Safety Committee will not participate in any review process.

ARTICLE 6

VOLUNTARY UNION MEMBERSHIP AND CHECKOFF

SECTION 1.

All present and future employees of the Company covered by this Agreement on the date of execution of this Agreement shall have the right to remain, but shall not be required to remain, members of the Union. All employees covered by this Agreement who are hired after the date of execution of the Agreement shall have the right to become but shall not be required to become members of the Union.

The parties agree that if, during the term of this Agreement, KRS 336.130(3) (“Kentucky Right to Work Act”) is repealed, in its entirety, by the Commonwealth of Kentucky, if a new public act invalidates KRS 336.130(3), if it becomes unenforceable in any way, or if the language contained in the agreement expiring September 1, 2018 becomes lawful for any other reason, the language of the agreement expiring September 1, 2018 shall replace the current language without need for any bargaining.

SECTION 2.

Thirty-one (31) days after the effective date of this Agreement, the Union shall furnish to the Cooperative a true and correct list of those employees covered by this Agreement who are members of the Union.

SECTION 3. Checkoff.

The Cooperative agrees to deduct each month, from the paychecks of all employees who are covered by this Agreement, all periodic dues and initiation fees owing to the Union by the employees, provided, however, that such employees shall have voluntarily signed and submitted a written authorization which shall conform to and be in accordance with all applicable Federal and State laws.

All monies deducted by the Cooperative shall be forwarded to the Business Manager/Financial Secretary of the Union.

It is understood and agreed that any monies collected by the Cooperative for the Union will be taken out of the paycheck for the first pay period of the month and remitted to the Union before the 30th day of the same month.

The Cooperative will recognize authorizations for deductions from wages, if in compliance with State and Federal law, to be transmitted to the Union. No such authorization shall be recognized if in violation of State or Federal law. No deduction shall be made which is prohibited by applicable law. This provision is subject to whatever shop rule is promulgated by the Cooperative with respect to garnishments or other wage deductions.

SECTION 4.

If for any reason an employee does not work during the first pay period of any month in which the checkoff is made, the Cooperative shall make deductions for the above purpose from such employee's wages out of the next succeeding pay period in which he works.

SECTION 5.

It is understood and agreed that the Cooperative shall not be obligated or required to discharge an employee for failure to make payments.

SECTION 6.

In consideration of the adoption by the Cooperative of the Union Security and Voluntary

Checkoff provisions, the Union agrees to indemnify and hold the Cooperative harmless from and against any and all liability, loss, cost, damage, of every kind suffered, incurred or imposed upon the Cooperative because of any claim, demand, action, unfair labor practice charge, or any other legal or administrative proceedings, including attorney's fees and court costs, because any employee is discharged or other action taken, as a result of the provisions of this Article.

ARTICLE 7

NO STRIKE-NO LOCKOUT

The Union and employees agree that during the term of this Agreement neither the Union, its officers, agents or members shall authorize, instigate, aid, condone or engage in any work stoppage, strike of any kind or description, including so-called sympathy strikes, or otherwise interrupt, impede or restrict services of the Cooperative or engage in any activity which would tend to cause an interruption or delay in the accomplishment of the work and business of the Cooperative.

The Union and employees further agree that during the term of this Agreement the Union, its officers, agents or members will not honor or recognize any picket line or picketing in any form, including recognition of picket lines or picketing out of so-called sympathy, by any union at the Cooperative, or any facility or operation of the Cooperative, regardless of where it is located. Any employee who engages in any conduct prohibited by this Section, or who fails or refuses to comply with any provision of this Section, shall be subject to appropriate discipline, including discharge by the Cooperative. Further, the Cooperative shall be under no obligation to bargain with the Union concerning employees who are on strike or concerning the subject of any strike so long as the strike continues.

The Cooperative shall not lock out members of the Union during the term of this Agreement.

Nothing in the Article will require an employee to endanger Cooperative equipment, property or the employee's personal safety, however, if an employee believes the Cooperative's equipment, property or their personal safety are threatened, they must notify the Cooperative and the local law enforcement officials immediately. Failure to give such notices will be conclusively presumed to prove that no such threat existed, and the employee will be disciplined or discharged as set out above, with no recourse.

ARTICLE 8

PROBATIONARY EMPLOYEES

All new or rehired employees shall be placed on probation and shall be classified as temporary help during the first one hundred twenty (120) actual working days actually worked of their employment with the Cooperative. During such period the Cooperative may discharge or otherwise discipline, lay off, transfer or assign such employees with or without cause, and such actions shall not be subject to the grievance procedure.

If the new or rehired employee will be participating in the apprenticeship program, they shall start their Training Books and the Apprenticeship Program no later than 120 days from their hire date.

Probationary employees who complete their probationary period will be classed as regular employees and their date of hire shall be from the first day of hiring.

ARTICLE 9

HOURS OF WORK AND OVERTIME

SECTION 1.

A full-time employee's regular work week shall be forty (40) hours, Monday through Friday, 7:00 a.m. to 3:30 p.m. subject to change by the Cooperative when, as determined at the sole discretion of the Cooperative, requirements dictate—but after notice to the Union-- but shall not be less than eight (8) hours, excluding a maximum thirty (30) minute lunch break. If the

Cooperative determines a schedule change is necessary, the Cooperative and the Union agree to re-evaluate the situation no more than every thirty (30) days. The lunch break includes travel to the place where lunch is purchased and travel to return to the work site. In addition, employees shall receive two (2) fifteen (15) minute breaks during a full eight (8) hour shift. The Cooperative retains the sole discretion to determine when any employee(s) shall take his breaks. Employees may be required to leave work prior to the end of their shift in the case of strikes or other work stoppages, disciplinary suspension of an employee, acts of God. In such event, the employee shall only be compensated for the hours they were initially scheduled to work.

SECTION 2.

Overtime shall be paid for all hours actually worked in excess of eight (8) in a workday or forty (40) hours in any one (1) work week at the rate of one and one-half (1½) times the employee's regular straight-time hourly rate (only paid holidays, jury duty, bereavement leave and vacation days shall count as time worked for the purposes of over-time pay). Overtime under this Section shall be computed on a weekly (Sunday through Sunday) basis. There shall be no pyramiding of overtime or any premiums.

Employees shall be paid at the rate of one and one-half (1½) times their regular straight-time hourly rate for all hours worked on Saturday, so long as the employee has previously actually worked a minimum of forty (40) hours during such week, except as set out above.

Employees will be paid at the rate of one and one-half (1 ½) times their regular straight-time hourly rate for all hours actually worked when performing work for other electric utilities. Employees will be paid at the rate of **two (2) times** their regular straight-time hourly rate for all hours worked in excess of sixteen (16) consecutive hours in a work day and for work performed **on Sunday.**

SECTION 3.

If an outage occurs that in the opinion of management is considered a major outage situation or has been declared as such by either a County or State official, employees may be authorized by management to work up to a maximum of twenty-four (24) hours straight from their first call-out. At no time will employees work beyond sixteen (16) hours without prior authorization by management.

All employees will then be given a minimum rest period of eight (8) hours. If said rest period falls within the normal workday, (Monday-Friday, 7:00 a.m. to 3:30 p.m.), the employees will be paid at their regular straight-time pay rate.

After the initial twenty-four (24) hour work period, employees will be put on a schedule of sixteen (16) hours worked followed by eight (8) hours of rest. Employees returning from the rest period will start at the straight time pay rate unless the start time is outside the regular workday hours as defined in Article 9, Section 1.

The Cooperative has the right to start employees on rest time prior to completing twenty-four (24) hours of work and may extend the rest period beyond eight (8) hours to ensure that employees are rested and available throughout the duration of the outage. Employees have the right to request, and will be granted, rest time prior to working twenty-four (24) hours. At no time will employees work beyond sixteen (16) hours without prior approval by management.

ARTICLE 10

DUTY AND CALL-OUT PAY

SECTION 1.

The daily call-out rotation will consist of two (2) employees and will be posted yearly. These two (2) employees will be available and will be called on every call-out. If additional help is required, the employees on the over-time list will be called in order of ascending over-time hours (lowest first, etc.) until such time as the required help is obtained.

SECTION 2.

Employees required to work between the hours of 12:00 a.m. and 5:00 a.m., Monday through Friday, shall be granted equal hours in rest time based on the hours actually worked within that time frame. Rest time is to be taken during normal work hours and at the end of the work day or as approved by management. If the employee is called to work at 5:00 a.m. or later, the employee shall not be granted rest time during their normal shift.

If an employee has a company vehicle and is assigned rest time at the beginning of the work day, the vehicle must be returned to the Cooperative prior to the beginning of that work day.

If an employee accumulates four (4) hours or more of rest time for any given day and wants to take additional time off to complete that work day, the employee can use available vacation leave or sick leave time. If an employee accumulates less than four (4) hours of rest time for any given day and wants to take additional time off to complete that work day, the employee can use available vacation leave.

Employees eligible for the rest period shall not be called out again until the completion of their rest period.

Work shall be defined as actual time working, the two (2) hours for call-out time is not considered into the calculation of hours worked unless the full two (2) hours were actually worked.

SECTION 3.

If an employee is paid for rest time during regular work hours and requests to use a portion of sick or vacation leave to complete the workday but fails to report on call-out when contacted afterwards, up to four (4) hours of the regular shift, the employee shall forfeit the sick leave or vacation and shall be charged unpaid leave unless planned sick leave or vacation is scheduled or the employee makes a doctor's visit and provides a written doctor's excuse to his/her supervisor when reporting to work the following workday.

SECTION 4.

The over-time list will be updated at the end of each calendar month. Employees on the call-out roster shall receive one (1) hour of pay at time and one-half (1 ½) their regular rate of pay for actually serving call-out duty for each day served.

SECTION 5.

The employee is responsible for covering their scheduled days of duty or may trade duty. The duty must be traded equally; one (1) day for one (1) day. Traded duty between employees is the responsibility of those employees and the duty must be covered by each employee as traded.

Prior notice to and written approval from management is required for an on-call employee to trade on-call duty days. The employee requesting the trade, must work the on-call duty days(s) for which they have traded.

SECTION 6.

A substitute bargaining unit employee will be assigned by the Cooperative for on-call duty when the regularly scheduled employee is on unplanned sick leave. When the regularly

scheduled employee with assigned duty is taking a full work week of vacation, that duty will be owned by the employee and must be worked unless reassigned by the employee based on the following:

- a) If a holiday falls within the week of vacation, it will be considered a full work week.
- b) The duty may be traded in accordance with Article 10 Section 5.
- c) The duty may be given to another qualified employee by utilizing the current

month's low overtime list applicable to the date of vacation. Prior notice to and written approval from management is required.

SECTION 7.

When an employee has completed his regularly scheduled workday, left the Cooperative's headquarters and in route to his home, but is called in to report to work more than two (2) hours prior to the beginning of his next regularly scheduled shift, he will be guaranteed two (2) hours work at his regular over-time hourly rate of pay. During this two (2) hour period the employee must respond to any re-callouts by the Cooperative. There will be no overlap of the two (2) hour minimum or overtime pay by any employee. If an employee has not left the Cooperative's headquarters, the time worked will be paid as regular overtime and not be classified as "call-out" duty. An employee shall not be required to remain longer than the time required to perform the emergency work existing during the period of such call-outs.

Any work assigned before the end of a regularly scheduled workday will be considered regular overtime and will not be subject to the minimum two (2) hour callout provision. If however, the Cooperative determines the rotation system is not efficiently or effectively covering call-out sufficiently or maintaining a balance in the overtime hours, then the Cooperative shall have the right to change from the rotation system.

SECTION 8.

Employees on vacation will only be called out after the Cooperative has made an effort to call out all other employees. Such employees will not have vacation time charged for the hours worked during scheduled vacation.

ARTICLE 11

WORK ASSIGNMENTS

Notwithstanding any of the provisions of this Agreement, there shall be no limitation or restriction upon the nature, extent and kind of work which employees who are not covered by this Agreement may perform, nor shall there be any limitation or restriction as to the times or occasions on which employees who are not covered by this Agreement may perform such work. Neither shall there be any limitation or restriction upon the nature, extent and kind of work which employees in the bargaining unit may be required to perform, nor shall there be any limitation or restriction as to the time or occasions on which bargaining unit employees shall be required to perform any work in a safe manner.

ARTICLE 12

GRIEVANCE PROCEDURE

SECTION 1.

A grievance, as referred to in this Agreement, is a dispute arising out of the interpretation or application of any one or more specific provisions of this Agreement. A written grievance must designate the specific provision(s) alleged to have been violated. No grievance alleging general violation of the Agreement or Articles of the Agreement will be accepted or processed by the Cooperative. Such grievance will be void and not subject to further processing or appeal.

Grievances shall be processed in accordance with the procedures set forth below.

STEP 1. The aggrieved employee shall present his grievance in writing to his immediate supervisor within four (4) days after the cause of such grievance becomes known or could reasonably be expected to have been known. If he so desires, the aggrieved employee may be accompanied by his Union Steward.

STEP 2. If the grievance is not settled in Step 1, it may be appealed by the employee within three (3) working days to the President and CEO (or designated representative in event of absence), who shall meet with the Union's Business Representative and the aggrieved employee. The President and CEO (or designated representative in event of absence) will give a written answer to the grievance within thirty (30) days of the initiation of Step 2 by the Union.

STEP 3. If the grievance is not satisfactorily settled in Step 2 and if the grievance is otherwise arbitrable under this Agreement, it may be referred to arbitration in strict accordance with the provisions of this Agreement pertaining to arbitration, provided that if the Union fails to notify the Cooperative in writing by Registered Mail within ten (10) days after the Cooperative gives its answer in writing to a grievance at Step 2 of the grievance procedure of the Union's desire to arbitrate the grievance, then the Union shall be conclusively presumed to have accepted the Cooperative's answer and said grievance shall not thereafter be arbitrable.

SECTION 2.

The grievance procedure is subject to the following rules and conditions:

- (a) A settlement satisfactory to the Union at any step in the grievance procedure shall be binding on it and the employee or employees making the complaint.
- (b) Saturdays, Sundays and holidays are excluded in computing the time limits specified in this Article.
- (c) All meetings conducted pursuant to the provisions of Step 1 and Step 2 of this

Article shall be conducted at times when the aggrieved employee and others, including the Steward, are not regularly scheduled to work or at a time mutually agreed to between the Cooperative and the Union. Neither party shall have more than a total of three (3) persons present, including the aggrieved employee, except, by mutual consent, the parties may agree to a greater number.

(d) Employees will not leave their work to investigate, present or discuss grievances.

(e) This grievance procedure constitutes the sole and exclusive means of resolving controversies. Pending the raising, processing and/or settlement of a grievance, all employees will continue to work in a normal manner, and there shall be no slowdown, stoppage or other interference with work or operations as discussed and set forth in the Article of this Agreement entitled "No Strike - No Lockout."

(f) Infrequently, due to the nature of the subject matter, the Cooperative or the Union may request that Step 1 of the grievance procedure be waived. In such cases Step 1 of the grievance procedure may be waived provided there is mutual agreement by the Cooperative and the Union to do so.

(g) Any time the Cooperative offers a settlement with regard to any grievance, there will be a Union Official present. "Union Official" shall mean the employee's Steward or the Union's Business Manager.

(h) Any grievance of any kind which has been presented under the grievance procedure set forth herein which is not appealed to the next step within the applicable time specified above and any grievance which has not been presented under the grievance procedure set forth herein within the time period for presentation of grievances shall be considered settled and shall not be subject to further discussion or appeal.

SECTION 3.

The Cooperative shall not be required or obligated under the terms of this Agreement or otherwise to submit to the grievance procedure any claim or cause of action which it may have or assert on account of any alleged violation of this Agreement by the Union or any employee or employees covered by this Agreement.

SECTION 4.

No grievance may be filed or considered which is based in whole or in part on an occurrence happening prior to the execution of or after the term of this Agreement. A grievance which is timely filed over an issue which occurred before the Agreement expired will be processed as though the Agreement were still in effect.

SECTION 5.

The provisions of this Agreement covering grievance procedure and arbitration are completely unrelated to and independent of the provisions of the Article of this Agreement entitled "No Strike – No Lockout" clause. In the event the Cooperative claims that a grievance filed hereunder is not arbitrable, whether or not such claim be ultimately sustained, such claim shall not in any way affect or excuse the Union or any employee or employees covered by this Agreement from the provisions of the Article entitled "No Strike – No Lockout" and their respective obligations and duties thereunder.

SECTION 6.

In the event any grievance which is otherwise arbitrable under the terms of this Agreement shall be arbitrated, selection of an arbitrator shall first be attempted by the Union and the Cooperative attempting to agree on an arbitrator, and, if they cannot agree upon a selection, the Federal Mediation and Conciliation Service shall be asked to furnish a panel consisting of at least seven (7) names of arbitrators. One person selected by the Union and one person selected

by the Cooperative shall select a single arbitrator from the panel by alternately striking a name until such time as only one (1) name remains. The Cooperative and the Union will alternate in striking the first name from the list. The Cooperative will strike the first name in the first arbitration case and the Union will strike the first name in the second arbitration case, etc. The Cooperative and the Union shall each have the right to reject one (1) panel.

SECTION 7.

No more than one grievance shall be submitted to any one arbitrator unless the Cooperative and the Union agree otherwise in writing. The Arbitrators selected shall have power to receive relevant testimony from the parties to the dispute and hear such witnesses as they may desire to present. The parties may, if they so desire, be represented by counsel in all proceedings held before the Arbitrator. The Cooperative shall bear the costs of preparing and presenting its case to the Arbitrator and the Union shall bear the costs of preparing and presenting its case to the Arbitrator. All other expenses of arbitration, such as, but not limited to the Arbitrator's fee, and the hiring of a space in which the arbitration proceedings are held, shall be divided equally between the Cooperative and the Union.

SECTION 8.

The function of the Arbitrator shall be of a judicial, rather than a legislative, nature. The Arbitrator shall not have authority to add to, ignore or modify any of the terms or provisions of this Agreement. The Arbitrator shall not substitute his judgment for the Cooperative's judgment and where matters of judgment are involved he shall be limited to deciding whether or not the Cooperative acted arbitrarily, capriciously or in bad faith. The Arbitrator shall not decide issues which are not directly involved in the case submitted to him. In any discharge or disciplinary suspension case where the Arbitrator decides that the aggrieved employee should be awarded any back pay, the Cooperative shall be entitled to full credit on such awards for the employee's

gross interim earnings, unemployment compensation benefits, worker's compensation benefits received or receivable and any other compensation he receives from any form of employment during the period he was not working for the Cooperative. Subject to the foregoing qualifications and limitations, the Arbitrator's award shall be final and binding upon the Cooperative, the Union and the aggrieved employee or employees.

SECTION 9.

Only the Union shall have the right to prosecute grievances under this Agreement and only the Union shall have the right to take to arbitration any grievance which is otherwise arbitrable under this Agreement. If the Union fails, refuses or declines to prosecute a grievance on behalf of an employee, or on behalf of a group of employees hereunder, such employee or employees who filed such grievance or on whose behalf it has been filed shall be conclusively bound thereby and both the Union and the aggrieved employee or employees shall thereafter be prohibited from reviving or further prosecuting said grievance.

ARTICLE 13

PAY PERIOD

Shelby Energy employees will be paid every other Friday ("Pay Day") for regular hours, and any overtime hours, worked through 12:01 a.m. the Monday immediately prior to the Pay Day. When a Pay Day falls on a holiday, employees will be paid the day prior to the Pay Day. Should the day prior to the Pay Day also be a holiday, the employees will be paid on the Monday following the Pay Day.

ARTICLE 14

ASSIGNMENT OF OVERTIME

Overtime work shall be assigned to the employee(s) where the overtime exists. The duty crew and those employees currently working overtime will be utilized to assist the duty crew.

All other overtime assignments shall be determined by an established on-duty roster and/or overtime list with the understanding that during major outage or emergency situations, all Cooperative personnel, contractor employees or mutual-aid assistance from other cooperatives may be utilized to serve the members of the Cooperative. The Cooperative will endeavor to divide overtime work within a classification equally. In order to assist management in equalizing overtime, the on-duty roster and current overtime list will be used for Scheduled Overtime and an Out of Town Overtime roster will be utilized for out of town work.

ARTICLE 15

RATES FOR NEW JOB CLASSIFICATIONS

Recognizing that during the term of this Agreement the Cooperative may install new equipment or change work methods resulting in the creation of new job classifications, the Cooperative shall establish rates for such new classifications in line with the Cooperative's wage scale for like work and notify the Union's representative in writing. If after ten (10) days the Union does not question the rate established for the new classification, it shall become the established rate for the job.

ARTICLE 16

INSPECTION PRIVILEGES

The Local Union Business Manager or designated representative of the Union, the name of whom shall be furnished to the Cooperative in writing, shall have access to the Cooperative's establishment during working hours for any legitimate purpose in connection with the administration of this Agreement, provided he notifies the President and CEO (or designated representative in event of absence) of the Cooperative beforehand and obtains permission. The Cooperative will not unreasonably withhold such permission. The Union hereby agrees that its agents and representatives will not cause any interruption of the Cooperative's working schedule

or interfere with the work of employees or otherwise abuse these visitation privileges when on its premises. Union representatives will follow the procedures of other visitors to the Cooperative and sign in at the reception area and be accompanied by a management employee or other designated representative while on Cooperative property. In the event of a change of agents, the Cooperative will be immediately notified in writing.

ARTICLE 17

SENIORITY

SECTION 1.

Seniority of employees covered by this Agreement shall be determined by the Cooperative on the basis of length of continuous service with the Cooperative from the last date of hire.

SECTION 2.

An employee's seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall apply in the case of layoff, recall from layoff, and promotions. It is agreed that in the case of layoff no employee, regardless of his seniority, may displace any other employee unless he is at that time able to perform the work of the employee being displaced to the satisfaction of the Cooperative. An employee who displaces another employee pursuant to the provisions of this Section shall be paid at the hourly rate of pay for that job classification as set forth in Appendix A. When the working force is being increased after a layoff, the Cooperative will apply the same standards as it originally applied for layoff when the employees are being recalled. The Union shall possess the right to grieve and/or take to arbitration the issue of whether the Cooperative has acted arbitrarily, capriciously, or in bad faith in its application of the above factors.

SECTION 3.

When there is to be a reduction/layoff in the workforce, the Cooperative will notify the Union as to the classification(s) and number of employees to be affected. All probationary, seasonal, part-time, and casual employees shall be laid off before any employees who have established seniority are affected.

SECTION 4.

The Cooperative will, when it determines it to be practicable, give employees one (1) week notice prior to layoff.

SECTION 5.

Seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall be the controlling factors in promotion of employees, and where in the Cooperative's exclusive judgment, these factors are equal between two (2) or more employees, seniority will control.

SECTION 6.

All job vacancies in jobs which the Cooperative decides to fill will be posted for bid for at least ten (10) full working days. Until the Cooperative has selected an employee to regularly fill such job vacancy, the vacant job may be filled in any manner the Cooperative sees fit. The Cooperative will take final action with respect to all job openings within two (2) weeks after the posting is taken down. Employees shall be permitted to bid on jobs even if in a lower classification and shall accept the applicable pay scale and a successful job bidder shall not thereafter bid for any other posted job for six (6) months. If no employee in the unit who bids on the job is selected, using the criteria set out in this Sections 5 and 6, then the Cooperative may hire a new employee(s) from outside the work force.

If the Cooperative creates more than one (1) reporting location, there will be no bidding within the Apprentice, Crew Leader, Lead Line Technician Line or Material/Warehouse classifications, unless the employee lives or commits to relocate within fifteen (15) miles of such location. Such relocation must occur within six (6) months of being awarded the job and, if not, the employee will be removed from that job.

The progression within the Line classifications will be as follows:

Apprentice-Level 1

Apprentice-Level 2

Apprentice-Level 3

Apprentice-Level 4

Line Technician

Lead Line Technician

Crew Leader

Promotion from level-to-level within the Apprentice classification and to Line Technician, Lead Line Technician and/or Crew Leader will be at the sole discretion of the Cooperative.

SECTION 7.

An employee shall lose his seniority and his status as an employee shall cease for any of the following reasons:

- (a) If an employee quits or is discharged.
- (b) If an employee is in layoff status for more than six (6) months.
- (c) If an employee, after having been laid off, when notified of recall by the

Cooperative by certified mail sent to the employee's last address appearing on the Cooperative's records, fails by the end of the seventh (7th) day following the day of receipt of such notification to notify the Cooperative of his/her acceptance and intent to return to work, or such employee

fails to report for work on or before the beginning of the fourteenth (14th) calendar day following the day the employee received the Company's notification of recall. It shall be the employee's responsibility to keep the Cooperative informed of his/her current address.

(d) If an employee is absent from work for one (1) day without reporting to the supervisor before the regular workday begins, unless prevented from doing so because of being hospitalized or physically unable to do so. The burden of proving such circumstances existed is on the employee making the claim. Progressive discipline will be administered beginning with a (1) written warning; (2) a three (3) day suspension without pay, and (3) discharge. Discipline will be administered on a rolling twelve (12) month basis.

(e) If an employee has retired.

SECTION 8.

Seasonal, temporary, part-time and casual employees are excluded from the bargaining unit covered by this Agreement and are not entitled to any of the benefits and privileges provided for in this Agreement.

SECTION 9.

If, and when, employees in the bargaining unit covered by this Agreement are promoted or transferred to jobs outside the bargaining unit they will retain and accumulate seniority for a period of twelve (12) months, during which period such employees will have the right to return to a job in the bargaining unit, provided they have the seniority to do so and a bargaining unit job is open and available. At the end of said twelve (12) month period, if the employee remains in the job outside of the bargaining unit, he will lose all seniority rights under this Agreement.

SECTION 10.

A seniority list shall be made up by the Cooperative within thirty (30) days after the date this Agreement becomes effective. A copy shall be furnished to the Business Manager or his

designee and a copy posted on the Union Bulletin Board. This list shall be open for correction for a period of thirty (30) days thereafter and if an employee does not make a protest in writing to the Cooperative, with a copy to the Union, within such thirty (30) day period after the posting of such list, his seniority shall be brought up-to-date on January 31 of each year thereafter.

SECTION 11.

In the event a job vacancy is posted, in accordance with Section 6 of this Article, and no employees bid on the job and the Cooperative decides not to fill the vacancy by hiring a new employee from outside the work force, then the Cooperative may assign employees to the position on a permanent basis. Such assignment will be by seniority within the classification involved, with the least senior employee(s) being required to perform that job.

SECTION 12.

If it is necessary for an employee to perform work in a higher rated classification for a period of five (5) consecutive days or less, excluding holidays then the Cooperative will upgrade the willing qualified senior employee on the crew.

If it is necessary for an employee to perform work in a higher rated classification for a period of more than a five (5) day period, the Cooperative will assign the willing qualified employee.

If it is necessary for the Cooperative to fill a vacancy due to a short notice request or call in with less than twenty-four (24) hour notice, Management has the sole discretion to fill that vacancy with a qualified employee.

ARTICLE 18

MEDICAL AND BEREAVEMENT LEAVE

SECTION 1.

“Leave,” as that term is used in this Agreement, shall mean time off taken by an employee who has accumulated leave time for purposes of bereavement, illness or other medical condition,

including maternity, and shall be used only as provided in this Article.

SECTION 2.

Sick Leave shall be earned and taken in accordance with Board Policy No. 905, except employees are not eligible for sick leave until they have completed one hundred twenty (120) actual working days of employment, actually worked.

Regular, full-time employees shall be awarded sick leave at the rate of eight (8) hours per month at the end of the month and may accumulate an unlimited amount of sick leave to help guard against prolonged illness or injury. Sick leave will be awarded during all periods of leave except during periods of leave without pay.

In the event of death occurring within the employee's immediate family, up to four (4) days personal absence with pay will be granted for bereavement. The absence will not be charged against sick leave. Any additional time off will be charged against the employee's sick leave or vacation leave, as designated by the employee. The employee must notify their manager as soon as possible of the need for funeral leave.

In the event of the death of an aunt, uncle, niece or nephew, full-time employees will be allowed one (1) day absence with pay for bereavement. The absence shall not be charged against the employee's sick leave. Any additional time off will be charged against the employee's sick leave or vacation leave, as designated by the employee. Employee must notify their manager as soon as possible of the need for funeral leave.

SECTION 3.

To receive compensation under this Article, before his/her shift begins, an employee must notify his immediate supervisor of the necessity for absence, except in the rare instances when the employee is completely physically unable to give the required notice (i.e., unconscious or totally incapacitated). To receive compensation for planned, non-emergency, sick leave under this Article and to accommodate the planning of work and service to customers, an employee must notify

his/her immediate supervisor as soon as possible after the employee has scheduled such sick leave.

An employee who has been absent from work for three (3) consecutive workdays because of illness or accident must notify and advise his supervisor in writing regarding the anticipated duration of his/her continued absence. Such written notice must be from the employee's attending physician.

SECTION 4.

Any employee found to have falsified the reason for leave or who has abused the leave provision by falsification or misrepresentation shall, in the Cooperative's sole discretion, thereupon be subject to disciplinary action, including discharge. In addition, such employee will restore to the Cooperative amounts paid to him to which he was not entitled.

ARTICLE 19

JURY DUTY

An employee who is required to serve and perform jury duty shall be compensated at his regular straight-time hourly rate by the Cooperative for a maximum of thirty (30) regularly scheduled workdays (up to a maximum of eight (8) hours per workday) per year on a rolling twelve (12) month basis. Any amount received as juror's fees by an employee performing jury duty and being compensated under this Article shall be tendered and released to the Cooperative. To receive compensation under this Article, an employee must provide to the Cooperative valid proof of such jury duty and the amount received as juror's fees. Whenever the employee is temporarily excused from such jury duty by the Court on a scheduled workday he shall advise his immediate supervisor as promptly as possible and report to the Cooperative and stand ready to work immediately if requested by the Cooperative. The receipt of notice to report for jury duty must be reported immediately to the employee's immediate supervisor.

ARTICLE 20

MILITARY SERVICE

Employees inducted into the Armed Forces of the United States shall be re-employed according to the provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended (VEVRA), and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA). Any and all benefits under this Agreement which require working as a condition of earning such benefits and such other benefits as health, medical and other insurance shall not be due to such employees, unless specifically required by statute.

ARTICLE 21

HOLIDAYS

SECTION 1.

Employees shall be paid eight (8) hours pay at their regular straight time rate for the following holidays:

New Year's Day	Thanksgiving Day
Martin Luther King, Jr. Day	Friday after Thanksgiving
Memorial Day	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Floating Holiday*

* The "Floating" Holiday is added the first pay period of January for the employee to use as regularly scheduled vacation.

SECTION 2.

To receive holiday pay, an employee must have worked their regularly scheduled hours on the workday immediately preceding the holiday and the workday immediately after the holiday or have either of these days charged to pre-approved vacation, funeral leave, jury duty or authorized

sick leave. To receive authorized sick leave pay and holiday pay, the employee must provide written documentation that the employee was seen and treated by a medical provider (hospital/clinic/physician's office).

SECTION 3.

In addition to the above allowance, an employee will be compensated for hours actually worked on the above listed holidays, except the Floating Holiday, at one and one-half (1 ½) times his regular straight time rate.

SECTION 4.

Holidays falling on Saturday shall be recognized on the previous scheduled workday and holidays falling on Sunday shall be recognized on the following scheduled workday.

SECTION 5.

In the event a holiday falls during an employee's vacation, the employee shall not have vacation time charged for the holiday.

ARTICLE 22

VACATION

The earning, accumulation and scheduling of vacation will be as follows:

- A. New employees, after successfully completing one hundred and twenty (120) workdays of training and continuous employment, will have forty (40) hours of vacation time placed on the books which may be taken thereafter, upon approval of the department manager.
- B. Regular full-time employees earn vacation days as follows, based on their employment date:
 - 1. Ten (10) working days earned per year through five (5) years of continuous service.
 - 2. Ten (10) working days earned per year plus one (1) additional working

day per year added for six (6) through fourteen (14) years of continuous service.

3. The maximum earned vacation, twenty (20) working days, will be earned at fifteen (15) years of continuous service.
4. Vacation is not to be taken during the annual meeting, employee development day, lineman's rodeo, safety day and first aid/CPR training.
5. Cooperative management will retain the official version of the vacation calendar, and a copy of the calendar will be posted in the operations department for easy access by employees.

a.) When employees need to add, cancel or revise vacation days, a *Vacation Request/Change Form* must be completed, signed by the employee and approved with signature by the department manager.

b.) Upon signature approval by the manager, the employees will update the copy of the calendar located in the operations department, and the manager will update the official calendar.

- C. Maximum carryover at the end of the calendar year will be equal to annual vacation earned, plus five (5) working days. Example: An employee who earns twenty (20) working days of vacation may carry over twenty-five (25) working days at year end.
- D. Vacation will be scheduled as follows:
 1. The Union shall provide a holiday rotation roster no later than the 1st of November, annually.
 2. The Cooperative shall provide a duty roster, which incorporates the holiday rotation, no less than one (1) week prior to vacation selection.
 3. Selection of five (5) working days of vacation by each employee based

upon seniority followed by repeated selections until all employees have their planned and/or eligible vacation selected.

2. All vacation planned for the following calendar year will be selected by the 15th of December, annually. All eligible vacation for the following calendar year not selected by the 15th of December will be scheduled based on availability and management approval.
 3. No more than three (3) employees will be permitted to schedule vacation on the same dates.
- E. In the event one of the Cooperative's regularly scheduled holidays falls within the employee's scheduled vacation, such holiday will not be charged against the employee's vacation time.
- F. Employees who have earned twenty (20) working days of vacation per year may take five (5) working days in bonus pay during a designated time in the month of December.
- G. **Vacation leave will be credited and available in total on January 1** of each applicable year based on the years of service the employee will attain that year. While vacation leave is credited on January 1, the leave is earned throughout the year. Any vacation days taken and not earned must be repaid to the Cooperative should the employee separate employment. The Cooperative will deduct any overpayment of vacation from the employees last paycheck.
- H. In the case of a person on compulsory military leave, the numbers of years which determine the vacation earned will continue uninterrupted and the time while on military leave will count toward the number of years of continuous service to determine the amount of vacation earned.

ARTICLE 23

GROUP INSURANCE

SECTION 1.

The Cooperative shall have the right to change insurance carriers or programs at any time so long as the group insurance coverage is not substantially reduced.

SECTION 2.

The contracts between the Cooperative and insurance carriers will govern in all matters related to the insurance plans provided for herein. The exact coverage and the conditions for the coverage of such insurance will be determined by the terms and conditions of the policy or contract, and the Cooperative will not be liable under any circumstances as an insurer of any of the benefits to employees.

SECTION 3.

Any employee covered by this Agreement who is off work for more than six (6) months-- other than for vacation or a leave of absence approved in writing by the CEO of the Cooperative-- will lose entitlement to all benefits provided for in this Agreement and any insurance contributions made by the Cooperative will terminate. In order for any such benefits to continue, the employee, if eligible, will be required to make the contributions previously made by the Cooperative in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, and, if not made by the employee, such benefits will terminate.

SECTION 4.

Employees shall contribute thirteen (13) percent of the total premium for the health insurance provided by the Cooperative for the duration of this agreement.

SECTION 5.

(1) If an employee's spouse is employed by another employer where health insurance is available, then such spouse must obtain health insurance from that employer and it shall be

primary for such spouse. If the spouse is not eligible to obtain the health insurance, under the provisions of HIPPA, at the time the employee is eligible for health insurance under the Cooperative's plan, then upon a certification from the spouse's employer and its health insurance provider (whether insured or self-insured) that the spouse is not eligible under the provisions of HIPPA until a later date, the spouse will be eligible to be covered under the Cooperative's health insurance program until the earliest date on which such employee's spouse is eligible for insurance provided by their employer.

(2) Dependents will be covered by the health insurance of the employee or the spouse with such dependents being covered by the spouse whose Birthday falls earliest in the calendar year.

(3) A spouse who loses insurance from their employer will be added to the Cooperative's health insurance program within (30) days of notice of termination of such coverage.

(4) An employee who has a spouse/dependent covered by the Cooperative's health insurance program shall certify in writing annually, or as determined by the Cooperative, that the spouse continues to be unemployed or is not eligible for health insurance from their employer and dependents are eligible for coverage based on plan requirements.

SECTION 6.

The Cooperative may reopen for negotiations Article 23 of this Agreement with respect to health and medical insurance if Federal or State health care reform legislation is enacted, and if either of the below situations occur:

- (1) Legislation requires the Cooperative to make payments above that required to provide the specified coverage set forth in this Article; or
- (2) The legislation would allow the Cooperative to realize a cost reduction in replacing its current plan with that provided for in such legislation.

ARTICLE 24

PENSION PLAN

SECTION 1.

Employees hired on or before September 2, 2009 shall receive the NRECA Pension Plan. The instruments composing the Pension Plan will govern in all matters related to it. The exact terms and conditions for coverage, retirement, etc. will be determined by the terms and conditions of such instruments and the Cooperative will not, under any circumstances, be liable for any benefits to the employees. New employees hired on and after September 3, 2009 will not be eligible for or participate in such plan.

For the term of this Agreement, the Cooperative shall pay for such employees the full contribution rates (Cooperative and employee contributions) required under the NRECA Pension Plan. The current so-called multiplier will be 1.7. In no case will the Cooperative maintain or provide Pension Plan benefits to employees who have not completed their probationary period.

SECTION 2.

All employees of the Cooperative are eligible to participate in the Cooperative's 401(k) Plan as outlined below:

Employees hired on and before September 2, 2009, that contribute one percent (1%) or more of his/her gross wages, the Cooperative will contribute two percent (2%) of his/her gross wages. Employee's hired on or after September 3, 2009, that contribute one percent (1%) of his/her gross wages, the Cooperative will contribute six percent (6%) of his/her gross wages. Each additional one percent (1%) that is contributed by the employee, the Cooperative will contribute an additional one percent (1%) up to a maximum of twelve percent (12%) match as outlined in the following table:

Employee Contribution (gross wage)	Cooperative Contribution (gross wage)
1%	6%
2%	7%
3%	8%
4%	9%
5%	10%
6%	11%
7%	12%

The instruments composing the 401(k) Plan will govern in all matters related to it. The exact terms and conditions for coverage, contributions, withdrawal, retirement, etc. will be determined by the terms and conditions of such instruments and the Cooperative will not, under any circumstances, be liable for any benefits to the employees.

ARTICLE 25

MISCELLANEOUS

SECTION 1. Clothing.

The Cooperative will provide employees with thirteen (13) sets of uniforms per year and pay for the laundry of such uniforms. In addition, the Cooperative will provide an additional six hundred and seventy-five (\$675.00) per year for employees to purchase tools or other work-related apparel, etc. Each employee will receive advanced payment no later than October 2nd of each year and this amount will cover the annual contract period for that year. New employees will have the total amount prorated and receive an advanced payment based on the number of days remaining in the annual contract period at the time of employment.

Employees will be personally responsible for ordering the above items and orders will be delivered to their home or other personal location of their choice. Employees are responsible for the costs of the Cooperative logo being placed on apparel and will use only authorized vendors for which the Cooperative has established to meet national requirements for the logo.

Outer wear such as coats, jackets, hats caps, etc. worn by employees must have the Cooperative's logo and must be visible at all times while working. Employees will not wear apparel that have other logos. All uniforms, clothing and other apparel shall be clean and well maintained, as determined by the Cooperative.

Employees will be required to sign an *Allowance Form* that states payment will be reimbursed by the employee should they leave employment of the Cooperative prior to the end of the contract period of each year. The reimbursement to the Cooperative will be prorated based on the number of days remaining in the annual contract period at the time of termination.

SECTION 2. Boot Allowance

The Cooperative will pay each employee a two hundred-fifty-dollar (\$250) boot allowance the first pay period in January. The first payment will start in January 2022 and will continue each year thereafter.

Employees will be required to sign an *Allowance Form* that states payment will be reimbursed by the employee should they leave employment of the Cooperative prior to the end of the year. The reimbursement to the Cooperative will be prorated based on the number of days remaining in the year at the time of termination.

SECTION 3. Climbing Equipment and Accessories.

The Cooperative specifically retains the sole discretion to determine the equipment bargaining unit employees shall use to perform their work. The Cooperative will issue advanced

payment of seven hundred and fifty dollars (\$750.00) to new employees for the purchase or ownership of belt, hooks, hand tools or appropriate outer wear and work-related accessories to wear with uniforms.

New employees will be required to sign an *Allowance Form* that states full amount of the advanced payment will be reimbursed by the employee should they leave employment of the Cooperative prior to actually working twelve (12) months.

This is in addition to Article 25, Section 1 for newly hired employees. Should the employee complete the Apprenticeship Program, the belt and hooks will belong to the employee for the duration of his employment. Any such replacement climbing equipment and/or hand tools shall conform to all applicable rules and regulations as determined by the Cooperative's safety representative.

Each employee will furnish the initial set of hand tools. The Cooperative will replace such climbing equipment and/or hand tools that are broken or worn to a point of being unsafe. Such equipment must be returned by the employee as a condition of having it replaced.

SECTION 4. Driver's License.

Crew Leaders, Lead Line Technicians, Line Technicians, Service Technicians, Apprentice Technicians and any other employees who drive or operate Cooperative vehicles or equipment shall maintain an active, Kentucky driver's license with a Class A Commercial Driver's License ("CDL") certification. The Cooperative will pay for the required CDL portion of the license. Loss or revocation of a driver's license or a CDL for a "Major Violation" under the CDL Regulations will result in the termination of the employee. If it is a "Serious Violation" under the CDL Regulations, then the disciplinary action can be, in the Cooperative's discretion, up to and including termination of employment.

SECTION 5. Union Bulletin Board.

The Cooperative will provide a bulletin board for posting of official Union bulletins and

job postings. Nothing, however, shall be posted on such bulletin board which is derogatory to any individual or which is libelous or obscene, or which deals with any matter that is subject to the grievance-arbitration procedure set forth in this Agreement. Only official matters which relate directly to members of the bargaining unit at the Cooperative may be posted on the bulletinboard.

SECTION 6. Cellular Telephones.

The Cooperative will reimburse each bargaining unit employee eighty-five dollars (\$85.00) each month towards the cost of cellular telephone service as required for all bargaining unit job positions. The telephones shall be the property of the employees who are required to have the telephone available at all times, excluding vacation, and answer it when called. Guidelines for the cellular telephones are as follows:

- a) At the personal expense of each bargaining unit employee, the employee shall purchase, maintain and replace the telephone as required to have a cellular telephone available as stated above.
- b) Features of the cellular telephone shall include the following:
 1. Coverage for Shelby Energy Cooperative service territory;
 2. Coverage for the residence of the employee;
 3. Voicemail capabilities, and
 4. Texting capabilities.
- c) The Cooperative shall not be responsible for any over time or other wage opportunities lost by a bargaining unit employee resulting from the lack of cellular telephone coverage or a defective/inoperable device.
- d) The employee shall provide the cellular telephone number to appropriate management, in writing, via the *Cellular Information Form* as soon as the information is available.
- e) Should a cellular telephone number change or an alternate number be necessary, the employee shall submit the information, in writing, via the Cellular Information Form to

appropriate management as soon as the information is available to assist with timely revisions with the answering service provider.

f) The employee shall obey all local, state, federal and Cooperative Regulations, policies and guidelines when using the cellular telephone.

g) Reimbursement to the bargaining unit employee shall be included with payroll each month. A partial month of reimbursement for a cellular telephone shall be prorated based on the number of days applicable to the date of employment or the date of termination.

SECTION 7. Prescription Safety Eyewear

A reimbursement of up to one hundred dollars (\$100.00) for the cost differential on safety features that apply to prescription eyewear will be paid to bargaining unit employees based on the following:

- a) The reimbursement will apply annually;
- b) The employee will provide an itemized receipt from the eyewear vendor;
- c) The request for reimbursement must be submitted to the Cooperative's human resource's representative for payment;
- d) Should the proper information not be provided to the human resource's representative, the employee shall be required to wear the eyewear safety guards provided by the Cooperative.

ARTICLE 26

NON-DISCRIMINATION

The Cooperative and the Union agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of age (over age 40), disability (as defined and provided for in the Americans with Disabilities Act of 1990), sex, race, color, religion or national origin or status as a Vietnam Veteran.

Whenever the words "he", "him" or "his" are used herein, those words shall be deemed to

include the feminine gender as well.

ARTICLE 27

WAGE RATES AND CLASSIFICATIONS

SECTION 1. Moves into Lower-Rated Positions.

All employees, whether employed as of the ratification date of this Agreement or not, who are demoted to a lower rated classification (determined by reference to Regular Classified Rates) after the ratification of this Agreement shall receive the rate of the job classification to which they are demoted to or to which they have bumped.

SECTION 2. Rates.

Wage rates for all classifications within the bargaining unit are set forth in Appendix A.

ARTICLE 28

STEWARDS

The Union shall have the right to designate a Chief Steward and an Assistant Chief Steward from employees in the bargaining unit. Such designation of the person to be steward shall be communicated to the President and CEO (or designated representative in event of absence) of the Cooperative within seven (7) days. Any change in the steward shall be communicated to the Cooperative in the same way and within the same period as set forth above. Employees shall not engage in any Union activities during working hours. All Union activities, including the discussion of grievances, whether or not with management, and other activities incidental to collective bargaining, shall take place at times mutually convenient to the Cooperative and the Union.

The Company shall compensate an employee only for the regular straight-time hours actually lost by such employee because of the employee's documented participation in the contractual grievance procedure, K.O.S.H.A. inspections, and the arranged meetings, as outlined below:

- a) For the time spent by Shop Stewards, Chief Stewards and other employees authorized by this agreement to participate in the processing of a grievance under the terms of the grievance procedure set forth in Article 12.
- b) For time spent by a Union member who is requested by the Company or K.O.S.H.A. to attend opening or closing conferences or the walk around of a K.O.S.H.A. inspection of a company facility.
- c) For time spent in arranged Company authorized meetings with Company representatives.

Union business except as specifically provided herein, shall not be conducted during employee's working time unless specifically authorized by the Company.

Union members who are excused from work for the conduct of Union business, and who are not eligible for compensation by the Company for time so spent, shall, upon request by the Union, be compensated by the Company for straight-time hours spent. The Union will reimburse the Company for these hours upon proper notice. The Company's obligation under this section shall be suspended if, after thirty (30) calendar days from demand for proper reimbursement, such reimbursement is not received by the Company. Any contested amount of reimbursement is all that may be withheld by the Union to avoid the suspension of such obligation.

ARTICLE 29

EFFECT OF LAW

All provisions of this Agreement shall be subordinate and subject to any statute or law that may be applicable, whether now in effect or hereinafter enacted. If any provision of this Agreement or application of this Agreement to any employee is contrary to law, then such provision or application shall not be deemed valid except to the extent permitted by law, but all other provisions or applications of this Agreement shall continue in full force and effect.

ARTICLE 30

ENTIRE AGREEMENT

SECTION 1.

This Agreement sets out the entire understanding between the Cooperative and the Union with respect to the unit of employees described in this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein, and this Agreement shall be strictly construed. The Union shall not use or attempt to use in any arbitration or legal proceeding of any kind under this Agreement or in which involves this Agreement any concession or change in the language or position which the Cooperative made or agreed to in the course of the negotiations for this Agreement, and evidence of any such concession or change in the language or position on the Cooperative's part shall be inadmissible. This Agreement applies only to the collective bargaining unit defined in this Agreement. None of the benefits, rights or privileges accorded by this Agreement to the Union or to any employee covered by this Agreement shall survive the expiration or termination of this Agreement.

SECTION 2.

It is distinctly understood and agreed by the Union that the Cooperative shall not be obligated, contractually or otherwise, to continue in effect any custom, practice or benefit unless it has contractually obligated itself to do so by clear and explicit language in this Agreement.

SECTION 3.

The Cooperative and the Union agree that the agreements reached to settle grievances that were posted for arbitration under the Agreements effective from September 2, 2009 through September 1, 2021 shall remain in effect as though fully set forth in the new Agreement effective September 2, 2021 through September 1, 2024.

ARTICLE 31

COLLECTIVE BARGAINING

The Cooperative and the Union each acknowledge that this Agreement has been reached as a result of collective bargaining in good faith by both parties hereto, and that both parties hereto have had the unlimited opportunity during negotiations to submit and discuss proposals on all subjects which are bargainable matters. While it is the intent and purpose of the parties hereto

that each of them shall fully perform all obligations by them to be performed in accordance with the terms of this Agreement, the Union agrees that the Cooperative shall not be obligated to bargain collectively with the Union during the term of this Agreement on any matter pertaining to rates of pay (except as provided in Article 15, "Rates of Pay for New Classifications"), wages, hours of employment, or other conditions of employment, and the Union hereby specifically waives any right which it might otherwise have to request or demand such bargaining and acknowledges that the Cooperative's obligations during the term of this Agreement shall be limited to the performance and discharge of its obligations under this Agreement.

ARTICLE 32

DURATION OF AGREEMENT

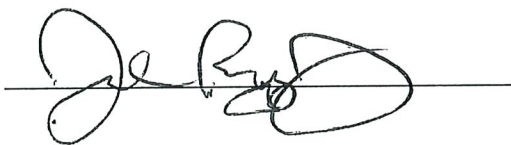
The effective date of this Agreement is September 2, 2021. This Agreement shall be in full force and effect for the entire period from September 2, 2021 through September 1, 2024, and from year-to-year thereafter, unless either party hereto shall at least sixty (60) days prior to September 1, 2024, or the 1st day of September in any year thereafter, notify the other party in writing of its intention and desire to terminate this Agreement. If proper notice is given and the parties, after negotiation, fail to reach agreement on the proposed changes, this Agreement may

be terminated by either party upon ten (10) days written notice delivered to the other at any time after the date upon which this Agreement would have otherwise terminated if no notice for termination had been given. Such ten (10) days notice must be given before any lockout or strike may occur.

IN TESTIMONY WHEREOF, the Cooperative and the Union by their respective officers and representatives hereunto duly authorized, have signed this Agreement on the day, month and year first set forth above.

SHELBY ENERGY COOPERATIVE, INC

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS,
LOCAL UNION 2100



Appendix "A" 11/01/21 through 10/31/24

	Year	Crew Leader	Net Increase	Variance vs Lead Line Tech	Lead Line Technician	Net Increase	Variance vs Svs/Line Technician	Service/Line Technician	Net Increase	Annual Approved Increase
Current		43.72		2.00	41.72		1.00	40.72		
Nov-21	2021	44.74	1.02	2.00	42.74	1.02	1.00	41.74	1.02	2.50%
Nov-22	2022	45.89	1.15	2.00	43.89	1.15	1.00	42.89	1.15	2.75%
Nov-23	2023	47.17	1.29	2.00	45.17	1.29	1.00	44.17	1.29	3.00%

	Apprentice	Hire	Enter Program	Level 1	Level 2	Level 3	Level 4	
Current		24.23	26.60	32.01	32.99	34.95	37.38	
Nov-21	2021	24.84	27.27	32.81	33.81	35.82	38.31	2.50%
Nov-22	2022	25.52	28.01	33.71	34.74	36.81	39.37	2.75%
Nov-23	2023	26.28	28.86	34.72	35.79	37.91	40.55	3.00%

Materials Technician										
Current			33.25							
Nov-21	2021		34.08							2.50%
Nov-22	2022		35.02							2.75%
Nov-23	2023		36.07							3.00%

SHELBY ENERGY COOPERATIVE POSITION DESCRIPTION

JOB TITLE: Senior Vice President
Finance and Cooperative Services

LOCATION: Executive

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: President & CEO

NRECA JOB CODE: 33-1111

GENERAL SUMMARY:

Responsible for leading and managing the Finance and General Accounting, Billing and Customer Service, Human Resources, Information Technology and Member Services work of Shelby Energy.

ESSENTIAL DUTIES AND TASKS:

1. Provide daily leadership and management for assigned operating departments, coaching and advising the department heads, as needed.
2. Prepare annual performance reviews for assigned managers/supervisors.
3. Ensure that records and reports are accurate and are maintained in accordance with established procedures, policies, and regulations.
4. Inform the CEO through reporting and regular updates on strategies and plans regarding each assigned area of responsibility.
5. Assist the CEO in maintaining Shelby Energy in a sound financial condition by providing data and research in areas of responsibility.
6. Develop an annual departmental budget for the areas assigned, assist other department leaders with budget, as requested. After approval by the Board of Directors, combine into system-wide operating budget.
7. Serves as a productive member of the CEO's management staff that makes strategic decisions for the direction of Shelby Energy.
8. May serve as team member for on-call outage duty and/or assist, as needed, during outage or emergency situations.

9. May assist with daily opening of office headquarters for business and securing the facility after business hours.
10. Attend and participate in the annual meeting as directed.
11. Perform other duties as required or assigned.

SPECIFIC DUTIES FOR FINANCE/GENERAL ACCOUNTING:

1. Ensure that the preparation and submission of reports required by the Internal Revenue Service, Public Service Commission, Rural Utilities Service, Kentucky Revenue Cabinet, Cooperative Finance Cooperation and other entities are completed on a timely basis.
2. Periodically compare and analyze actual operating results to budget and prepare report of same for review by staff, CEO and Board of Directors.
3. Execute periodic internal audits of various operating functions such as consumer billing, payroll, accounts payable, accounts receivable and member energy efficiency programs to determine if functions are being performed accurately and in compliance with Shelby Energy policies.
4. Monitor cash daily and verify investments, loan advances and transfers of funds.
5. Coordinate the preparation of financial forecasts, short and long-term financial plans and refinancing or loan applications with assistance from RUS, CFC or other lenders.
6. Assist with preparation, and work directly with auditors, concerning year-end audit schedules for annual financial statement and 401k audits and audit of R&S pension plan, as needed, and implements any necessary corrective action.
7. Directly assist with annual inventories of Shelby Energy's assets and materials are conducted.
8. Determine specifications for property and casualty insurance, solicits bid, evaluates proposals and makes recommendation to President/CEO for placement of coverage.

SPECIFIC DUTIES FOR BILLING/CUSTOMER SERVICE

1. Ensure preparation of member bills, application of rate schedules, fuel cost, environmental surcharge, overview of electric rates and proper application to member bills.

2. Ensure that meter reading functions are performed and in a time manner and reading data is properly integrated with the billing systems.
3. Responsible for collection of delinquent accounts and reviews process with appropriate manager on a periodic basis.
4. Review periodic fuel cost data, environmental surcharge calculations and other filings with the PSC
5. Ensure satisfactory customer service is provided to all members and associated vendors.

SPECIFIC DUTIES FOR HUMAN RESOURCES

1. Coordinate the recruitment process and onboarding of all new employees by performing recruitment activities, screening interviews, credentialing procedures, and preparation of offer letter.
2. Direct new employee orientation to ensure all employee records are properly created and orientation is completed in a consistent and timely manner.
3. Coordinate employee appraisal and performance plan procedure and process.
4. With direction and assistance from the consultant, prepare the Wage and Salary Plan, review with the President and CEO, along with providing the needed reports for presentation to the Board.
5. Direct update of job descriptions and process of approved salary changes in the payroll system.
6. Manage review process, revision and development of company policies and procedures with the CEO and attorney.
7. Remain active and current in human resources practices by participating in professional, local and statewide organizations.
8. Serve as primary authorized representative for medical insurance plan, attend periodic meetings and provide updates to CEO on any changes to the medical insurance plan.
9. Responsible for maintaining the confidentiality of all Shelby Energy's billing, accounting and human resource information such as payroll costs, employee benefits, construction costs, expenses, disbursements and member data.

10. Monitor and evaluates the effectiveness of all human resources programs and policies and insures all regulatory guidelines are followed as they pertain to all employees, former employees, and directors.

SPECIFIC DUTIES FOR MEMBER SERVICES:

1. Provide leadership and direction for member services, communications and marketing functions including, but not limited to, energy efficiency programs, member surveys, annual membership meeting, energy audits, educational and safety programs, bill messages, bill inserts, publication of various applications and filings and monthly newsletter.

SPECIFIC DUTIES FOR INFORMATION TECHNOLOGY:

1. Provide leadership and direction for information technology that includes oversight of technologies systems and activities including, but not limited to, network hardware and software, data/voice communications, the AMI and other systems along with maintenance of other information technology areas.

WORKING CONDITIONS:

General office environment with regular work hours. However, working after normal business hours as needed in order to complete various projects or reports may be required. Some overnight travel is necessary for seminars, training, meetings, etc. Work can be very fast-paced and stressful.

Be available for “on-call” duty periodically for working outages and emergencies as they arise along with opening and securing headquarters building.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American’s with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Work can be very fast-paced and stressful.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, copy machine, fax machine, telephone and audiovisual equipment.

MINIMUM QUALIFICATIONS:

Bachelor's degree in accounting, business management or business administration from an accredited college is required. MBA degree, CPA or CMA professional designation is preferred. Additional training or education in finance, information technology, human resources or communications is desirable.

Five or more years of supervisory or management experience working in a field related to degree required with electric utility experience preferred. Should have experience in the development of job descriptions, policies, procedures and financial management reports.

Must have a working knowledge of both management and accounting principles and practices. Must have general knowledge of financial analysis procedures. Must be skilled in areas of organizing, planning, directing and controlling, budgeting, cost accounting, data processing, and customer and employee relations. General knowledge of the rural electric program, utility rate design, state and federal regulations, and government regulatory agencies desirable.

Must be capable of effectively communicating, both orally and in writing. Must have a good understanding of computer and information technology and its applications. Good math aptitude needed. Must be skilled in presenting statistical information in both written and graphic form. Must be able to work under pressure and meet deadlines. Must possess strong self-motivation and have the ability to initiate action. Must possess strong decision making skills. Must have good knowledge of basic accounting principles, including activities based costing, and the regulatory requirements of accounting for utility operations. Should possess thorough knowledge of cooperative policies and procedures. Must demonstrate good judgment in responding to employee and member requests and concerns. Must demonstrate a high degree of confidentiality.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Be a team player.
 - Develop strong internal and external relationships.
 - Possess working verbal and written communication skills.
 - Able to maintain confidentiality in all matters.
-
- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 01/17

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Director of Communications & Member Services **LOCATION:** Finance and Cooperative Services

FLSA STATUS: Exempt **EEO CODE:** 05

REPORTS TO: President and CEO **NRECA JOB CODE:** 22-2121

GENERAL SUMMARY:

Under general supervision of the President and CEO, perform communications and marketing functions, in addition to a broad range of administrative and support services. Willing to perform basic accounting functions and assist the President and CEO with areas of responsibility within the department. Must be able to manage and maintain confidential information.

ESSENTIAL DUTIES AND TASKS:

1. Keep the President and CEO, informed and regularly communicate to assist with the coordination of work, productivity, and efficiency of the department.
2. Coordinate various departmental programs such as the Youth Tour, Honor Flight, scholarships, community activities, energy efficiency services and audits, etc.
3. Communicate directly with contractors, vendors, and members regarding energy efficiency, demand side management, and equipment rebate program.
4. Coordinate and maintain associated records for energy efficiency, demand side management, rebate programs and develop reports.
5. Organize and prepare various publications and communications material by reviewing, editing, and providing input as necessary.
6. Coordinate and prepare monthly newsletters, brochures and other messages or announcement items required for Shelby Energy.
7. Maintain Shelby Energy's website, social media accounts and utilize this and other media to relay information regarding the organization.
8. In cooperation with other employees, coordinate and assist with employee and member events and various meetings, including the annual meeting.
9. Participates in safety programs at schools and other organizations as requested.

10. Provide direct assistance with physical setup of equipment and other items needed for events and meetings.
11. Possess the ability to work with and consistently meet deadlines, budgets, and multitask.
12. Ability to prioritize and coordinate multiple projects simultaneously.
13. Provide administrative support to the President and CEO to assist in the effective performance of his/her duties and responsibilities.
14. Assist with the planning and development of annual departmental budgets.
15. Assist in other departments as directed by the President and CEO.
16. Attend various conferences, seminars and other training as directed and approved by the President and CEO.
17. Plan and coordinate the annual meeting.
18. Assist with economic development as required by President and CEO.
19. Assist and coordinate the update of tariffs and submit filings through the Public Service Commission portal.
20. Prepare monthly reports and participate in monthly board meeting as a member of the management staff.
21. Serve as the primary contact for any media or public relations requests.
22. Perform other activities and assist with projects as required or assigned.

WORKING CONDITIONS:

General office environment. Regular work hours, however; occasional overtime and overnight travel may be necessary.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the Americans with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Must be able to lift, move and carry up to thirty-five (35) pounds, which may be accommodated. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Daily contact with co-workers, members and vendors.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, copy machine, scanner, fax machine and telephone.

MINIMUM QUALIFICATIONS:

Associate degree in communications, marketing, business administration, office management, or related field is required. Bachelor's degree is preferred. Three years of experience in communications, creative design, marketing and general office procedures are required. Demonstrate proficiency working accurately with numbers. Must be well organized, personable and able to exercise discretion and use sound judgment in dealing with people and confidential information.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Must have strong written and oral communication skills.
 - Must possess outstanding proofreading abilities.
 - Must be proficient in using business software packages and applications within Microsoft Office Suite, Adobe Product Suite, including InDesign, etc.
 - Must have attention to detail and outstanding organization skills.
 - Must be able to compose correspondence and develop reports.
 - Must be able to handle fast paced and hectic work environment while meeting deadlines.
-
- **The Cooperative reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/18
Revised: 09/2022

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Operations/Contract Resources Mgr.

LOCATION: Power Delivery Services

FLSA STATUS: Exempt

EEO CODE:

REPORTS TO: Senior Vice President
Power Delivery Services

NRECA JOB CODE:

GENERAL SUMMARY:

Under the general supervision of the Senior Vice President of Power Delivery Services, this position has the primary responsibility to manage contractor operations functions on the distribution electric system consistent with construction and maintenance principals that produce safe, reliable electric service to Shelby Energy members. Also perform site-visit inspections and monitoring of contractors and system improvements as directed. Ensures the safe and efficient use of contractor personnel while working on the electric distribution within the guidelines of Shelby Energy's safety policies and OSHA requirements.

Must have a working knowledge of RUS specifications, Shelby Energy specifications, Kentucky Public Service Commission (KY PSC) rules and regulations in addition to OSHA, NESC and NEC standards.

Provide leadership and direction that will prompt high morale, job satisfaction and team effort. Maintain excellent communications along with cooperative and professional behavior with other departments.

ESSENTIAL DUTIES AND TASKS:

1. Manage all contract crews in the day-to-day operations of right of way clearing, distribution system inspections, pole inspections/treatment and as necessary building overhead and underground distribution power lines.
2. Provide guidance and supervision of the contract crews and provide controls to maximize safety, productivity, and quality of construction consistent with providing reliable energy service.
3. Assist the Senior Vice President of Power Delivery Services in determining the proper use of contract personnel to assist Shelby Energy in meeting the needs of the consumer as well the needs of Shelby Energy.
4. Develop the right of way plan which considers the use or herbicides and other alternative solutions and the implementation of the plan.

5. Prepare construction bid documents in accordance with RUS requirements and assure proper competitive bidding.
6. Develop and enforce contract guidelines and procedures which meet NESC, NEC, OSHA and safety manual requirements for the operation of the electric system and assure compliance with all applicable KY PSC requirements, rules and regulations.
7. Routinely assess the overall safety operations of Shelby Energy; inform the President/CEO and management team of any concern or potential threats to employee health/safety and convey information on any serious injury, accident, or incident.
8. Recommend revisions and improvements to the policies and procedures concerning safety and environmental programs that will promote a safe workplace.
9. Assure new contract employees receive proper orientations concerning safety policies, procedures, and regulations prior to starting work. Conduct an annual refresher training for all contract employees working on property.
10. Direct the periodic review and evaluation of the need to implement a pole inspection program and initiate a program.
11. Develop switching procedures and training programs for Contract employees to perform safe and proper switching of equipment and operation of equipment.
12. Assure efficient dispatching operations and provide adequate training of the dispatch team employees for prompt and appropriate response to outages that minimize outage lengths and severity.
13. Responsible for reporting of outages to the KY PSC based on regulations and requirements.
14. Work with the SVP of Power Delivery Services and the Operations/Internal Resources Mgr. to obtain bids for acquiring construction vehicles that meet work requirements.
15. Verify that contract employees understand and accept the responsibilities and authorities described in their contract.
16. Keep up-to-date on changes in construction, operations and maintenance techniques, OSHA standards and safety procedures.
17. Comply with the rule and guidelines of regulating agencies such as RUS, KY PSC, FEMA, etc., and coordinate correspondence and filings as required.
18. Assist with preparation and application of rate studies/cases, line extension policies, power requirement studies, construction work plans and other studies or projects as needed.
19. Assist with system reliability studies such as, but not limited to, voltage levels, service voltage and blinking complaints, phase balancing, capacitor installations, sectionalizing, voltage regulator applications and sizing of conductors and transformers.

20. Addresses member complaints and ensure a reasonable resolution is achieved in a timely manner.
21. Assist with compiling information for property damage and/or accident claims.
22. Prepare an annual departmental budget that will attain the corporate goals in the most cost-effective manner.
23. Periodically review construction expenses, purchases and manage deviations from the annual budget.
24. Work directly with Operations and Engineering to ensure Construction Work Plan projects and Work Order inspection deficiency corrections are completed in a timely manner.
25. Assist with maintaining accurate material inventories associated with construction and maintenance projects.
26. Assist with annual materials inventory process.
27. Participate in professional, local and statewide organizations to exchange ideas and information for the benefit of Shelby Energy as recommended by the departmental executive or CEO.
28. Participate in CPR training, safety classes and other safety activities as necessary.
29. Serve on the Safety Committee and assists with accident investigations.
30. Assist with conducting periodic on-site safety inspections of contractor crews and Shelby Energy employees.
31. Assist with development and annual review of emergency restoration plan.
32. May serve as team member for on-call outage duty.
33. Assist with key accounts as requested or needed.
34. May serve as acting Safety Coordinator as directed or required and serve as such so long as the employee is qualified/certified to do so.
35. Attend and participate in the annual meeting as directed.
36. Evaluates released construction work orders prior to scheduling.
37. Serves as back-up, in full capacity, to Operations/Internal Resources Mgr.
38. Assures that all safety practices are adhered to at all times.

39. Responsible for managing miscellaneous projects and performing other duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors and outdoors in all weather conditions. Expected to travel to various work locations in Cooperative service area via a company vehicle.

Requires travel to attend meetings, training sessions, seminars, etc. Some travel may be overnight and on weekends. A cellular telephone is required. Must be willing and able to respond at any time if emergency exists i.e., fire, storms, outages, accidents, etc.

Employee in this position is required to have his/her permanent residence within 40 minutes driving time of the Shelby Energy headquarters office or located within Shelby Energy's service territory. Regular hours are Monday through Friday, extra hours when necessary and mandatory report whenever needed during non-scheduled work periods.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Cooperative employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, climbing and sitting. Must be mobile on uneven terrain, able to move body in various positions including maintaining balance, stooping, kneeling, crouching, reaching and working in areas where allergens and insects are present. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light and heavy duty Cooperative vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. May not be colorblind. Must have the stamina to work in rapidly changing weather conditions, under conditions of crisis and be able to maintain emotional control at all times. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

Computer, telephone, fleet vehicles and various line tools.

MINIMUM QUALIFICATIONS:

High school graduate or equivalency required. An Associate's degree in electrical or civil engineering is preferred. A combination of education, training and relevant experience may be considered as a substitute for formal educational requirements. A valid driver's license and CDL is required.

Must have worked at progressively more responsible positions for five years in operations, engineering, safety and supervision/management. Must have knowledge and experience in computer applications, PCs and Microsoft Office software. Experience with a rural utilities electric distribution system is highly desirable.

A combination of education, training, and experience may be substituted when competency in the role is demonstrated. Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
 - In-depth knowledge and understanding of a broad range of computing technologies and proficiency in applying technology solutions to solve business problems.
 - Knowledge of various computer operating systems, relational databases and personal computers.
 - Excellent written and oral communication skills including outstanding interpersonal skills.
 - Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
 - Highly self-motivated with keen attention to detail.
 - Ability to perform complex mathematical calculations with analytical, evaluative and problem-solving skills.
 - Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.
 - Working knowledge of all types of metering, substation operations, sectionalizing equipment, regulators and other major apparatus as well as the installation of transformer and transformer banks.
-
- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature: _____ Date: _____

Created: 12/21

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Dispatcher & Staff Assistant,
Power Delivery Services

LOCATION: Power Delivery Services

FLSA: Exempt

EEO CODE: 05

REPORTS TO: Senior Vice President,
Power Delivery Services

NRECA JOB CODE: 55-3251

GENERAL SUMMARY:

With minimal supervision and the ability to exercise independent judgement, safely conduct radio/telephone dispatch communications with field employees regarding daily routine activities and power outages during regularly scheduled business hours along with coordinating administrative duties for the power delivery services department. Assist during major power outages and emergency situations after regularly scheduled business hours. Supervise daily duties and work schedule of the Dispatcher Assistant-Power Delivery Services.

ESSENTIAL DUTIES AND TASKS:

1. Dispatch field employees to handle service requests, power outages and other member needs.
2. Provide field employees with the necessary information to restore service and provide various services to the membership.
3. Monitor communications in the field, and using available technology, be aware of where field employees are located.
4. Maintain full understanding of Lock-out, Tag-out process and May-Day procedure.
5. Direct chronological log of dispatch communications with contractor employees and Shelby Energy employees.
6. Coordinate regular updates regarding outage situations to applicable employees, so current information may be relayed to membership.
7. Organize the maintenance of outage, patrolling, voltage, ROW and other records, as needed.
8. Manage collection and maintenance of information for refund of advance line deposits in accordance with RUS accounting standards and PSC guidelines.

9. Coordinate new construction or upgrade requests and manage process until submitted to Finance & Cooperative Services for closing work orders.
10. Respond to member/contractor questions concerning service installations/inquiries and update computer records as required.
11. Oversee tracking applicable service orders regarding maintenance, system inspection, right of way, miscellaneous requests, etc. Process and close service orders for right-of- way, system inspection and others as necessary.
12. Coordinate the collection, processing and auditing data for power delivery service to prepare month- end board and other reports.
13. Coordinate daily process for requests regarding underground locations.
14. Direct duties associated with work order processes, staking sheets, materials inventory and other related items.
15. Coordinate on-call duty roster and manage updates on after-hours answering service.
16. Direct the setup of new and change-service connections for all transformers.
17. Coordinate maintenance of records for breaker and OCR changes.
18. Oversee coordination of records and maintain data for power outages and reliability reporting.
19. Direct assistance with preparation of sample meter process and quarterly meter report to PSC.
20. Coordinate notes/minutes for periodic departmental meetings.
21. Attend safety meetings as coordinated with Dispatcher Assistant work schedule.
22. Approve leave of Dispatcher Assistant, coordinate lunch and other breaks and coordinate work schedule to verify an employee is available for dispatching and other duties, as needed.
23. Work in cooperative manner with other management staff and employees.
24. May serve as a team member for on-call outage duty.
25. Participate in CPR training and other safety training as needed.
26. Attend and participate in the annual meeting as directed.
27. Performs other duties as assigned.

WORKING CONDITIONS:

Work station in the dispatch area with open access for power delivery service's employees and contractors. Regular work hours, however; after hours work will be necessary during outage situations and occasionally; overnight travel may be required.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to Shelby Energy's Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Must be able to lift, move and carry up to thirty-five (35) pounds, which may be accommodated. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Daily contact with co-workers, members and vendors.

MACHINES, TOOLS, EQUIPMENT:

Radio equipment, computer, printer, calculator, copy machine, scanner, fax machine and telephone.

MINIMUM QUALIFICATIONS:

High school graduate or equivalent required. An associate's degree in electrical power related discipline is desired. Requires at least five years of related experience and/or training. Must have computer knowledge and skills along with administrative, office and good communications skills. Demonstrate proficiency working accurately with numbers.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Must be able to proficiently use business software packages, applications within Microsoft Office, Excel, Word, etc.
 - Must have attention to detail, organization and oral communication skills.
 - Must have ability to remain focused in an atmosphere of high activity and demands.
 - Must have ability to remain calm in stressful and/or emergency situations and follow explicit instructions.
 - Must be well informed on Shelby Energy rules & Regulations, tariffs, policies, etc.
-
- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 07/17

Revised:

9. Integrate and maintain accurate databases between GIS, National Information Solutions Cooperative (NISC) software, the Outage Management System (OMS) and other operating systems as needed.
10. Perform functions necessary to operate and maintain Futura electronic staking system along with providing training and support to employees regarding the software.
11. Assist in the preparation of system planning and operational studies (such as construction work plans, long range plans, and sectionalizing studies) by providing an updated GIS model to be used for engineering analysis.
12. Write and maintain queries to develop specialized spreadsheets that provide technical support and analysis.
13. Maintains Joint-Use attachments in the GIS system.
14. Prepare and submit applications for right-of-way encroachment permits to the Kentucky Transportation Cabinet Department of Highways.
15. Remain current regarding Rural Utilities Service (RUS) construction and material specifications, National Electric Safety Code (NESC) requirements, local codes, rules and regulations of the Kentucky Public Service Commission (PSC) and policies, regulations and procedures of Shelby Energy.
16. Stay current with applicable business practices and respond to organizational needs.
17. Assists with IT functions to support all levels of employees.
18. Participate in CPR training, safety classes and other safety activities as necessary.
19. Attend and participate in the annual meeting as directed.
19. Attend and participate in annual training for employees and other training as recommended by management.
20. Assist during major outages or emergency situations.
21. Perform other duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors and outside the office. Some work is done in the field where there may be unfavorable weather conditions. Exposure to insects and air-borne allergens are possible. Regular hours are Monday through Friday, 7:30 a.m. to 4:30 p.m.; however this position may require work outside of these hours and has to ability to have a hybrid work environment as permitted.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Shelby Energy's Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations; and

Take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, sitting; must be able to move body in various positions, including maintaining balance, stooping, kneeling, crouching, climbing, and reaching.

Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light-duty work vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds.

MACHINES, TOOLS, EQUIPMENT:

Personal computer, GPS equipment, mapping equipment, plotters, printers, copiers, and laminators. May also be required to use ladders, transit and surveying instruments.

MINIMUM QUALIFICATIONS:

Associates Degree in Engineering Technology, or other technical field, with (3) years of work experience is preferred. Educational requirement may be met by a combination of education and experience when competency in the role is demonstrated. A minimum of two (2) years of practical work experience in geographical information systems, staking, system design or other related work is required.

Must have the ability to follow the system electrically to determine the direction of feed, open points, and phasing on the electrical distribution system. Must be skilled at using computers and software, specifically, GIS related software for mapping.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Successful performance on pre-employment tests is required. Must possess a valid driver's license.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality of any information encountered.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in applying technology to solve business problems.

- Knowledge of various computer operating systems, relational databases and personal computers.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.
- Ability to perform complex mathematical calculations with analytical, evaluative and problem-solving skills.
- Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 06/15

Revised: 07/17 06/22

SHELBY ENERGY COOPERATIVE JOB DESCRIPTION

JOB TITLE: Information Technology Administrator

LOCATION: Finance and Cooperative
Services

FLSA STATUS: Exempt

EEO CODE: 03

REPORTS TO: Senior Vice President
Finance & Cooperative Services

NRECA JOB CODE: 34-3342

GENERAL SUMMARY:

Under the general supervision of the Senior Vice President of Finance and Cooperative Services, this position is responsible for Shelby Energy's information systems including network hardware and desktop software, data/voice communications; engineering software including metering, GIS, and outage management systems; vendor interfaces/links and maintenance of other information technology areas. Provides leadership in the information systems infrastructure, evaluating and implementing new technologies by using independent judgment, working with Shelby Energy's consultants or with teams and/or other employees, as needed. Assist employees with needs to improve the efficiency of the information systems, customer service and end-user productivity.

ESSENTIAL DUTIES AND TASKS:

1. Responsible for all communications/information systems activities including substations, servers, personal computer, network, internet, telephone, metering application (AMI/TWACS), Outage Management System, RPS units, CRC Link, office equipment and other systems as needed.
2. Maintains and develops intranet, e-mail, Active Directory, and assists with the web page to assure these resources are available and effectively used by employees, related businesses and members.
3. Maintains the servers and personal computer network system by diagnosing and isolating malfunctioning components, attaching or removing devices as needed by users, loading new applications and testing new software and upgrades to ensure the computer network is functioning properly and efficiently and meets the user's needs.
4. Maintains all systems hardware contracts to ensure the computer system and networks and associated devices are operational and available to meet the daily business processing needs of Shelby Energy.
5. Troubleshoots and resolves network problems. Performs network analysis, tuning, and capacity planning. Monitors and verifies connectivity of all installed systems.

6. Troubleshoots and resolves AMI/TWACS system issues and performs daily analysis and other studies as needed.
7. Installs and configures new computer hardware and software on all employee computers, servers and information systems.
8. Consults with end-users and proposes solutions and alternatives to meet their business needs.
9. Oversees provision of end-user services, including help desk and technical support services to all departments.
10. Assists third party vendors who need to access or interconnect to servers or networks to obtain as smooth and seamless of a connection as possible while maintaining security and confidentiality.
11. Administers backup procedures for all Shelby Energy servers and installed system databases. This includes procedures to store this data at a secure offsite facility.
12. Performs year-end closing procedures and month-end procedures as needed for all departments in addition to software and system upgrades.
13. Ensures confidentiality and reliability of all corporate data, proprietary information, and property of Shelby Energy and related activities.
14. Develop, maintain and test disaster recovery plans to ensure the continuity of the business in the event of an equipment failure or natural disaster.
15. Serve as a lead employee on the disaster recovery plan team and participate in annual review and evaluation.
16. Responsible for administering and maintaining document imaging and AMI/TWACS hardware /software along with future enhancements to the systems.
17. Prepares and processes daily routine exceptions reports and other duties related to AMI/TWACS as assigned.
18. Assists in evaluating and maintaining the present and future communications requirements for radio, telephone, and data transmission including the installation, maintenance and repair of this equipment. This equipment may be installed in an energized substation environment whereby safety gear and clothing are required.
19. Assigns and maintains passwords and security codes for the network system and maintains appropriate records of those assignments to assure the necessary level of security and access, is maintained, as determined by executive management.
20. Stay current with applicable business practices and respond to organizational needs.

21. Update and maintain accurate information pertaining to Shelby Energy's Cyber Security policies.
22. Perform Cyber Security training that correlates with Shelby Energy's Cyber Security policies and other areas as needed.
23. Perform various system audits to ensure organizational compliance.
24. Interface with all levels of employees and have ability to propose and evaluate business solutions and prioritize work based on needs of membership and employees.
25. Manage electronic archives and maintain record and data retention requirements of Shelby Energy.
26. Performs IT setup for registration and other technical needs and participates in annual meeting as directed.
27. Performs other projects or activities as assigned or required.

WORKING CONDITIONS:

Requires working inside and outside the office. Sitting at a desk for extended periods of time.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Able to stand and stretch above shoulders. Ability to climb on ladder to connect and maintain networking equipment; must be able to lift printers, computers, hardware and other materials as needed up to seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must hear well enough to engage in conversations, hear telephone, various

alarms and other sounds. Vision must be normal and must be able to discern color dialing and keyboarding. Stooping, bending, and working on knees or under desks as required.

Work is performed under frequent pressure and in a somewhat stressful environment. Must visit offsite systems and/or users and provide support, as needed. As necessary, must be able to work alternative hours, extended hours, and holidays for computer maintenance, installations or redesign of hardware.

MACHINES, TOOLS, EQUIPMENT:

Must be able to use general office equipment such as a copier, computer, telephone, fax machine, document scanner and shredders. Operate van, truck and/or car. Wide variety of tools and equipment used to set up and maintain computer equipment.

MINIMUM QUALIFICATIONS:

Two-year technical or associate degree from an accredited college or university in Information Technology or computer-related field is desired. Minimum of two years' experience working with network systems and applications required. Experience in Windows 7, Windows Server(s), Linux Server(s), and Microsoft Exchange applications required. Experience in training others in computer applications preferred. Experience with internet applications, system integration of voice and data, phone systems, CAD/GIS mapping and wireless technology helpful.

A combination of education, training, and experience may be substituted when competency in the role is demonstrated. Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must possess a valid driver's license. Successful performance on pre-employment test is required.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Maintain absolute confidentiality of data or information encountered.
- Ability to make decisions with independent and sound business judgement.
- Control access to confidential systems and protect confidential data of Shelby Energy.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in applying technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases, personal computers, and personal computer maintenance.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Outstanding organizational skills.
- Highly self-motivated with keen attention to detail.

- Ability to perform complex mathematical calculations with analytical, evaluative, and problem-solving skills.
- Communicate and interact with personnel at all levels of the organization in a business in a professional and respectful manner.

- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

This job description may be altered to reflect changes in duties and other duties may be assigned to the employee. The employee is expected to adhere to all company policies and procedures.

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 05/18

SHELBY ENERGY COOPERATIVE POSITION DESCRIPTION

JOB TITLE: Manager, Billing and
Customer Service

LOCATION: Finance and Cooperative
Services

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: Chief Financial Officer

NRECA JOB CODE: 32-2121

GENERAL SUMMARY:

Under general supervision of the Chief Financial Officer, manage and direct daily billing and customer service functions including billing, receiving and collection of customer accounts.

ESSENTIAL DUTIES AND TASKS:

1. Direct all consumer accounting activities including energy billings and associated reports, member deposits, collections, energy assistance pledges and other functions as needed, within the guidelines of Shelby Energy policies and procedures.
2. Perform management functions of organizing, directing, budgeting, coordinating and controlling the billing and customer service activities in accordance with established policies, plans, and objectives of Shelby Energy.
3. Assure the member records are accurate and apply proper tariffs, tax rates and other applicable factors related to consistent and correct revenue generation.
4. Provide regular reports and updates to the Chief Financial Officer concerning the billing processes, customer service issues and other matters as needed.
5. Serve as a primary contact with the KY Public Service Commission (“PSC”) for member issues and concerns. Provide copies of all member concerns filed with the PSC and Shelby Energy’s response to each concern to the departmental executive and the President and CEO.
6. Serve as a member of the management and leadership team to support and maintain a cohesive group to best perform the work of Shelby Energy for the benefit of its members.

RESPONSIBILITIES AND AUTHORITIES

1. Manage meter reading functions, ensuring that meters are read accurately and in a timely manner and data from the meter reports are properly integrated with the billing systems.

2. Direct the preparation of member bills, application of rate schedules, fuel cost factors, environmental surcharge percentage, discounts, penalties, payments and balancing of associated accounts.
3. Assist Accounting and Finance with the annual audit function and prepare information, reports or other data related to the billing functions as needed.
4. Periodically review the functions and activities of the department and recommend changes to the reporting supervisor.
5. Serve as a resource to other departments regarding billing and customer service related questions and problems.
6. Review departmental job descriptions annually to ensure accuracy.
7. Appraise the performance of employees under supervision, coach and counsel to assist with individual development. Review results with the reporting supervisor and recommend changes as needed.
8. Recommend and implement approved disciplinary action, in accordance with policies and procedures of Shelby Energy.
9. Plan work schedules for those employees supervised, approving vacation, sick leave and time records.
10. Assure each employee is properly trained. Identify and recommend external training, as needed.
11. Assure that supervised employees understand and accept the responsibilities and authorities described in their job description, and are aware of their level of accountability for delegated work.
12. Advise and counsel with supervised employees on matters beyond their authority, making necessary decisions as needed.
13. Attend monthly board meetings as requested by the President and CEO.
14. Assist with preparation of applications regarding tariffs, rules & regulations, and other related matters.
15. Prepare periodic fuel cost data, environmental surcharge, and other filings with the PSC.
16. Prepare monthly invoicing for large power accounts and verify accuracy of generated revenue.

17. Attend training, schools, workshops, and meetings as directed by the President and CEO.
18. Provide advice, assistance, and leadership to enlist the employees' participation and interest in Shelby Energy business activities.
19. Look for improvements and developments in procedures, practices, methods and equipment that will improve safety, employee morale, customer service, efficiency and productivity.
20. Serve as the after-hours contact concerning call center questions related to member billing concerns.
21. May serve as team member for "on-call outage duty."
22. Assist with daily opening of office headquarters for business and secure the building after business hours.
23. Attend and participate in the annual meeting, as directed.
24. Perform other duties as required or assigned.

WORKING CONDITIONS:

General office environment with regular work hours. However, working after normal business hours as needed in order to complete various projects or reports may be required. Some overnight travel is necessary for seminars, training, meetings, etc. Work can be very fast-paced and stressful.

Be available for "on-call" duty periodically for working outages and emergencies as they arise along with opening and securing the headquarters building.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations; and take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Must be able to lift, move and carry up to thirty-five (35) pounds, which may be accommodated. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Work can be very fast-paced and stressful. Daily contact with co-workers and regular contact with members and vendors, including conflict resolving situations.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, copy machine, fax machine, telephone and audiovisual equipment.

MINIMUM QUALIFICATIONS:

Bachelor's degree in management, finance, accounting, or business-related degree from an accredited college is preferred. Five or more years of experience in accounting or finance, with management or supervisory experience is preferred. A combination of education and experience may be substituted when competency is demonstrated. Must have a working knowledge of general business principles and practices with the ability to work with consumers. General knowledge of the electric distribution program and utility rate design is desirable.

Must have ability to plan, organize, coordinate, and direct multiple sections of a department. Must be an effective communicator, both written and oral. Must be skilled in motivating, training, and evaluating subordinates in order to obtain a high degree of productivity. Must analyze procedures. Must have ability to develop, prepare, and present reports for management and various regulatory agencies.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required new hire drug test. Must possess a valid driver's license.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Able to maintain confidentiality.
 - Team oriented manager.
 - Demonstrate a positive working relationship with members, vendors and community contacts.
 - High proficiency using computers with Windows operating systems and Microsoft Office.
 - Aptitude to handle highly detailed work.
 - Able to supervise diverse employee group
 - Proficiency in multi-tasking without becoming distracted.
 - Good organizational skills to meet tight deadlines.
-
- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/10
Revised: 04/11 09/12 01/13 09/13 04/14 05/17 02/19

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Manager of Engineering

LOCATION: Power Delivery Services

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: Senior Vice President
Power Delivery Services

NRECA JOB CODE: 54-2121

GENERAL SUMMARY:

Under the general supervision of the Senior Vice President of Power Delivery Services, this position has the primary responsibility is to manage, direct, coordinate and control, the design and quality of the distribution facilities necessary to provide the safest, most efficient and reliable delivery of service consistent with sound engineering practices. This includes fostering development through system planning that will prevent premature investment and obsolescence of distribution facilities. This, also, includes providing reliable metering services, including testing, installation and other various functions.

ESSENTIAL DUTIES AND TASKS:

1. Manage and direct an engineering and technical support staff, addressing conflicts and issues as they occur.
2. Learn and remain current about the Shelby Energy's service territory, facilities and system design practices.
3. Learn and remain current about Kentucky Public Service Commission (KPSC) rules and regulations along with those of Shelby Energy including established policies and procedures.
4. Learn and remain current about RUS standards and bulletins relating to engineering, loans, contracts, construction work plan coding, and other requirements.
5. Monitor utility construction projects to assure compliance with NEC, NESC, RUS and Shelby Energy requirements.
6. Review monthly RUS Form 219, inspections of work orders and project costs to insure accuracy and efficient use of funding.
7. Maintain necessary maps, records, easements, meter, and engineering data.
8. Negotiate and prepare Requests for Proposal for contracts relative to special distribution system construction projects and any bidding processes necessary to complete the project.

9. Investigate, participate, and resolve territorial issues/disputes and/or utility easements with neighboring utilities.
10. Participate with wholesale power supplier in the development of Shelby Energy's power requirements study and biennial load forecast.
11. Integrate work plan projects from multi-year construction plans into annual work plans and budgets. Manage the execution of plan from design and construction, through final inspection and close out, in a timely fashion and within budget.
12. Manage engineering information systems: outage management system (OMS), automated meter infrastructure (AMI), meter services, maps, circuit and sectionalizing diagrams to assure accuracy and timely updating of pertinent information.
13. Administer and control the design and staking process of distribution system extensions and improvements, including quality and cost control checks and assure that line designs follow RUS requirements and all applicable requirements of the NESC and other relevant standards.
14. Develop specific engineering designs/plans/specifications for serving electrical requirements of commercial, industrial and other applications with specialized electrical requirements and prepare the necessary documents for 'Agreements/Contracts for Electric Service' for these specialized applications.
15. Administer compliance with KPSC requirements relative to distribution line extensions for new services and any contributions in aid of construction and refunding of same per PSC rules and regulations.
16. Prepare an annual budget that will attain the corporate goals in the most cost effective manner. Review expenses, purchases and manage deviations from the budget.
17. Work with department employees in developing short and long-term goals for the department.
18. Prepare and manage agreements and documents for 'Joint-Use' and 'Pole-Line Route' applications with other utilities.
19. Assist with the preparation and application of rate studies, line extension policies, load forecasts, construction work plans and other studies as required or assigned.
20. Prepare routine and special studies and investigations including voltage levels, customer voltage and flicker complaints, phase balancing, capacitor placement, sectionalizing, voltage regulator applications and economic sizing of conductors and transformers.
21. Assist with development and annual review of the emergency restoration plan.
22. Participate in professional, local and statewide organizations to exchange ideas and information for the benefit of Shelby Energy and the communities we serve.

23. Participate in CPR training, safety classes and other safety activities as necessary.
24. Attend training, schools, workshops, and meetings as directed by the SVP of Power Delivery Services and, as appropriate, by the CEO.
25. Assist with conducting periodic on-site inspections of crews and field personnel.
26. Assist the safety department with the investigation of accidents involving Shelby Energy's facilities and equipment, as needed.
27. May serve as team member for on-call outage duty.
28. Attend and participate in the annual meeting as directed.
29. Responsible for managing miscellaneous projects and other duties as required or assigned.

WORKING CONDITIONS:

Work is performed indoors and outdoors in all weather conditions. Must be able to travel to various work locations in Shelby Energy's service territory. A valid driver's license is required.

Requires travel to attend meetings, training sessions, seminars, etc. Some travel may be overnight and on weekends. Residential and cellular telephones are required. Must be willing and able to respond at any time if emergency exists i.e., fire, storms, outages, accidents, etc.

Employee in this position is required to have his/her permanent residence within 40 minutes driving time of the Shelby Energy headquarters office or located within Shelby Energy's service territory. Regular hours are Monday through Friday, extra hours when necessary and mandatory report whenever needed during non-scheduled work periods.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations; and take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, climbing and sitting. Must be mobile on uneven terrain, able to move body in various positions including maintaining balance, stooping, kneeling, crouching, reaching and working in areas where allergens and insects are present. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light duty Shelby Energy vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. May not be colorblind. Must have the stamina to work in rapidly changing weather conditions, under conditions of crisis and be able to maintain emotional control at all times. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

PCs, mapping systems, capable of using a transit, meters and recording instruments and other surveying instruments.

MINIMUM QUALIFICATIONS:

A Bachelor's degree in Electrical or Civil Engineering is required. Professional registration in the state of Kentucky is preferred. Three to five years of practical experience with experience and/or aptitude to supervise staff.

General knowledge of the rural electric program, utility rate design, state and federal regulations, and government regulatory agencies is desirable.

Must have ability to plan, organize and coordinate various projects. Must be an effective communicator, both written and oral. Must have ability to develop, prepare, and present reports for management and various regulatory agencies.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must possess a valid driver's license in state of residence. Successful performance on pre-employment test is required.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in apply technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases, personal computers and personal computer maintenance.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.

- Ability to perform complex mathematical calculations with analytical thought and strong problem-solving skills.
 - Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.
-
- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/10
Revised: 04/11 06/11 04/12 09/12 09/13 05/17

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Manager of Operations

LOCATION: Power Delivery Services

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: Senior Vice President
Power Delivery Services

NRECA JOB CODE: 55-1111

GENERAL SUMMARY:

Under the general supervision of the Senior Vice President of Power Delivery Services, this position has the primary responsibility to manage operations functions of the distribution electric system consistent with construction and maintenance principals that produce safe, reliable electric service to Shelby Energy members. Must have a working knowledge of RUS specifications, Shelby Energy specifications, Kentucky Public Service Commission (KPSC) rules and regulations in addition to OSHA, NESC and NEC standards.

Provide leadership and direction that will prompt high morale, job satisfaction and team effort. Maintain excellent communications along with cooperative and professional behavior with other departments.

ESSENTIAL DUTIES AND TASKS:

1. Provide overall guidance and supervision of the construction crews and construction contract crews and provide controls to maximize safety, productivity and quality of construction consistent with providing reliable energy service.
2. Assist with preparation of construction bid documents in accordance with RUS requirements and assure proper competitive bidding.
3. Assist with the right of way plan which considers the use of herbicides and other alternative solutions and assist with the implementation of such a plan.
4. Develop switching procedures and training programs for operations and construction employees to perform safe and proper switching of equipment and operation of equipment.
5. Assure efficient dispatching operations and provide adequate training of the dispatch team employees for prompt and appropriate response to outages that minimize outage lengths and severity.
6. Responsible for reporting of outages to the KPSC based on regulations and requirements.

7. Develop and enforce operational guidelines and procedures which meet NEC, NESC, OSHA and safety manual requirements for the operation of the electric system and assure compliance with all applicable KPSC requirements, rules and regulations.
8. Develop and implement a biennial inspection program for overhead lines and underground lines that meet KSPC regulations, perform annual review of associated policy and submit recommendations for revision of policy.
9. Periodic review and evaluation of the need to implement a pole inspection program and initiate program, if necessary.
10. Maintain a transportation fleet that economically meets the safety and efficient operational needs of Shelby Energy.
11. Work with the SVP of Power Delivery Services and the Safety Coordinator to obtain bids for acquiring construction vehicles that meet work requirements.
12. Verify that operation employees understand and accept the responsibilities and authorities described in their job description.
13. Keep up-to-date on changes in construction, operations and maintenance techniques, OSHA standards and safety procedures.
14. Comply with the rule and guidelines of regulating agencies such as RUS, KPSC, FEMA, etc., and coordinate correspondence and filings as required.
15. Assist with preparation and application of rate studies/cases, line extension policies, power requirement studies, construction work plans and other studies or projects as needed.
16. Assist with system reliability studies such as, but not limited to, voltage levels, service voltage and blinking complaints, phase balancing, capacitor installations, sectionalizing, voltage regulator applications and sizing of conductors and transformers.
17. Prepare an annual departmental budget that will attain the corporate goals in the most cost effective manner.
18. Periodically review construction expenses, purchases and manage deviations from the annual budget.
19. Work directly with the Manager of Engineering to ensure Construction Work Plan projects and Work Order inspection deficiency corrections are completed in a timely manner.

20. Work directly with SVP of Finance and Cooperative Services to ensure material inventory is maintained at an economic and sufficient level that meets the needs of Shelby Energy.
21. In direct cooperation with the SVP of Finance and Cooperative Services, responsible for coordinating the annual materials inventory process.
22. Ensure the warehouse is maintained in a neat and orderly manner. All materials will be stored properly, stock-outs minimized and material items maintained accurately.
23. Ensure the grounds of the headquarters office are well maintained, flowers and plants watered and cared for, shrub beds kept clear of weeds, green areas and parking lots remain free of trash and periodic power washing of black top and concrete areas takes place.
24. Participate in professional, local and statewide organizations to exchange ideas and information for the benefit of Shelby Energy as recommended by the departmental executive or CEO.
25. Participate in CPR training, safety classes and other safety activities as necessary.
26. Serve on the Safety Committee and assists with accident investigations.
27. Assist with conducting periodic on-site safety inspections of contractor crews and Shelby Energy employees.
28. Assist with development and annual review of emergency restoration plan.
29. May serve as team member for on-call outage duty.
30. Assist with key accounts as requested or needed.
31. May serve as acting Safety Coordinator as directed or required.
32. Attend and participate in the annual meeting as directed.
33. Responsible for managing miscellaneous projects and performing other duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors and outdoors in all weather conditions. Expected to travel to various work locations in Cooperative service area via a company vehicle.

Requires travel to attend meetings, training sessions, seminars, etc. Some travel may be overnight and on weekends. A cellular telephone is required. Must be willing and able to respond at any time if emergency exists i.e., fire, storms, outages, accidents, etc.

Employee in this position is required to have his/her permanent residence within 40 minutes driving time of the Shelby Energy headquarters office or located within Shelby Energy's service territory. Regular hours are Monday through Friday, extra hours when necessary and mandatory report whenever needed during non-scheduled work periods.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Cooperative employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, climbing and sitting. Must be mobile on uneven terrain, able to move body in various positions including maintaining balance, stooping, kneeling, crouching, reaching and working in areas where allergens and insects are present. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light and heavy duty Cooperative vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. May not be colorblind. Must have the stamina to work in rapidly changing weather conditions, under conditions of crisis and be able to maintain emotional control at all times. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

Computer, telephone, fleet vehicles and various line tools.

MINIMUM QUALIFICATIONS:

High school graduate or equivalency required. An Associate's degree in electrical or civil engineering is preferred. A combination of education, training and relevant experience may be considered as a substitute for formal educational requirements. A valid driver's license and CDL is required.

Must have worked at progressively more responsible positions for five years in operations, engineering, safety and supervision/management. Must have knowledge and experience in computer applications, PCs and Microsoft Office software. Experience with a rural utilities electric distribution system is highly desirable.

A combination of education, training, and experience may be substituted when competency in the role is demonstrated. Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in applying technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases and personal computers.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.
- Ability to perform complex mathematical calculations with analytical, evaluative and problem-solving skills.
- Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.
- Working knowledge of all types of metering, substation operations, sectionalizing equipment, regulators and other major apparatus as well as the installation of transformer and transformer banks.

- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature: _____ Date: _____

Created: 08/10

Revised: 04/11 05/17

SHELBY ENERGY COOPERATIVE POSITION DESCRIPTION

JOB TITLE: President and Chief
Executive Officer

LOCATION: Executive

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: Board of Directors

NRECA JOB CODE: 11-1111

GENERAL SUMMARY:

This position manages Shelby Energy in accordance with the viewpoints, objectives, policies and goals of the Board of Directors.

This position develops, generates and maintains employee participation, productivity and positive morale throughout Shelby Energy by appropriate delegations, recognition of accomplishments, and by assignments according to merit, ability and interests.

This position advises and assists the Board of Directors on policies, plans, safety and other programs, financing, operating requirements and additional areas as requested or required while keeping the Board fully informed of operations concerning Shelby Energy.

This position obtains advice from consulting engineer(s) and counsel on engineering problems affecting the operation of Shelby Energy, and to engage services for the preparation of system studies, work plans and other engineering services.

This position obtains advice from auditor(s) on financial matters and accounting procedures affecting the operation of Shelby Energy and reviews the annual financial audit and discusses recommendations as needed.

This position establishes member recognition and acceptance of ownership responsibility; encourages and promotes the safe use of electricity; keeps advised of member reactions and satisfactions; verifies complaints are settled promptly; addresses member needs; keeps informed of Shelby Energy's viewpoints, objectives, developments, and activities, and works towards obtaining increased understanding and acceptance of Shelby Energy's policies, plans, programs, and problems.

This position establishes working relationships with associated/affiliated organizations; state and national associations; community and civic groups; banks and financial organizations; state commission; power supplier; other associations or organizations by participating in meetings, serving on committees, advising of power requirements, providing and requesting information, assisting with programs, and other functions as necessary or assigned by Board of Directors.

ESSENTIAL DUTIES AND TASKS:

1. Develops, in consultation with management staff and the Board of Directors, Shelby Energy's strategic plan outlining the strategic goals and the development of action plans.
2. Ensures that job training and a strong safety program is developed and administered for all Shelby Energy employees.
3. In consultation with management staff, develops Shelby Energy's work plan, budgets and operating procedures.
4. Ensures that the Shelby Energy's Bylaws, rate structures, rules and regulations are adequate to meet the goals and objectives of Shelby Energy's strategic plan.
5. Reviews operating reports to determine if remedial action is necessary. Reviews all facets of the operation concerning the need and feasibility of employee benefits, insurance coverage and all other ongoing operational elements.
6. Reviews the annual financial audit to determine if any corrective action is needed and directs that such action is taken.
7. Reviews and approves reports submitted to state and federal regulatory agencies.
8. Reviews with staff, plans for the Annual Meeting of members and presents to the Board of Directors.
9. Approves or processes for approval all contracts and documents affecting Shelby Energy.
10. Keeps well informed about developments in the electric energy industry.
11. Establishes the organizational structure and modifies as conditions warrant.
12. Assists the appropriate member of management and the independent consultant to conduct annual wage and salary survey and presents the developed plan to Board of Directors for approval.
13. Interviews, selects, and develops the management team that reports directly to the CEO and assists in recruiting and selecting employees with key positions within each department.
14. Administers conditions of employment, grievances, terminations, pensions and other benefits in accordance with established policies.
15. Verifies that training programs are developed for Shelby Energy employees to provide the opportunity to develop and improve knowledge and skills.
16. Verifies that an annual performance appraisal is conducted for each employee.

17. Determines need for consulting services in such areas as engineering, management, accounting, auditing, legal, information technology and upon the request of the Board of Directors recommends the appointment of other consultants, as necessary.
18. Works directly with legal counsel to verify Shelby Energy policies are reviewed, revised and provides updated versions to employees.
19. Reviews all payroll and accounts payable checks drawn on Shelby Energy.
20. Provides recommendation for retirement of capital credit patronage, presents to the Board of Directors for approval and reviews the results of the process.
21. In cooperation with Shelby Energy's Board Chair, coordinates preparation of the monthly agenda for Board meetings.
22. Serves as an officer or board member of Shelby Energy's subsidiary entities, as needed or required.
23. Performs other duties as required or directed by the Bylaws and/or Board of Directors.

WORKING CONDITIONS:

General office environment. Requires both office and considerable external work. Requires irregular working hours with considerable travel, both on and off the system, as well as out of state. Must possess a valid driver's license.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Work requires sitting for long periods of time. Must be willing and able to work with detail. Work can be very fast-paced and stressful.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, copy machine, fax machine, telephone and audiovisual equipment.

MINIMUM QUALIFICATIONS:

A Bachelor's degree from an accredited college is preferred. Advanced degrees are desirable. Training should include various phases of management practices, accounting, business administration, human resources, economics, etc. Completion of NRECA's supervisory essentials, management essentials and/or management internship program is desirable.

No less than five (5) years of experience at a senior management level is required. Experience related to the electric utility industry, with working knowledge of electric cooperative operations, is preferred. Experience is necessary in supervising people, planning, developing work programs and budgets, developing and presenting reports, organizing and coordinating operations and measuring end results. Experience in personally working with boards and member groups is highly desirable.

Must possess an effective working knowledge of problems and practices applicable to business operations. Should possess extensive knowledge and full understanding of modern management philosophies and functions. Must have a comprehensive knowledge of budgeting as well as short and long-range planning as it affects the organization in its entirety. Must be skilled in effectively dealing with people and getting results. Should be skilled in applying the latest management techniques to fully utilize the available resources. Must be skilled in communicating effectively, particularly in writing and speaking. Should possess organizational and analytical skills in all areas. Must be skilled at negotiating contracts.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Support strong internal teamwork.
- Develop lasting internal and external relationships.
- Build political and business alliances for cooperative program.
- Proven verbal and written communication skills.

- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 04/18

12. Remain current regarding RUS construction and material specifications, NESC requirements, rules and regulations of the Kentucky Public Service Commission and Shelby Energy, local codes and applicable policies of Shelby Energy.
13. Work with operations employees to clarify engineering objectives as they relate to specific construction and maintenance work orders.
14. Participate in CPR training, safety classes and other safety activities as necessary.
15. Attend and participate in annual employee training.
16. Attend and participate in the annual meeting as directed.
17. Perform other duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors and outside the office. Some work is done in the field where there may be unfavorable weather conditions. Exposure to insects and air-borne allergens are possible. Regular hours are Monday through Friday, 7:30 a.m. to 4:30 p.m.; however this position may require work outside of these hours.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations; and

Take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, sitting; must be able to move body in various positions, including maintaining balance, stooping, kneeling, crouching, climbing, and reaching. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light duty S vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds.

MACHINES, TOOLS, EQUIPMENT:

Personal Computers, CAD system, mapping systems, ladders, transit and other surveying instruments.

MINIMUM QUALIFICATIONS:

Associates Degree in Engineering Technology, or Business Degree with three (3) to five (5) years of work experience is preferred. Educational requirement may be met by a combination of education and experience when competency in the role is demonstrated. A minimum of two (2) years of practical work experience in staking, system design or other related work is required. Successful performance on pre-employment tests is required.

Requires ability to use various surveying equipment to complete line design. Must have ability to use and experience with GPS equipment computerized staking packages. Additional courses in electricity, electronics or related areas are necessary if qualifications are met through experience.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must possess a valid driver's license. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in apply technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases and personal computers.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.
- Ability to perform complex mathematical calculations with analytical, evaluative and problem-solving skills.
- Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/10

Revised: 04/11 09/13 04/14 3/15 05/17 07/20

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Senior Vice President
Power Delivery Services

LOCATION: Executive

FLSA STATUS: Exempt

EEO CODE: 01-A

REPORTS TO: President & CEO

NRECA JOB CODE: 53-1111

GENERAL SUMMARY:

As a member of the senior leadership team, responsible for leading and managing engineering, construction, operations and maintenance functions regarding power services delivery along with the safety, key accounts and economic development programs of Shelby Energy.

ESSENTIAL DUTIES AND TASKS:

1. Serves as a productive member of the CEO's management staff that makes strategic decisions for the direction of Shelby Energy.
2. Provide daily leadership and management for assigned operating departments, coaching and advising the department heads, as needed.
3. Inform the CEO through reporting and regular updates on strategies and plans regarding each assigned area of responsibility.
4. Assist the CEO in maintaining Shelby Energy in a sound financial condition by providing data and research in areas of responsibility.
5. Develop an annual departmental budget for the areas assigned.
6. Prepare annual performance reviews for assigned managers/supervisors.
7. Ensure that records and reports are accurate and are maintained in accordance with established procedures, policies, and regulations.
8. May serve as team member for on-call outage duty and/or assist, as needed, during outage or emergency situations.
9. May assist with daily opening of office headquarters for business and securing the facility after business hours.

10. Attend and participate in the annual meeting as directed.

11. Perform other duties as required or assigned.

SPECIFIC DUTIES FOR ENGINEERING AND DESIGN:

Serve as the leader of the staff responsible for performing the work associated with the Engineering Department:

1. Ensure that distribution system design follows requirements of the Rural Utilities System (RUS), National Electric Safety Code (NESC) and other applicable regulatory guidelines.
2. Responsible for preparation of Construction Work Plans (CWP) and verifying proper approval is obtained from RUS and the Kentucky Public Service Commission (PSC).
3. Ensure short-term and long-term system planning is performed regarding load forecast, design and other areas of the electric distribution system.
4. Responsible for monitoring delivery of power, analyzing quality of service, investigating power quality issues and providing recommended solutions.
5. Responsible for obtaining necessary property easements, permits and proper recording of each at the applicable county clerk's office.
6. Ensure materials inventory is adequate and materials used meet the requirements of RUS.
7. Responsible for the SCADA, mapping and staking systems along with other associated programs.
8. Ensure that the preparation and submission of required engineering reports are performed as necessary.

SPECIFIC DUTIES FOR OPERATIONS AND MAINTENANCE

Serve as the leader of the staff responsible for performing the work associated with the Operations and Maintenance Department:

1. Responsible for construction and maintenance, on-call and dispatch scheduling.

2. Ensure ROW and Construction contracts are bid, according to RUS requirements, and work is conducted as appropriate for the distribution system.
3. Responsible for verification and payment of construction and maintenance invoices.
4. Responsible for two-year inspection program of distribution system.
5. Ensure that records are maintained, proper invoicing is conducted and periodic inventories are performed for joint-use of distribution poles.
6. Responsible for dispatching of daily work, power outages and emergency situations.
7. Ensure records are maintained regarding emergency, switching, outage and call-out events.
8. Responsible for fleet purchase, maintenance and inspections according to the policies and procedures of Shelby Energy.
9. Ensure that the preparation and submission of required operational and maintenance reports are performed as needed.

SPECIFIC DUTIES FOR SAFETY

Serve as the leader of the staff responsible for performing the work associated with the Safety Department:

1. Responsible for a comprehensive safety program that meets requirements of the National Electric Code (NEC), Occupational Safety and Health Administration (OSHA), Department of Transportation (DOT), NESC and other regulatory agencies.
2. Ensure an Apprenticeship Program is developed, maintained and adequate for training of appropriate employees.
3. Responsible for periodic safety crew visits and inspections for Shelby Energy and contractors are performed.
4. Ensure spill program complies with federal, state and local requirements for handling, containing, clean up and disposal of hazardous materials.
5. Ensure proper accident investigation guidelines and procedures are established, maintained and assistance is provided as needed.

6. Responsible for establishing and maintaining Shelby Energy's Emergency Response Plan (ERP), safety manual and other safety guidelines and procedures.
7. Ensure CPR, first-aid, safety meetings, and other safety functions are performed and associated committees participate as needed.
8. Ensure that the preparation and submission of required safety reports are performed as necessary.

SPECIFIC DUTIES FOR KEY ACCOUNTS

1. Ensure a key accounts program is established and maintained that provides open communication, support and contact with local representatives while working directly with East Kentucky Power Cooperative (EKPC) to assist, as needed.

SPECIFIC DUTIES FOR ECONOMIC DEVELOPMENT:

1. Responsible for relationships and activities that support growth in the communities served while partnering with EKPC to provide services, projections and other assistance as appropriate.

WORKING CONDITIONS:

This work is performed indoors and outdoors in all weather conditions. Expected to travel to various work locations in Cooperative service area via a company vehicle.

Requires travel to attend meetings, training sessions, seminars, etc. Some travel may be overnight and on weekends. Cellular telephones are required. Must be willing and able to respond at any time if emergency exists i.e., fire, storms, outages, accidents, etc.

Employee in this position is required to live within 30 minutes driving time of the Shelby Energy headquarters office or within the Shelby Energy service territory. Regular hours are Monday through Friday, extra hours when necessary and mandatory report whenever needed during non-scheduled work periods.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Cooperative employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, climbing and sitting. Must be mobile on uneven terrain, able to move body in various positions including maintaining balance, stooping, kneeling, crouching, reaching and working in areas where allergens and insects are present. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light and heavy duty Cooperative vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. May not be colorblind. Must have the stamina to work in rapidly changing weather conditions, under conditions of crisis and be able to maintain emotional control at all times. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

Computer, telephone, fleet vehicles and various line tools.

MINIMUM QUALIFICATIONS:

Bachelor's degree in engineering & technology or business management/administration is required. Advanced degree preferred. Professional License in Kentucky is desired. A combination of education, training and relevant experience may be considered as a substitute for formal educational requirements. A valid driver's license and CDL is required.

Must have worked at progressively more responsible positions for five years in operations, engineering, safety and supervision/management areas. Must have knowledge and experience in computer applications, PCs and Microsoft Office software. Experience with a rural utilities electric distribution system is highly desirable.

A combination of education, training, and experience may be substituted when competency in the role is demonstrated. Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Able to maintain confidentiality in all matters
 - Exceptional organizational, time-management and planning skills
 - Be a team player
 - Develop strong internal and external relationships
 - Possess working verbal and written communication skills
 - Working knowledge of all types of metering, substation operations, sectionalizing equipment, regulators, transformers and transformer banks along with other major electric power equipment.
 - Knowledgeable of the NEC, NESC, OSHA and DOT regulations
-
- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature: _____ Date: _____

Created: 01/17

SHELBY ENERGY COOPERATIVE POSITION DESCRIPTION

JOB TITLE: System Engineer

LOCATION: Power Delivery Services

FLSA STATUS: Exempt

EEO CODE: 02

REPORTS TO: Manager of Engineering

NRECA JOB CODE: 54-2421

GENERAL SUMMARY:

Provide engineering knowledge and expertise in the development of sectionalizing studies, work plans, long range plans, transformer and other equipment evaluations, and other engineering studies to assure system reliability and efficiency.

Maintain the proper performance of metering devices, AMI system, OMS system, voltage regulation devices and other special electronic equipment related to the electric utility industry.

Responsible for the operation of electronic data collection and monitoring systems that interface with the Shelby Energy local network and its various interfaces within the distribution system.

ESSENTIAL DUTIES AND TASKS:

1. Assists Manager of Engineering with the development and evaluation of electric distribution system reliability and efficiency studies – including voltage drop, fault current, load balance, arc hazard analysis, long-range distribution planning and multi-year construction work plans.
2. Test and calibrate single and polyphase watt-hour meters, demand meters, recording volt meters, substation demand reduction devices in conjunction with Shelby Energy policies and Kentucky Public Service Commission (“KPSC”) regulations.
3. Provide inter-departmental support and training for line distribution equipment installations and lend support to the Billing Department on metering and assist with the billing of large power accounts when necessary.
4. Develop strategies to assist with member complaints due to voltage sags, blinks and interruptions.
5. Request specific quotes and purchase specialized equipment.
6. Participate in professional, local and statewide organizations to exchange ideas and information for the benefit of Shelby Energy and the communities we serve.
7. Calibrate, repair, test and maintain records for single and polyphase meters according to Shelby Energy policies and KPSC regulations.

8. Responsible for administering and maintaining system supervisory control and acquisition system (SCADA) along with future enhancements to the systems.
9. Participate in CPR training, safety classes and other safety activities as necessary.
10. May serve as team member for on-call outage duty.
11. May serve as backup for management in the operations and/or engineering department as directed or required.
12. Attend and participate in the annual meeting as directed.
13. Responsible for managing miscellaneous projects and others duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors in an office atmosphere as well as outdoors in all weather conditions. Regular hours are Monday through Friday, however; extra hours are necessary whenever needed during non-scheduled work periods.

Employee in this position is required to have his/her permanent residence within 40 minutes driving time of the Shelby Energy headquarters office or located within Shelby Energy's service territory. Regular hours are Monday through Friday, extra hours when necessary and mandatory report whenever needed during non-scheduled work periods.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, climbing and sitting. Must be mobile on uneven terrain, able to move body in various positions including maintaining balance, stooping, kneeling, crouching, reaching and working in areas where allergens and insects are present. Must be able to lift seventy-five (75) pounds; must be able to push and pull

objects weighing up to one-hundred (100) pounds. Must be able to operate light duty Shelby Energy vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. May not be colorblind. Must have the stamina to work in rapidly changing weather conditions, under conditions of crisis and be able to maintain emotional control at all times. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

Understand and manage substation and metering equipment, transformers, capacitors, servers, printers, telephone, PC's and work with various hand tools.

MINIMUM QUALIFICATIONS:

Associate Degree in applied Science in Electrical or Electronic Engineering is required. Bachelor's Degree is preferred. A minimum of five years of experience in the electronic, electrical engineering or software usage is required. Knowledge of electric distribution systems would be desired. Must be able to read, write, measure and perform mathematical calculations.

A combination of education, training and experience may be substituted when competency in the role is demonstrated. Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must possess a valid driver's license. Must be able to maintain complete confidentiality of any information s/he encounters.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in apply technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases, personal computers and personal computer maintenance.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.
- Ability to perform complex mathematical calculations with analytical, evaluative and problem-solving skills.
- Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.

- Working knowledge of communications systems; both voice and data; all types of metering, substation operations, sectionalizing equipment, regulators and other major equipment as well as the installation of transformer and transformer banks.
- Able to work under very general supervision.

- **Shelby Energy Cooperative, Inc. reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/10
Revised: 04/11 09/13 05/17

9. Assist with maintaining the cash journal and coordinate with management concerning loan and power bill payments, temporary cash investments and extraordinary cash disbursements.
10. Assist with audits and other financial processes.
11. Assist in month-end/year-end closing, audits and filings as needed.
12. Assist with preparation of sales and use tax, county tax, franchise tax, highway tax and other tax filings as needed.
13. Prepare year end miscellaneous income forms (1099), distributes to vendors, prepares summary report and sends to IRS.
14. Assist in the Billing and Customer Service Department as requested.
15. Attend and participate in the annual meeting as directed.
16. Assist co-workers and management as needed.
17. Perform other duties as required or assigned.

WORKING CONDITIONS:

General office environment. Regular office hours, however, occasional overtime may be required. Some overnight travel is necessary for seminars, training, meetings, etc. Work can be very fast-paced and stressful.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Cooperative employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Must be able to lift, move and carry up to thirty-five (35) pounds, which may be accommodated. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Daily contact with co-workers, members and vendors.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, postage machine, copy machine and fax machine.

MINIMUM QUALIFICATIONS:

Associate's degree in accounting or business from an accredited college or university is preferred. Must be knowledgeable and proficient in accounting principles. Minimum of one year of experience in related field. A combination of education and experience may be substituted when competency is demonstrated.

Must be able to work within a team and independently under general supervision.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Excellent computer knowledge and skill regarding financial spreadsheets.
- Able to use business software
- Attention to detail and maintain confidential information.
- Good verbal and written communications skills.

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 03/18

SHELBY ENERGY COOPERATIVE POSITION DESCRIPTION

JOB TITLE:	Apprentice Line Technician	LOCATION:	Operations
FLSA STATUS:	Non-Exempt	EEO CODE:	07
REPORTS TO:	Internal Resource Manager	NRECA JOB CODE:	55-6455 Lvl 1 55-6456 Lvl 2 55-6457 Lvl 3 55-6458 Lvl 4

GENERAL SUMMARY:

Under direct supervision of the Internal Resource Manager, provide assistance by constructing, replacing and maintaining reliable service to our membership while observing safe working habits. To be actively engaged in the apprentice program acquiring journeyman line technician skills.

ESSENTIAL DUTIES AND TASKS:

1. Under close supervision, perform the following:
 - learn the structures on which power lines are constructed;
 - work safely on and around both energized and de-energized power lines;
 - frame and climb poles;
 - keep vehicle stocked with proper materials and hardware; cut right-of-way for maintenance and new service orders.
2. Study and become familiar with Rural Utilities Service (RUS) specifications, American Public Power Association (APPA) manual, the National Electric Code (NEC), Occupational Safety Health Association (OSHA) and the Department of Transportation (DOT) guidelines.
3. Become knowledgeable of work order prints and construction units needed to complete a job.
4. Possess a CDL and be able to operate vehicles and other equipment in a safe manner, obeying all laws and safety rules.
5. Maintain a positive image in dealing with the public and other co-workers.
6. Perform other duties as assigned.

WORKING CONDITIONS:

This work is performed outdoors in all weather conditions, around and near moving mechanical parts, with risk of electrical shock. Regular hours are Monday through Friday, however; extra hours are required and mandated when needed during non-scheduled work hours.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Cooperative employee shall:

Adhere to the Shelby Energy Safety Manual and abide by the rules adopted by the Cooperative and applicable governmental regulations;

Attend and participate in Cooperative Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, sitting, lifting heavy material items of 100 pounds or more; must be able to push and pull objects weighing up to 150 pounds; digging and shoveling, must be able to move body in various positions, including maintaining balance, stooping, kneeling, crouching and reaching. Must be able to operate light and heavy duty Cooperative vehicles. Must be skilled in pole and tower climbing and able to work at heights of more than 100 feet. Must hear well enough to engage in conversations, hear various alarms and other sounds. Must be able to read, write, measure and perform mathematical calculations.

Must work on attaining four-year line technician certification plus other related courses to become a Journeyman Line Technician.

MACHINES, TOOLS, EQUIPMENT:

Computer, telephone, digger truck, bucket truck, skid loader, back hoe and various line tools.

MINIMUM QUALIFICATIONS:

High school graduate or equivalency required. Must be able to work on a team, under general supervision

Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information s/he encounters.

SPECIALIZED SKILLS AND KNOWLEDGE:

Must be able to receive and follow instructions from Line Supervisor and Operations Manager to progress through the journeyman line technician program.

- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 09/12
Revised 09/13 8/23

9. Recognize safety hazards related to joint use; promptly notify the applicable companies of any hazards or violations and coordinate with others in engineering and operations to ensure that hazards are corrected in a timely manner.
10. Coordinate new construction by all joint use companies on the distribution facilities. Initiate and follow through with all “make ready” requests for pole attachments. Generate “make ready” costs for all joint use work.
11. Stay abreast of the current Construction Work Plan, and other planned construction, to avoid duplicating work performed for “make ready” projects.
12. Resolve construction problems related to pole attachments and work orders. Furnish information related to construction standards or clearance requirements in accordance with the current NESC requirements. Work with utility and contractor groups to exchange information and enhance working relationships.
13. Furnish information, when necessary, to telecommunications, telephone and cable TV companies. Explain all or any part of the license agreement. Explain clearance safety guidelines as per current NESC and RUS specifications.
14. Assist with meter testing, calibration, and reporting in conjunction with Shelby Energy policies and Kentucky Public Service Commission (“KPSC”) regulations.
15. Assist with member complaints due to voltage sags, blinks and interruptions.
16. Perform onsite meter readings, as requested.
17. Participate in CPR training, safety classes and other safety activities as necessary.
18. Serve as team member for on-call outage duty.
19. Attend and participate in the annual meeting as, directed.
20. Responsible for coordinating or assisting with miscellaneous projects and other duties as required or assigned.

WORKING CONDITIONS:

This work is performed indoors and outside the office. Some work is done in the field where there may be unfavorable weather conditions. Exposure to insects and air-borne allergens are possible. Position may require occasional work outside of normal business hours.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy’s Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations; and

Take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, sitting; must be able to move body in various positions, including maintaining balance, stooping, kneeling, crouching, climbing, and reaching. Must be able to lift seventy-five (75) pounds; must be able to push and pull objects weighing up to one-hundred (100) pounds. Must be able to operate light duty S vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds.

MACHINES, TOOLS, EQUIPMENT:

Personal Computers, Tablets, mapping systems, surveying instruments, metering equipment, transformers, capacitors, forklift, and various other hand tools.

MINIMUM QUALIFICATIONS:

Associates Degree in Engineering Technology or Metering with three (3) to five (5) years of co-op experience is preferred. Candidate's experience will be taken into consideration in lieu of educational background. Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must possess a valid driver's license. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Ability to maintain absolute confidentiality.
- In-depth knowledge and understanding of a broad range of computing technologies and proficiency in apply technology solutions to solve business problems.
- Knowledge of various computer operating systems, relational databases and personal computers.
- Excellent written and oral communication skills including outstanding interpersonal skills.
- Ability to conduct and direct research and present ideas in a business-friendly and user-friendly language.
- Highly self-motivated with keen attention to detail.
- Communicate and interact with personnel at all levels of the organization in a business, professional and respectful manner.

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 07/2020

Revised:

8. Record and reconcile cash receipts and various accounts receivable transactions.
9. Develop and maintain a working knowledge of RUS procedures and process work order construction, retirements, continuing property records and inventory controls.
10. Ensure billings from vendors are accurate and review accounts payable transactions for accuracy.
11. Prepare sales and use tax, county tax, franchise tax, highway tax and other tax filings as needed or assigned.
12. Prepare, organize, and update the annual budget under guidance from direct supervisor/manager.
13. Prepare data for FEMA reporting regarding declared disasters.
14. In direct cooperation with other Shelby Energy employees, perform inventory of materials process annually or as needed.
15. Maintain fixed asset accounts, depreciation accounts and prepare various journal entries each month.
16. Reconcile general ledger and subsidiary accounts as needed or required.
17. Coordinate process, prepare data and perform other duties for external and internal audits.
18. Upon request, serve as backup for various departmental functions and management/supervisory duties.
19. Provide guidance and assistance to other accounting employees as necessary or as requested.
20. May serve as a problem solver regarding daily accounting issues.
21. May serve as a team member for on-call outage duty.
22. Attend and participate in the annual meeting as directed.
23. Assist co-workers and management as needed.
24. Perform other duties as required or assigned.

WORKING CONDITIONS:

General office environment with regular work hours. However, working after normal business hours as needed in order to complete various projects or reports may be required. Some overnight travel is necessary for seminars, training, meetings, etc.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Must be able to lift, move and carry up to thirty-five (35) pounds, which may be accommodated. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Work can be very fast-paced and stressful. Daily contact with co-workers, members and vendors.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, postage machine, copy machine and fax machine.

MINIMUM QUALIFICATIONS:

Bachelor's degree in accounting or related business degree from an accredited college is preferred. An Associate's degree in accounting or business-related field is required. A combination of education and experience may be substituted when competency is demonstrated. Must be knowledgeable and proficient in accounting principles. Minimum of one year of experience in RUS accounting principles and processes or two to four years of diverse accounting experience.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Excellent computer knowledge and skill regarding financial spreadsheets.
- Able to use business software.
- Attention to detail and maintain confidential information.
- Good verbal and written communication skills

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 08/10
Revised: 04/11 09/11 07/13 09/13 03/14 05/17 11/17

12. Cut right-of-way when necessary to restore service, improve service reliability and aid with new construction.
13. Assist in annual physical inventory of materials, tools and work equipment.
14. Talk with members about any concerns regarding electric service and assist as applicable.
15. Install, connect, disconnect and repair yard lights and meters.
16. Properly stocks vehicle(s) each day.
17. Responsible for vehicle(s) and equipment remaining clear of trash and other debris.
18. Perform patrolling, system inspections, and substation inspections.
19. Perform ditch/underground inspections.
20. May work alone as needed to perform other non-climbing duties.
21. Locate and mark underground cables.
22. Attend and participate in the annual meeting as directed.
23. Perform other duties as assigned.

WORKING CONDITIONS:

This work is performed outdoors in all weather conditions, around and near moving mechanical parts, must be skilled in pole climbing, and be exposed to the risk of electrical shock. There are regularly assigned hours, however, extra hours are necessary and reporting to duty is required whenever needed during non-scheduled work periods.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to Shelby Energy's Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear and speak. Work requires standing, walking, sitting, lifting heavy material items of 100 pounds or more; must be able to push and pull objects weighing up to 150 pounds; digging and shoveling, must be able to move body in various positions, including maintaining balance, stooping, kneeling, crouching and reaching. Must be able to operate light and heavy duty Shelby Energy vehicles. Must hear well enough to engage in conversations, hear various alarms and other sounds. Must be able to read, write, measure and perform mathematical calculations.

MACHINES, TOOLS, EQUIPMENT:

Computer, telephone, digger truck, bucket truck, forklift, backhoe and various line tools and equipment.

MINIMUM QUALIFICATIONS:

High school graduate or equivalency required. Must have a minimum of five years of responsible duties in the construction and maintenance of a distribution utility. Able to work independently under general supervision and within a team network

A combination of education, training and experience may be substituted when competency in the role is demonstrated. Successful performance on pre-employment tests is required. A commercial driver's license is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required alcohol/drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information encountered.

SPECIALIZED SKILLS AND KNOWLEDGE:

Possess a working knowledge of all types of metering, substation operations, sectionalizing equipment, regulators and other major apparatus as well as the installation of transformer and transformer banks. Be knowledgeable of the National Electric Safety Code (NESC), OSHA, Department of Transportation (DOT) regulations and other related company policies.

- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Adopted:

Revised: 09/12 09/13 05/17 8/23

WORKING CONDITIONS:

This work is performed in indoor and outdoor warehouse facilities and occasionally exposed to inclement weather and loud noises. Regular working hours, Monday through Friday, however; working after normal business hours may be necessary.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position. In order to maintain a safe working environment, each Shelby Energy employee shall:

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to Shelby Energy's Safety Manual and abide by the rules adopted by Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Work requires working at a computer for entry of materials, etc. Constant reaching with hands and arms. The employee is frequently required to stand, walk, climb or balance and stoop, kneel, crouch or crawl. The employee must occasionally lift and/or move up to 75 pounds.

MACHINES, TOOLS, EQUIPMENT:

Forklift, vehicle, computer, printer, calculator, copy machine and fax machine.

MINIMUM QUALIFICATIONS:

High school graduate or equivalency required. Knowledge of warehousing, material management procedures and building maintenance is required. Must be able to work independently and in team situations under general supervision.

Successful performance on pre-employment tests is required.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination. Must be able to maintain complete confidentiality of any information s/he encounters.

SPECIALIZED SKILLS AND KNOWLEDGE:

Ability to read and comprehend instructions, correspondence and procedure manuals. Possess math skills to analyze facts and resolve problems. Ability to communicate with vendors and co-workers. Must be able to gain the trust of the vendors and employees and maintain confidential information.

- **The Company reserves the right to revise and alter this job description as needed.**

Approved: _____ Date: _____

Employee Statement:

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Adopted:

Revised: 09/13 05/17

**SHELBY ENERGY COOPERATIVE
POSITION DESCRIPTION**

JOB TITLE: Payroll & Benefits Administrator **LOCATION:** Finance/Coop Services
FLSA STATUS: Exempt **EEO CODE:** 05
REPORTS TO: Manager, Accounting & Payroll **NRECA JOB CODE:** 33-5371

GENERAL SUMMARY:

Under general supervision of the Senior Vice President of Finance & Cooperative Services (SVP), the Payroll and Benefits Administrator is responsible for supporting human resource activities, including processing payroll, performing accounting tasks related to payroll, benefits administration, maintaining employee files, and responding to management's requests for information and assistance. This position will perform confidential tasks to ensure efficiency, effectiveness, and customer service to the organization. Employee will be cross-trained to assist with functions in other areas of the department, when needed.

ESSENTIAL DUTIES AND TASKS:

1. Process and maintain payroll information with strict security safeguards and uncompromised confidentiality.
2. Process payroll for all employees.
3. Manage workflow to ensure all pay transactions are processed accurately and timely.
4. Reconcile payroll prior to transmission and validate confirmed reports.
5. Manage the day-to-day operation of payroll administration including time reporting, wage/employment verifications and wage garnishments.
6. Perform accounting functions related to the payroll process including construction work orders, preparing annual payroll accruals, balancing monthly payroll accounts, and journal entries for labor and payroll costs.
7. Work collaboratively with insurance brokers and third-party administrators to administer employee and retiree benefits including medical, dental, vision, life, disability, R&S pension plan, 401K, and other benefits.

8. Assure all employment posting requirements for local, state and federal agencies are met.
9. Assist with conducting new employee orientation to ensure all employee records are properly created and orientation is completed in a consistent and timely manner.
10. Administer employee benefit plans including assistance with all enrollments and terminations. Process required documents through payroll and insurance providers to ensure accurate record keeping, proper deductions and notification to the Cobra Administrator as needed.
11. Coordinate medical insurance plan for participants. Attend insurance meetings, prepare monthly invoices for supervisor review and work with supervisor to manage the medical insurance plan. Understand the need for and maintain confidentiality of all correspondence and records kept ensuring HIPPA compliance.
12. Update payroll tax rates and monitor changing tax laws associated with payroll.
13. Maintain all DOT, CDL, and Motor Vehicle Records (MVR) to ensure active status.
14. Assist with administering the drug free workplace program.
15. Assist with employee relations activities and other cooperative activities as requested.
16. Be accessible to employees during work hours to assist them with payroll and/or benefit questions and issues.
17. Assist management with the coordination, evaluation, and implementation of the annual wage and salary study.
18. Immediately inform management of any significant employee issue related to payroll and/or benefits.
19. Refer employee to Senior Vice President of Finance and Cooperative Services when HR issues appear to warrant immediate resolution.
20. Keep management informed and regularly provide updates concerning payroll and benefits administration.
21. Maintain employee healthcare costs and assist in the scheduling and facilitation of employee healthcare meetings including annual Open Enrollment meetings.

22. Process monthly billings from insurance and other benefit providers and present to management for review and approval.
23. Ensure compliance with ERISA and Healthcare Reform regulations.
24. Maintain, compile, and prepare reports for government agencies as requested and approved by management.
25. Work with financial, worker's compensation, R&S pension plan, and 401K auditors during annual audits.
26. Interpret and explain benefits and procedures to employees.
27. Provide administrative support to executive management including the preparation of various reports as requested and assistance with special projects.
28. Assist with rate case and other filings with applicable regulatory agencies as needed.
29. Assist with Accounts Payable and Accounts Receivable upon request.
30. Foster a positive and collaborative member and team-oriented work environment.
31. Participate in CPR training, safety classes, and other safety activities as requested by department VP/Manager.
32. May serve as team member for "on-call outage duty."
33. Assist with daily opening of office headquarters for business and secure the building after business hours.
34. Attend and participate in the annual meeting as directed.
35. Perform other duties as required or assigned.

WORKING CONDITIONS:

General office environment. Regular work hours, however; working after normal business hours as needed in order to complete projects and reports may be required. Some overnight travel is necessary for seminars, training, meetings, etc. Work can be stressful during storms, blizzards, natural disasters and other emergencies affecting the energy distribution system and work hours may be extended.

Shelby Energy Cooperative, Inc. wishes to be in full compliance with the American's with Disabilities Act. In accordance with the act, we will make reasonable accommodations to any person who needs such accommodation whether a new hire or a current employee, assuming that the employee is fully qualified for the position.

In order to maintain a safe working environment, each Shelby Energy employee shall:

Adhere to the Shelby Energy's Safety Manual and abide by the rules adopted by the Shelby Energy and applicable governmental regulations;

Attend and participate in Shelby Energy Safety Meetings as assigned;

Comply with all NESC, OSHA, DOT, PSC and Federal Motor Carrier regulations;

And take responsibility for their own safe work practices and the safety of others.

EFFORT:

Must be able to see, hear, and speak. Reaching, stretching, bending and regular use of fingers for entering/keying data are a routine part of the job. Minimal lifting of thirty-five (35) pounds or less. Work requires sitting for long periods of time and working at a computer screen. Must be willing and able to work with detail. Work can be very fast-paced and stressful. Daily contact with co-workers, members and visitors to the building.

MACHINES, TOOLS, EQUIPMENT:

Computer, printer, calculator, copy machine, fax machine, telephone and audiovisual equipment.

MINIMUM QUALIFICATIONS:

Associate Degree in Human Resources or Business-related field, or may substitute equivalent years of applicable work experience of two to four years of Accounting or Payroll experience within the utility industry required. Demonstrate strong administrative, organizational, and interpersonal skills. Maintain complete confidentiality in all areas to protect the privacy of employees, management, board of directors, and the organization. Must be able to work within a team and also independently. Must have a valid driver's license in the state of residence.

Reasonable accommodations may be made to those who are able to perform the essential duties of the job. Must be able to pass any required drug test and new hire physical examination.

SPECIALIZED SKILLS AND KNOWLEDGE:

- Knowledge of principles and procedures for payroll, benefits, employee and labor relations, and human resource information systems
- Knowledge of Federal, State, and Local employment laws pertaining to Employee Compensation and Benefits

- Knowledge of administrative and clerical procedures and systems such as word processing, managing files and reports, designing forms, and other office procedures and terminology
- Excellent analytical and critical thinking skills
- Strong oral and written communication to work with employees, vendors, suppliers and members including presentations to a diverse group, when needed
- Strong interpersonal skills with the ability to exercise good judgment in handling sensitive and confidential situations and documentation
- Ability to think ahead with strong attention to detail and accuracy
- Ability to work independently, plan, coordinate, and manage work and solve problems independently
- Must possess strong leadership and problem-solving skills
- Ability to handle multiple and changing priorities in a very fast-paced, deadline driven work environment
- Advanced computer skills with a proficiency in Microsoft Word, Excel, PowerPoint, and Outlook

The Company reserves the right to revise and alter this job description as needed.

Approved: _____ Date: _____

Employee Statement:

The employee is expected to adhere to all company policies and procedures.

I have read this job description and a copy has been provided to me. My signature below certifies that I am able to perform the essential functions of this position.

Employee Signature _____ Date: _____

Created: 11/17

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REQUEST 14

RESPONSIBLE PARTY: Michael Moriarty

Request 14. Refer, generally, to the Direct Testimony of John Wolfram ("Wolfram Testimony") and Exhibits. Mr. Wolfram provides details for Shelby Energy Cooperative employee benefits offering, including but not limited to, health insurance, life insurance, participation in a 401(k) defined-contribution plan, and R&S Pension Plan. Please provide the percentage of contribution Shelby Energy Cooperative makes to each benefit program per employee. If these amounts differ amongst employees, please explain. Please identify the same for any Shelby Energy Cooperative benefits not listed above, if any.

Response 14. Shelby Energy Cooperative contributes 90% of health insurance premiums for non-union employees and 87% for union employees. Shelby Energy provides matching employer 401(k) contributions for non-R&S Pension Plan participants up to 12% of an employee's gross wages. Shelby Energy also offers a 401(k) plan for R&S Pension Plan Participants and matches up to 2% of the employee's gross wages. Shelby Energy froze the R&S Pension Plan in 2009, and no employee hired after 2009 is eligible to participate in the R&S Plan. Shelby Energy provides 100%

of the contribution to fund the R&S Pension Plan. Shelby Energy also pays 100% of employee life insurance, which is two times the employee's base salary.

In addition to the benefit offerings listed in the request above, Shelby Energy also provides long-term disability coverage, employee assistance programs, and business travel insurance, all of which is 100% funded by Shelby Energy. All other benefit offerings such as supplemental life insurance, vision insurance, eye insurance, etc., is 100% funded by the employee.

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REQUEST 15

RESPONSIBLE PARTY: Michael Moriarty

Request 15. Refer to the Wolfram Testimony referencing Chart 1.04, page 11, which shows Shelby Energy Cooperative incurred expenses for "Donations, Promotional Advertisements, and Dues" in the amount of \$192,049.00.

- a. Please provide a detailed list of all payees under Donations (Column B) accounting for this \$5,014.00 expense. And please also state whether this monetary amount has been included in or excluded from this requested revenue requirement.
- b. Please provide a detailed list of all payees under Civic/Community Donations (Column C) accounting for this \$10,773.00 expense. And please also state whether this monetary amount has been included in or excluded from this requested revenue requirement.
- c. Please provide a detailed list of all payees under Employee and Member Appreciation (930.20) accounting for this \$9,474.00 expense. And please also state whether this monetary amount has been included in or excluded from this requested revenue requirement.

- d. Please provide a detailed list of all payees and/or prize winners under Prize Ann. Mtg. (Column F), including what those prizes were, that amount to this \$9,228.00 expense. And please also state whether this monetary amount has been included in or excluded from this requested revenue requirement.

Response 15a. See Exhibit 28 of Shelby Energy's application for detail of account 426.10 (column B of Chart 1.04 from Wolfram Testimony). These amounts have been excluded from the revenue requirement.

Response 15b. See Exhibit 28 of Shelby Energy's application for detail of account 426.40 (column C of Chart 1.04 from Wolfram Testimony). These amounts have been excluded from the revenue requirement.

Response 15c. See attached Exhibit 15c for Employee and Member Appreciation Expense detail included in account 930.20. These amounts have been excluded from the revenue requirement.

Response 15d. See attached Exhibit 15d for Annual Meeting Prizes detail included in account 930.20. The balance primarily includes the cost of hats, pens, magnets, rain gauges, buckets, and light bulbs, that were handed out to all members in attendance for the annual meeting. These amounts have been excluded from the revenue requirement.

ATTACHMENTS
ARE EXCEL
SPREADSHEETS
AND UPLOADED
SEPARATELY

SHELBY ENERGY COOPERATIVE INC.
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REQUEST 16

RESPONSIBLE PARTY: Michael Moriarty and John Wolfram

Request 16. Refer to the Wolfram Testimony referencing Chart 1.04, page 11.

- a. Provide a breakdown, by organization, of all membership dues that Shelby Energy Cooperative pays, or has paid, for 2016 - 2023, and the adjusted test year.
- b. Explain whether any of these dues are included in the revenue requirement in the pending rate case.
- c. State the purpose and objective of each organization listed.
- d. For each organization, identify the benefits provided to customers.
- e. State whether any of the organizations listed engage in lobbying or advocacy activities, attempts to influence public opinion, institutional or image-building advertising. If so, identify the amount and whether Shelby Energy Cooperative has included the portions of dues related to such activities in the test year and adjusted test year.

Response 16a. See Attachment 16a for detail of all membership dues from 2016 to 2023.

Response 16b. None of the dues referenced in response 16a are included in the revenue requirement.

Response 16c. NRECA is the national trade association representing the interest of electric cooperatives in the United States, and Kentucky Electric Cooperatives is a similar state-level organization. The mission statements from these organizations' websites are as follows:

- NRECA's mission is to promote, support and protect the community and business interests of electric cooperatives.
- The Kentucky Electric Cooperatives is committed to improving the quality of life in Kentucky. Our member electric cooperatives provide a high level of electrical service at the lowest possible price through a local, consumer-owned form of business.

The Shelby County Chamber of Commerce promotes community and economic development. Their website states that their mission is to “provide networking, information, and opportunity, through a credible and cooperative membership, and that advocates for business and community needs.” The other organizations listed promote safety and loss prevention (TVPPA, Shelby County Farm Bureau, KRUS), professional trade organizations (KAMP, URISA), and access to discounted office supplies (Amazon Prime).

Response 16d. The benefits of NRECA membership include access to group benefit plans for long-term disability insurance, life insurance, and business travel insurance, as well as access to multi-employer retirement plans. Membership in NRECA provides Shelby Energy with access to retirement plan consulting services that can be provided to Shelby Energy employees at no additional cost to Shelby Energy. NRECA membership also allows for discounted fees for training and continuing education courses.

Membership in Kentucky Electric Cooperatives provides access to the Kentucky Living magazine

services that distributes monthly communications to all of Shelby Energy's members. Membership also provides access to continuing education opportunities for cooperative employees and an opportunity to provide input related to legislative issues.

Membership with the Shelby County Chamber of Commerce allows Shelby Energy to participate in economic development activities in its service territory and help promote a growing business community that will have a positive long-term impact on the Shelby Energy.

The remaining organizations primarily provide Shelby Energy employees with education and training opportunities where they can stay up to date on emerging issues and network with colleagues at other electric cooperatives. The Amazon Prime membership provides discounts on office supplies that are ordered on a recurring basis through Amazon.

Response 16e. Shelby Energy is unable to determine the portion of dues, if any, that the above organizations may use for lobbying or advocacy activities, attempts to influence public opinion, institutional or image-building advertising.

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REQUEST 17

RESPONSIBLE PARTY: Michael Moriarty

Request 17. Please provide a detailed list of all organizations to which Shelby Energy Cooperative pays membership dues, and the annual amount of those dues. Please also identify if Shelby Energy Cooperative has already, or plans to, renew its membership in these organizations.

Response 17. See response to request 16 and Attachment 16a for a detailed list of all organizations to which Shelby Energy pays membership dues and the annual amounts of those dues from 2016 through 2023 (through 2022 for organizations that have not yet renewed for 2023). Shelby Energy has either renewed or intends to renew in 2023 the memberships with all the organizations listed in Attachment 16a.

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REQUEST 18

RESPONSIBLE PARTY: Michael Moriarty

Request 18. Refer, generally, to the Application. Provide a detailed explanation of all salary and benefits that Shelby Energy Cooperative provided to the members of the Board of Directors during the years 2016 - 2022. Ensure to provide the salary amounts, and specific details regarding all benefit packages, including but not limited to, health, dental, vision, accidental death and disability, life insurance, bonuses, awards, vehicle allowances, and the like.

- a. Provide the total amount paid to, or on behalf of, Shelby Energy Cooperative's Board of Directors for the test year.
- b. Provide a breakdown of the total amount to, or on behalf of, each member of the Shelby Energy Cooperative Board of Director for the test year.
- c. Discuss if there will be any changes to the Board of Directors' salaries and/or benefit packages for 2023. If not, explain why not.

Response 18a. Effective for the years from 2016 – 2022, the benefits that Shelby Energy Cooperative provided to board members include the following: \$1,000 monthly stipend, \$300 per month for attendance of board meetings, and \$100 per day for director attendance at meetings of associated organizations or other related conferences plus business travel and meal reimbursement. In addition to the amounts paid above, Shelby Energy pays for director liability

insurance and accidental death insurance. See the excel spreadsheet Exhibit 25 in Shelby Energy's application for total amount paid to Shelby Energy directors. The total of \$106,481.88 includes amounts paid to directors for monthly stipend and meetings, amounts paid for premiums on accidental death and director liability insurance, reimbursements for travel expenses, meal expenses for regular monthly board meetings, and a credit for the portion of the monthly meeting fee that is reimbursed by Shelby Propane.

Response 18b. The detail of all board expenses is included in the excel spreadsheet Exhibit 25 in Shelby Energy's application. The total paid to or on behalf of each member for the test year is provided in the table below. Amounts for insurance premiums and meal expenses for regular monthly board meetings have been allocated evenly in the totals for all the board members listed below.

Director	Total Paid
Ashley Chilton	\$ 17,070.98
Diana Arnold	\$ 18,292.11
Jeffrey Joyce	\$ 18,083.01
Pat Hargadon	\$ 18,438.20
Wayne Stratton	\$ 16,916.61
Roger Taylor	\$ 17,680.95
Total	\$106,481.88

Response 18c. Shelby Energy has not discussed any changes to be made to the salary or benefit packages to be paid to directors in 2023. The cost of director compensation and benefits is necessary to retain qualified directors to provide oversight for the cooperative. Shelby Energy believes the compensation and benefits paid to directors is reasonable and consistent with the practices of other rural electric cooperatives.

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REQUEST 19

RESPONSIBLE PARTY: Michael Moriarty

Request 19. Refer to the Application, Exhibit 26.

- a. This exhibit reflects that as of the test year of 2022, the President and CEO had an annualized salary of \$191,027.00. Explain whether this includes any benefit amounts, or if it is only reflective of his yearly salary.
- b. Explain in detail why the President and CEO receives a car allowance, and whether it is common for other Kentucky energy cooperatives to provide a car allowance.
- c. Explain why the President and CEO was awarded a 5.00% raise in 2020.
- d. Explain why the President and CEO was awarded a 5.00% raise in 2021.
- e. Explain why the President and CEO was awarded a 5.00% raise in 2022.
- f. Explain why the President and CEO received a bonus of \$9,551.00 in 2020.
- g. Explain why the President and CEO received a bonus of \$9,551.00 in 2021.
- h. Explain why the President and CEO received a bonus of \$9,551.00 in 2022.
- i. Please provide if Shelby Energy Cooperative has concluded a comprehensive wage and salary review by a noted wage and salary consultant for a President/Chief Executive Officer.
- j. If so, provide a copy of the wage and salary review as referred to in the

above- referenced statement.

- k. Explain whether Shelby Energy Cooperative envisions the future evaluation process to be tied to potential wage/salary increase for the President/Chief Executive Officer. If not, explain why not.
- l. Provide the position title and salary for each salaried employee for the years 2016-2022.
- m. Excluding the President/CEO, provide the average raise that Shelby Energy Cooperative provided to its salaried employees for the years 2016 - 2022.
- n. Excluding the President/CEO, provide the average bonus that Shelby Energy Cooperative provided to its salaried employees for the years 2016-2022.
- o. Provide all awards given to the salaried employees for the years 2016 - 2022.
- p. Provide all vehicle allowances given to the salaried employees for the years 2016 - 2022.

Response 19a. The amount referred to in Request 19a reflects the base salary and does not include any benefit amounts.

Response 19b. The President and CEO drives to various meetings on a monthly basis to represent Shelby Energy on various boards of associated organizations. He does not drive a company-owned vehicle nor does he turn in mileage or other receipts for travel expense reimbursement. Shelby Energy provides the car allowance in-lieu of owning an additional vehicle for the President and CEO's business use. Shelby Energy believes this is a common practice among Kentucky electric cooperatives.

Response 19c. The President and CEO's salary is determined by the board of directors.

The board determined that the President and CEO either met or exceeded their expectations. As such, the board determined that a five percent raise was justified. The board is aware of the average raise for all other Shelby Energy employees each year and is therefore generally aware of cost-of-living increase percentages.

Response 19d. Please see response to request 19c as the same applies to 2021.

Response 19e. Please see response to request 19c as the same applies to 2022.

Response 19f. The President and CEO did not receive a bonus in 2020.

Response 19g. The board unanimously approved a performance bonus of 5% of the President and CEO's annual base salary. The bonus was unrelated to any cost-of-living adjustment and was based solely on job performance.

Response 19h. In 2022 the board unanimously approved a performance bonus of the same dollar amount as given in the previous year. The bonus was unrelated to any cost-of-living adjustment and was based solely on job performance.

Response 19i. Shelby Energy annually obtains a wage and salary review from a qualified third-party consultant but this study does not include a review for the President and CEO salary.

Response 19j. The wage and salary review referenced in Response 19i was included as Exhibit MM-2 in Shelby Energy's rate application.

Response 19k. Yes, Shelby Energy expects that future job performance evaluation will be tied to any potential increase in salary for the President and CEO.

Response 19l. See attached Exhibit 19-1 filed under seal with a motion for confidential treatment.

Response 19m. See table below for average percentage raises for salaried employees excluding the President and CEO for the years 2016 – 2022:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Raise	2.7%	2.9%	3.0%	2.8%	2.6%	3.5%	4.7%

Response 19n. See table below for average bonus paid to salaried employees for the years 2016 – 2022:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Bonus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600

Response 19o. Shelby Energy provides a retirement service award of up to \$1,500 to employees that reach full retirement with Shelby Energy. See table below for amounts paid for awards to salaried employees for the period from 2016 – 2022:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Awards	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,498

Response 19p. See table below for vehicle allowances paid to employees for the period from 2016 – 2022:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Vehicle Allowance	\$ -	\$ -	\$ 550	\$ 6,600	\$ 6,600	\$ 6,600	\$ 6,600

ATTACHMENT
FILED UNDER SEAL
PURSUANT TO A
MOTION FOR
CONFIDENTIAL
TREATMENT

SHELBY ENERGY COOPERATIVE INC.
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REQUEST 20

RESPONSIBLE PARTY: Michael Moriarty and John Wolfram

Request 20. Refer to the Wolfram Testimony, page 7, in which Mr. Wolfram states that Shelby Energy Cooperative actual revenue deficiency based on a target OTIER of 1.85 is \$2,442,669. However, due to the streamlined rate procedure, the Company is capped at a 4.0% overall increase, which limits its request to \$2,179,595 (with an OTIER of 1.75). Explain why Shelby Energy Cooperative decided to proceed with a streamlined rate case, instead of a general rate case.

Response 20. Shelby Energy determined that the revenue difference between the target OTIER of 1.85 and the requested OTIER of 1.75 was not large enough to justify the added time and expense of filing a general rate case. Shelby Energy estimates that the added consulting and legal fees of a general rate case would be at least \$80,000 greater than the cost of a streamlined rate case. In addition to these costs, a general rate case would also require more internal resources in comparison to a streamlined case. Given Shelby Energy's already lean employee staff, a general rate case would have been a much larger burden on employee work load and would have a negative impact on their normal job duties. Finally, a streamlined case will provide faster relief that will allow new rates to be in place for all of 2024 and should allow Shelby Energy to meet

financial loan covenants for the 2024 calendar year. In addition, Shelby elected to pursue the streamlined rate case instead of a general rate case because the revenue shortfall without the cap was relatively close to that with the cap, and because of the advantages of the rate case pilot program set forth by the Commission in its order, namely (1) reduce rate case expense to the Distribution Cooperatives and their members; (2) encourage Distribution Cooperatives to make more frequent, smaller rate adjustments as needed; (3) avoid, or at least diminish, rate shock that may result from large infrequent rate increases; and (4) reduce the strain on Commission resources.

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REQUEST 21

RESPONSIBLE PARTY: Michael Moriarty

Request 21. Refer, generally, to the Application.

- a. Provide the monetary amount that Shelby Energy Cooperative included in the revenue requirement for payment processing fees, with a breakdown between each payment type.
- b. If Shelby Energy Cooperative includes credit card fees in the revenue requirement then provide the Commission case number and Order that approved these specific fees to be included in rates.
- c. Provide all payment processing fees that Shelby Energy Cooperative has paid for in the years 2016 – 2023, and provide a breakdown for each type of payment processing fee.
- d. Identify the type of payments Shelby Energy Cooperative accepts from a customer without assessing a fee.
- e. Explain in full detail whether Shelby Energy Cooperative requires a convenience fee to be added to all credit card transactions in order for other membercustomers to not subsidize the credit card payments. If not, explain why

not.

- f. Provide the type of credit cards that Shelby Energy Cooperative accepts as payment (e.g. Visa, MasterCard, American Express, etc.), the fee that the Company pays to process each type of credit card, and the associated fee to the member customer.

Response 21a. Shelby Energy’s revenue requirement includes a total of \$91,327.88 for payment processing fees. Credit card processing fees make up \$85,308.01 of the total. The balance of \$6,019.87 represent the total charges for all online and telephone payments made by bank draft, e-check, and ACH. These payment services are through a bundled package with Shelby Energy’s ERP provider.

Response 21b. Shelby Energy’s credit card fees included in the revenue requirement were not approved by a previous Commission Order.

Response 21c. Payment processing expenses for the period from 2016 – 2023 are detailed in the table below. The amounts for 2023 reflect amounts through July 2023. The payment processing fees below reflect all fees associated with bank draft, e-check, and ACH payments. The credit card processing payments are shown separately. Please note that prior to 2021 credit card processing fees were paid directly by members and were not absorbed by Shelby Energy.

	2016	2017	2018	2019	2020	2021	2022	2023
Payment Processing Fees	9,194	10,548	17,290	14,385	15,020	7,983	6,020	3,512
Credit Card Fees	-	-	-	-	-	27,617	85,308	52,033
Total Fees	9,194	10,548	17,290	14,385	15,020	35,601	91,328	55,544

Response 21d. Shelby Energy accepts several payment forms including cash, check, bank draft, e-check, ACH, and credit cards. Shelby Energy does not charge fees for any of these payment

types. Shelby Energy also accepts cash payments made at approved retail locations. The third-party retail locations charge a fee of \$1.50 per payment, which is retained by the retailers and not remitted to Shelby Energy.

Response 21e. Shelby Energy does not charge a convenience fee for credit card payments. Shelby Energy switched ERP providers in 2021, and in that conversion obtained a third-party arrangement that results in credit card fee rates that are less than half the amount that was paid under Shelby Energy's previous ERP provider. Since the time of conversion in 2021, Shelby Energy no longer charges convenience fees for credit card payments. The reason for eliminating the fee was to provide relief for Shelby Energy members that struggle to pay their bill and have to use credit cards to keep their electric service on.

Response 21f. Shelby Energy accepts Visa, Discover, Mastercard, and American Express credit card payments. Shelby Energy's ERP provider has an agreement with a third-party provider that passes through credit card interchange and assessment fees at cost with a \$0.20 markup that is shared between the third-party provider and Shelby Energy's ERP provider. The fee paid fluctuates based on the mix of cards used and the interchange rates, but the fees are typically less than one percent per month. There are no credit card convenience fees charged to Shelby Energy members that make payment via credit card.

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REQUEST 22

RESPONSIBLE PARTY: John Wolfram and Michael Moriarty

Request 22. Refer to the Wolfram Testimony, page 12, in which he states that an adjustment to remove life insurance premiums for coverage above the lesser of an employee's annual salary or \$50,000 from the test period, pursuant to the requirements of the Streamlined Rate Order.

- a. Specify the amount that was removed for this specific adjustment.
- b. Explain why Shelby Energy Cooperative continues to offer life insurance premium coverage above the lesser of an employee's annual salary or \$50,000, instead of attempting to rein in costs.

Response 22a. The amount of premiums for life insurance coverage above \$50,000 that was removed from the revenue requirement was \$8,097.86.

Response 22b. The employer paid life insurance policy is part of the overall benefits package that Shelby Energy provides to its employees. Shelby Energy believes this benefit helps in recruiting and retaining employees.

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REQUEST 23

RESPONSIBLE PARTY: Michael Moriarty

Request 23. Refer to the Application, Exhibit 15.

- a. Explain in detail why Shelby Energy Cooperative's propane income from Shelby Energy Propane Plus ("Propane Plus") increased from \$430,563 in 2020, to \$590,455 in 2021, and to \$814,478 in 2022.
- b. Explain whether Shelby Energy Cooperative included the \$814,478 of 2022 propane income in the pending rate case. If not, explain why not.

Response 23a. Propane Plus has grown its customer base due to a combination of good management practices and the closure or purchase of competitor propane companies in the area. The volume of gallons sold increased from approx. 940,000 in 2020, to 1,070,000 in 2021, and 1,110,000 in 2022. Over the same period, gross margins per gallon increased from \$1.27 in 2020, to \$1.37 in 2021, and \$1.61 in 2022. The increase in customers combined with improved margins and little change in other operating expenses resulted in the increased income recognized by Shelby Energy from Propane Plus during the period.

Response 23b. The Propane Plus income is not included in the revenue requirement for

the current rate application. As mentioned previously, the revenue requirement was based on the lesser of a 1.85 OTIER or overall 4 percent increase in revenue. Since the Propane Plus income is a non-operating activity, it is not included in the calculation of the revenue requirement.

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REQUEST 24
RESPONSIBLE PARTY:

Request 24. Refer to the Application, generally, and the Wolfram Testimony, Exhibit JW-2, Schedule 1.13.

- a. Provide the monetary amount of the increased ROW costs that are in the pending rate request.
- b. Explain in detail why the ROW costs have increased so drastically.
- c. Explain whether Shelby Energy Cooperative handles right of way internally or if it uses contractors.
- d. Provide Shelby Energy Cooperative's right of way maintenance plan, including the trimming cycle.
- e. Explain whether Shelby Energy Cooperative issues requests for proposal in order to secure the most economically favorable right of way contracts.
- f. Explain whether Shelby Energy Cooperative works with other regional electric utilities to develop regional bids for ROW management. If so, explain in detail. If not, explain why not.
- g. Provide copies of all responses to the right of way requests for proposal for

the last five years.

- h. Explain in detail whether Shelby Energy Cooperative coordinates its right of way program with the Kentucky Transportation Cabinet/Kentucky Department of Highways right of way program, in order to mitigate expense for the Company's customers. If not, explain why not. Provide all related documentation regarding the same.
- i. Provide the budgeted ROW maintenance expense for each of the years: 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and the adjusted test year.
- j. Provide the actual ROW maintenance expense for each of the years: 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and 2023.
- k. Provide the annual ROW maintenance expense approved in the last rate case.
- l. Provide the budgeted ROW miles trimmed for each of the years: 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and 2023.
- m. Provide the actual ROW miles trimmed for each of the years: 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and year to date 2023.
- n. Explain in detail whether in the past Shelby Energy Cooperative has intentionally reduced its ROW expenses in order to divert the funds

elsewhere. Ensure to include the years that this intentional reduction occurred, and where the funds were diverted.

Response 24a. See Shelby Energy's response to request 2e of PSC Staff's first data request for the amount of increased ROW costs.

Response 24b. See Shelby Energy's response to request 2e of PSC Staff's first data request for a detailed breakdown of the increase in ROW costs.

Response 24c. Shelby Energy uses contractors to perform ROW work.

Response 24d. See Attachment 24d for Shelby Energy vegetation management plan.

Response 24e. Yes, Shelby Energy issues requests for proposals for right of way contracts. Shelby Energy periodically fields request for proposals for right of way trimming to assure we are getting a price indicative of the current market. It is becoming more difficult to find right of way contractors interested in proposing on work as they continue to have difficulty attracting workers for the positions, they have available. The quality aspect of acquiring right of way services is also a major issue in that we are very particular in who we will send to work on our member's property and the safety record of these contract firms is of paramount importance. In some instances, when we find a firm that is efficient, works safely, and is respectful of member's property we continue on after the initial contract period at an agreed upon price being that it is so difficult to retain quality right of way services.

Response 24f. Shelby Energy does not work with other regional electric utilities to develop regional bids due to the general condition differences in the respective right of ways, the degree of spray utilization, and the terrain differences between systems. Shelby Energy's investment in right

of way maintenance in past cycles continues to reduce cost per mile and may not coincide with the prior efforts of other utilities we might bid with collectively.

Response 24g. See attachment 24g for ROW bids filed separately under seal and is the subject of a Motion for Confidential Treatment filed contemporaneously with these responses.

Response 24h. Shelby Energy coordinates on several traffic projects with KDOT in which poles and conductor are relocated in public right of way to provide for new roadways. This area is maintained for right of way by the Transportation Cabinet into future periods. In many cases involving old cross-country lines, when the opportunity presents itself these lines are moved to the road to provide for easier outage diagnosis, restoration access, ability to work from bucket truck, maintenance of right of way by others, and improvement of reliability and speed of restoration.

Response 24i. See attached excel spreadsheet Exhibit I-J for budgeted and actual ROW expense amounts for the years 2012 – 2023.

Response 24j. See attached excel spreadsheet Exhibit I-J for budgeted and actual ROW expense amounts for the years 2012 – 2023.

Response 24k. The ROW expense approved in the last rate case was \$1,963,271. This amount includes OCR maintenance and air patrolling of overhead lines which together totaled \$182,988. Shelby Energy did not include OCR maintenance or air patrolling in the ROW expense of the current rate application.

Response 24l. See attached exhibit for budgeted right-of-way miles for years 2018 – 2023. Shelby Energy was unable to find budgeted miles prior to 2018.

Response 24m. See attached exhibit for actual right-of-way miles trimmed for years 2012 – 2023.

Response 24n. There were several years where actual right of way expense was less than budget and funds were used to cover other operating expenses to ensure that Shelby Energy met its OTIER requirement with RUS.

Shelby Energy Cooperative, Inc.
Operations & Engineering Department
620 Old Finchville Rd
Shelbyville KY, 40065
502-633-4420

VEGETATION MANAGEMENT PLAN
GUIDELINES, METHODS
AND PROCEDURES

January 19th, 2017

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Section 1.0 Definitions

- A. "SEC" shall mean Shelby Energy Cooperative.
- B. "Contractor" shall mean the successful Bidder to whom a Contract is awarded.
- C. "Work" shall refer to everything agreed to be done and furnished by the Contractor including all supervision, supplies, labor, transportation and equipment together with all responsibilities and obligations imposed by the Contract Documents.
- D. "Equipment" shall mean the trucks, trailers, tools, saws, and other apparatus which are owned and operated by the Contractor and which are required to be maintained by the Contractor for the performance of the Contract in accordance with the Specifications.
- E. "Specifications" shall mean all specifications pertaining to the Work to be performed.
- F. "Contract" shall mean the fully executed document which binds the interested parties in an agreement to fulfill all terms, conditions, and specifications.
- G. "Invitation for Bids" shall be the means by which SEC solicits bids from Pre-Qualified Contractors for Work which SEC may from time to time deem necessary to have performed.
- H. "Install", "Furnish", "Provide", or words of like import shall mean the Contractor shall install, furnish, or provide, and similarly the words "Approved", "Authorized", "Required", "Satisfactory", "Acceptable", or words of like import shall mean, as applicable, approved by, authorized by, required by, satisfactory to, or acceptable to SEC, unless otherwise expressly stated.
- I. "Prequalified Contractor" shall mean a contractor who is determined by SEC to be eligible to bid on the Work, subject to any of SEC's conditions, but such status shall not imply or infer compliance with any of the requirements of the Contract, Specifications or other Contract Documents.
- J. "Tree" shall mean any woody vegetation with a DBH (Diameter at Breast Height) of 4 inches or greater.
- K. "Brush" shall mean any vegetation with a DBH of less than 4 inches.

Section 2.0 Bidder's Qualifications

- 2.1 Bids will be accepted only from well established and qualified licensed contractors, trained and experienced in the clearing of power line rights of way and tree trimming that have been approved by SEC as a Pre-Qualified Contractor. No bid will be considered from any Contractor unless they are known to be skilled and were previously engaged in work of a character and scope consistent with these bid specifications.
- 2.2 Bidders must show that their equipment and facilities are sufficient and their workload so arranged as to meet the schedules called for by the Contract without the use of subcontractors. In order to aid SEC in determining the responsibility of any Bidder, the Bidder shall furnish evidence, satisfactory to SEC, of the Bidder's qualifications, experience and familiarity with work of the character specified and his or her financial ability to properly prosecute the proposed work to completion.
- 2.3 Unless previously approved, each Bidder shall submit to SEC a Contractor's Prequalification Application Form, available at SEC's office, and must be subsequently approved by SEC as a Pre-Qualified Contractor in order to receive a formal Invitation to Bid. SEC will only accept bids from Bidders who have been approved by SEC as a Pre-Qualified Contractor.

Section 3.0 Instructions to Bidders

- 3.1 Bids that are sent by U.S. Postal Service or private carrier shall be clearly marked "**BID ENVELOPE ENCLOSED**". The bid shall be sealed in a separate envelope and shall have the following information shown on the outside of the envelope:

BID FOR: Power Line Right of Way Clearance and Tree Trimming

BID DUE: TBD

OWNER: Shelby Energy Cooperative, Inc.

BIDDER: _____

Envelope must be addressed and submitted to:

Shelby Energy Cooperative
Attn: Supervisor, Field Support Services
620 Old Finchville Rd
Shelbyville, KY 40065

Any bid not conforming to these requirements will not be considered.

- 3.2 Before submitting a bid, each Bidder must (a) examine the Contract Documents

thoroughly, (b) visit the system to become familiar with local conditions, that may in any manner, affect cost, progress, or performance of the work, (c) have knowledge of all federal, state and local laws, ordinances, rules and regulations affecting performance of the work, and (d) carefully correlate the Bidder's observations with the requirements of the Contract Documents.

- 3.3 Each bid shall be carefully prepared in accordance with the SEC Specifications referenced in the Contract Documents.
- 3.4 Each bid shall be signed by a representative of the Bidder who is authorized to make contractual obligations for the Bidder and shall give the Bidder's full business address. Bids by partnerships shall be signed with the partnership name followed by the signature and designation of one of the partners or other authorized representative.
- 3.5 Bids by a corporation shall be signed in the name of the corporation, followed by the signature and designation of the president, secretary, or other person authorized to bind the corporation. The name of all persons signing shall also be typed or printed.
- 3.6 Sealed bids will be opened in private the day the bids are due. Contractors will be notified of any awarded work after Board approval.
- 3.7 SEC reserves the right to reject any and all bids, waive any and all technicalities therein, disregard all nonconforming or conditional bids, and evaluate and award bids on other than a low bid basis. By submission of a bid, Bidder thereby agrees to these stipulations and will not challenge SEC's decisions.
- 3.8 SEC may conduct such investigations as it deems prudent to establish the responsibility, qualifications, and financial ability of the Bidders. SEC's final selection of the best overall bid submitted, as determined solely by SEC, shall be based upon factors such as: financial stability of bidder; personnel experience and training; surveys of current and previous employers and previous work history with SEC; overall quality of equipment and organization; ability to adequately serve SEC with full coverage, customer responsiveness and complaint processing; employee safety training, safety compliance and procedures, including drug-free workforce initiatives, etc.
- 3.9 When the Contract is awarded, SEC will provide the successful Bidder written notice of award after its Board of Directors meeting and final approval is obtained.
- 3.10 SEC may elect during the term of this Contract to award one (1) or more additional contracts for rights of way clearance and tree trimming via alternative contractual arrangements such as hourly rates, unit cutting, zone clearing, or lump sum cost for circuit trimming. Nothing contained herein shall be construed as

prohibiting SEC from awarding such additional contracts as it deems necessary for the continued safe operation and maintenance of its electric distribution system.

- 3.11 The term of the agreement will be decided upon and documented in the contract.

Section 4.0 Introduction: Guidelines and Evaluation Methods

In order to maintain line clearance for public safety and electrical reliability, SEC regularly undertakes tree trimming and herbicide activities. These activities are required in order to be compliant with NESC, as well as Kentucky Revised Statute, and guidelines promulgated by OSHA. This guide details the methods and guidelines which SEC uses to accomplish that goal.

Goal:

The goal of our right-of-way clearance program is to maintain line clearance for public safety and electric system reliability.

Strategy:

The strategy for clearing and maintaining line clearance is to arrange the entire system in operable units, defined by individual circuits or substations, and to operate line clearance activities on those units in a regular and scheduled manner.

Tactics:

The tactics involved are detailed in the following Guidelines. At the development stage of SEC's vegetation management plan, circuits were prioritized on the basis of last available date of trimming, and vegetation conditions found by onsite circuit inspections which occur periodically throughout the year as a part of normal activities to determine circuit condition. Reliability, measured by the number of tree related outages expressed on a per circuit mile basis was further used to identify circuits which should be cleared the soonest, with the highest going first and so on. Circuit outages due to trees are regularly reviewed to determine if any adjustment of the trimming cycle to address changing conditions on the circuit is warranted. Onsite inspection further allows adjustment of these time frames should extraordinary circumstances warrant such an adjustment. Examples of such circumstances are: insect infestation damage (Southern Pine Beetle, Emerald Ash Bore, etc), heavy forest fire damage which will result in tree losses throughout the circuit, or weather related instances.

The effectiveness of the plan is evaluated by the reduction of the frequency of tree related outages, and the duration of tree related outages on the treated circuit. This is monitored by the contribution of tree related outages to both customer and system average interruption indices (SAIDI, SAIFI, and CAIDI). Reports

generated by the dispatch Outage Management System (OMS) identify these circuits and the nature and frequency of outages.

SEC conducts clearing activity in each circuit feeder to one full circuit clearing, encompassing floor, side and shade tree trimming (ground to sky 30' wide) each five-year circuit cycle. Circuits and new construction units are then scheduled for chemical treatment to reduce floor vegetation. Below is an example of a typical 5-year circuit cycle:

- Year 1; the circuit will receive the first cutting and clearing of vegetation
- Year 2; the circuit will receive the first spraying of herbicide, after allowing approximately 1 year of growth to better control future development of vegetation
- Year 3; no cutting, clearing or spraying will be performed on the circuit
- Year 4; the circuit will receive the second spraying of herbicide, as needed.
- Year 5; no cutting, clearing or spraying will be performed on the circuit except for yard-tree trimming, as necessary
- Year 6; the circuit receives the next cutting and clearing of vegetation to maintain the 5-year circuit cycle.

Section 5.0 General Requirements

- 5.1 Bidders bidding on herbicide treatment work shall be trained and licensed in the handling and use of chemicals and sprays, and shall furnish evidence of the same, for foliage, basal, and tree stump applications. Evidence shall include, without being limited to, the Bidder's Commercial Applicator's License Number certified in Category 6 - Right of Way from the Kentucky Department of Agriculture.
- 5.2 If a Contractor utilizes a non-English speaking work force they shall have a general foreman capable of communicating with their employees and SEC members. At least one member of every crew, ideally the working foreman shall be capable of speaking fluent English in order to answer any questions a landowner or a representative of SEC may have.
- 5.3 A contract crew shall consist of all necessary personnel and all necessary tools and equipment as outlined in the Contractor's Pre-Qualification Application Form, to safely and efficiently complete the work. SEC reserves the right to do any Work covered within this Contract by its own forces, to have such Work performed by other contractors, to cause such Work to be completed by other means, or to defer any Work to a future date.
- 5.4 Since Contractor(s) employees come in contact with SEC customers, they shall be completely dressed in suitable clothing which shall be clean at the beginning of each day. All clothing worn by contracting employees must conform to arc flash regulations as required by law if working within the minimum approach distance.

Each crew shall have a cell phone or some other method of communication that SEC can use to contact them at all times. In the case of cell phones, the phone numbers shall be given to SEC's Supervisor, Field Support Services and said phone numbers kept current.

The number and type of personnel and equipment making up each crew shall be agreed upon by the owner. The contractor understands and accepts the fact that the owner reserves the right to terminate the contract for any reason at any time and that there is no guarantee of any specific types or amounts of work.

Identification badges or other forms of identification which display the Company's name, contact information, position, etc. are required and must be shown to the customer upon request.

- 5.5 All trucks and other vehicles provided by the Contractor to perform the Work shall bear the Contractor's number and shall be well marked and identified with company insignia or name designating the vehicles as property of the Contractor and have "Contractor for Shelby Energy" magnets in place.
- 5.6 Contractor shall observe all generally recognized safety rules (including without limitation the provisions of the National Electrical Safety Code and ANSI Z133.1 - 2000 or latest edition thereof), regulations, and methods to prevent injury to all employees and other persons or damage to property of SEC or the public arising from its operations. Contractor shall observe all laws and regulations applicable to its operations including without limitation OSHA requirements, Kentucky Department of Transportation requirements, and Kentucky Department of Agriculture requirements.
- 5.7 Contractor shall secure from SEC information as to the nature of the electric circuits involved in all cases prior to commencement of Work in each area. Contractor acknowledges that SEC's electric circuits are to continue in normal operation during this Work, and Contractor shall provide and use all protective equipment necessary for the protection of its employees and to guard against interfering with the normal operation of these electric circuits. If a line is interrupted or damaged caused by work from this operation the Contractor will be responsible for cost of repairing and restoring that line.
- 5.8 Contractor shall immediately notify SEC of any irregular situations observed on SEC's system, including, without limitation, equipment or facility malfunctions, actual or potential safety problems, loose or sagging guy wires, damaged conductors, leaking transformers, damaged or defective poles, and any other seemingly unusual circumstance encountered by the Contractor.
- 5.9 If, during the term of the Contract, additional hourly crews or workers are needed to perform right of way clearing, tree trimming, chemical applications, SEC will first request such crews or workers from the Contractor then working for SEC. Should the Contractor fail to furnish additional crews or workers upon thirty (30)

days written notice, SEC shall have the right to obtain additional crews or workers from other resources.

- 5.10 Contractor shall promote a drug and alcohol free working environment.
- 5.11 Contractor(s) shall not perform or solicit any type of private tree trimming work on customer's property while actively engaged in performing work for SEC under this contract until all work on the circuit is completed.

Section 6.0 Work

- 6.1 Contractor shall perform all Work to the complete satisfaction of SEC and in accordance with all municipal, county, state and other local laws, ordinances, and regulations applicable to Work of this character and nature. All Work performed by the Contractor is subject to inspection and approval by SEC. Any Work not meeting the minimums as set forth in these Specifications, or generally accepted line clearance standards, or Work which has been falsely represented in any fashion by Contractor shall be redone by the Contractor at no (zero) cost to SEC. Failure by SEC to inspect Contractor's Work shall in no way relieve the Contractor from any obligations, liabilities, or responsibilities in connection with the Contract.
- 6.2 Contractor agrees to provide adequate notice and if possible, obtain consent, for the necessary work from the property owner or public authorities having ownership or control over each tree to be trimmed or removed and/or all property to be cleared or sprayed. Contractor shall discuss with the property owner the type of work to be performed, identifying any and all trees that need to be trimmed or removed, the disposal of brush, any areas that need to be sprayed, and the proposed route of all vehicles and equipment traveling over the owner's property. When property owners cannot be contacted, door hangers shall be left to inform them that Contractor was present to trim trees. Hangers (provided by SEC) shall contain information as Company Name, Phone Number, etc. Whenever permission to do any work cannot be obtained, SEC shall be informed of the situation.
- 6.3 Contractor shall certify that complaints of any nature received from property owners or public authorities resulting from this Work will receive immediate attention and that all efforts will be made to effect a prompt adjustment. If any damage is done to the property of others by Contractor's workforce, Contractor shall repair and restore at its sole expense any such property and correct any damage inflicted thereto, all to the complete satisfaction of the owner(s) of the injured property. All complaints, and any action taken by Contractor in connection with such complaints, shall be reported to SEC. If the repairs are not made in a timely manner SEC will make the repairs and invoice the said contractor.

- 6.4 Contractor shall secure all permits and licenses necessary for the Work to be performed and pay all charges and fees required for such permits and licenses.
- 6.5 Contractor(s) shall provide sufficient crews to complete the work in the specified time period. However, SEC expects that after work has begun on specified circuits, the Contractor's operation will progress on a continued basis with necessary staffing levels to complete the required circuit miles by the end of the term of the contract. Crew size, crew structure, crew equipment, and the need for any additional crews under this contract will be at the Contractor's sole discretion. Any work not completed by the specified date must still be completed by the Contractor. The inability to finish the work on time will also be considered and noted before any future bid work is granted to that Contractor.

Section 7.0 Notification/Authorization to Trim or Remove Trees

Shelby Energy's right-of-way easements allow for the maintenance of right-of-ways areas included within the easements; however, the contractor shall be required to use good judgment and take reasonable care when entering upon such areas. In all cases, respect for the property owner and other stakeholders shall be considered paramount by the contractor. In sensitive areas such as yards, subdivisions, highly maintained areas, posted lands, and similar circumstances, the contractor shall make a good faith effort (when reasonably possible) to inform property owners and/or other stakeholders of the contractor's presence and the general scope of the contractor's work before proceeding. Any situations in which a property owner or other stakeholder takes issue with the contractor's right to enter the property or complete the work shall be reported to SEC's designated representative immediately in order to help facilitate a resolution. All gates, fences and consumer property are to be left in the same condition as found.

SEC provided locks are installed on many locked-gates. The contractor should not cut locks or chains unless permission is granted by the SEC Field Supervisor. Crews will be provided a SEC key to gain access to areas where a SEC lock is present.

- 7.1 The Contractor shall provide the property owner(s) with notification of intent to conduct the required right-of-way clearance and cut stump herbicide application work. This contact shall precede any work done on any property. The work will then be scheduled for each crew. Any line clearance work done without proper notification must have specific approval by the authorized Shelby Energy representative.
- 7.2 Verbal notification of the property owner for routine line clearance work is sufficient. If the property owner is not home, a notification card may be left on the door. Notification cards shall not be placed in any U.S. mailboxes. Notification cards shall only be used where the owner is likely to be present on site on a regular basis. Absentee owners may be notified by mail or by phone.

- 7.3 In the case of the industrial, municipal, county, state, or large private estate type of properties, the caretakers or other designated individual in the employ of the owners who is responsible for the trees or brush to be cut or trimmed is considered to represent the interest of the owner. Notification of such caretakers or grounds maintenance supervisors is sufficient.
- 7.4 For both bid and hourly crews, the foreman shall email the designated SEC employees, daily concerning their working locations for their respective crews. Foreman's are also to email the information for any members that refuses to allow the crews to properly maintain their ROW. Contractor shall also keep appropriate maps marked to reflect current daily progress for all projects.
- 7.5 If landowner refuses access, Contractor shall notify authorized SEC representative immediately.

Section 8.0 Right of Way Clearing/Re-clearing Requirements

- 8.1 Work within the boundaries of this project shall include clearing/re-clearing. The work may be performed on both urban/residential and rural sites where a specified or desired right-of-way shall be established, reestablished and maintained. Trimming shall adhere to ANSI A300 guidelines and OSHA Safety regulations. If the crown of a tree or any branches are within the right-of-way boundaries, even though the base of the tree is outside of the right-of-way boundary, this tree will be considered as part of the Bid Project and shall be removed or trimmed to meet the guidelines (i.e. overhang from a tree outside of right of way).
- 8.2 Techniques consistent with the practices of directional, natural, lateral, and drop crotch trimming should be utilized. Drop crotch pruning consists of reducing tops, sides, or individual limbs and avoids cutting back to small suckers. Directional pruning or trimming shall be used to direct or train future tree growth or sprouting away from the wires. Tree trimming required on coniferous trees (pine, spruce, hemlock, etc.), along the established tree edge shall involve the removal and/or trimming of limbs that are encroaching the right-of-way. Removal of the limbs will be back to the main stem, trunk, and/or to suitable live lateral branch.
- 8.3 The practices of "shearing", "flat-topping", "pollarding", "stubbing", and "rounding over" shall not be permitted anywhere along SEC's lines.
- 8.4 Right of way clearing and tree trimming shall be performed on all primary lines. All tree trimming on right-of-way boundaries shall be ground to sky. Tree removals will be concentrated to trees that may pose a threat to primary lines (i.e. danger trees), trees of a fast growing species (i.e. maples, and poplars) and trees requested by landowners to be removed within the Row. Trees that are outside of the Row will be trimmed to obtain proper clearance. Contractors are not responsible for tree removals requested by landowners that are outside of the Row unless such trees are hazard trees. Emphasis shall be placed on removing trees in

the 4-12-inch range, where approval is granted by the property owner. Trees larger than 4-12 inch shall be trimmed if reasonable clearance can be obtained to avoid contact with primary lines until the next trim cycle, unless otherwise requested by the landowner.

- 8.5 Where trimming only is permitted, the lateral or Directional pruning method shall be employed. Clearances following our right of way widths for single and three phase lines shall be obtained wherever possible.
- 8.6 As designated by the authorized SEC representative, fruit bearing trees that remain within the right-of-way shall be trimmed not removed in accordance to the Shelby Energy right-of-way clearing guidelines unless otherwise notified by the property owner.
- 8.7 Existing right of way consisting of primary lines shall be cleared to meet the clearance standards below. If the existing Right-of-Way is in such condition that the clearances below are already achieved, then no work is needed. In the event that the right-of-way clearance is not sufficient then work will progress in accordance with these specifications. Normal right of way widths are 30 ft wide for single and three phase lines.
- 8.8 Consumer services will not be the responsibility of the Contractor on Circuit bids. SEC circuits include all right-of-way between the SEC owned pole with transformer and the SEC meter on the residence or on a pole. If a landowner requests to remove a tree near a service wire, SEC will temporarily take down the wire while the landowner resolves the removal of the tree in question.
- 8.9 All overhead guy stubs, anchors, and riser poles, shall be cleared of all vines and vegetation to allow reasonable access to that facility for maintenance and serviceability. Generally, this would include the area within 10 feet of the pole or equipment.
- 8.10 Mechanical Clearing and Re-Clearing work will be permitted where applicable. After any mechanical operation, if any damages to property exist, the Contractor shall restore the land to the natural contour existing prior to the start of the work (i.e. ruts caused by machinery). This must be accomplished to the satisfaction of SEC and the landowner.
- 8.11 All work is to be performed under the supervision of the contractor. Work shall be conducted in a manner such that all phases of the clearing and/or reclearing work shall progress concurrently, (i.e., cutting, disposal and final cleanup). SEC has the sole authority to designate the class of right-of-way. If any recent right-of-way clearing/reclearing is encountered, and it does not conform to these specifications, it must be included in the bid.
- 8.12 Disposal of operation wood residue such as brush, wood, large sections of tree

trunks, large limbs, wood chips, and other such products produced or generated by this operation on the SEC system shall not obstruct roads, paths, or waterways. Disposal of said residue shall be the sole responsibility of the Contractor and at approved locations. All disposal costs shall be included in the cost submitted on the SEC bid. Logs and brush may be left "wind-rowed" along the outer edges of the right of way.

- 8.13 Disposal of wood from Yards will consist of the clean up of all brush and large wood will be cut and stacked. The Contractor will not be responsible for the removal of large wood. Cleanup of wood resulting from the removal of a tree will be the responsibility of the landowner. Disposal of wood and brush in Unmaintained Right of Ways will consist of wind rowing the brush and wood to the outer edge of the right of way.
- 8.14 Members requesting Timber of a merchantable size to be left will be cut in lengths of 100 inches unless otherwise specified by the landowner. The timber will be piled on the edge of the right of way and will become the responsibility of the landowner to remove.
- 8.15 Any dead trees or trees deemed to be a hazard even if beyond the right of way, which would strike the line in falling, shall be removed. Contractors are also responsible for any hazardous trees missed upon inspection and will be sent back to remove these hazards. *(Hazard trees may include but not limited to dead or dying trees, trees with visible cankers or rots, severe leaning trees, and trees with severe animal or mechanical damage showing signs of rot).*
- 8.16 Vines on poles, guy wires, and equipment shall be removed and cut off at ground level and the area surrounding the pole and/or equipment.

Section 9.0 Options for Refusals/Reluctance to Yield Right-of-Way

- 9.1 Options to modify right-of-way clearing may be offered to individual landowners or groups of adjacent landowners that object to clearing according to the standards indicated by the SEC right-of-way program. In providing these options, SEC seeks to enable individual members to choose methods for right-of-way clearance that best address their concerns while preventing the burden of costs for use of non-standard procedures from being placed upon SEC members as a whole.

Because of varying site conditions, not all options will be offered in all locations. Options that may be available for a particular site include:

Stumps:

Stump Grinding will not be used on the SEC system unless authorized by a representative of SEC. If any stump grinding is utilized by SEC, the Contractor will be compensated at an hourly rate.

All woody stem vegetation will be cut as close to the ground line as practicable and the cuts shall be made parallel with the ground, not at an angle.

Relocation of lines:

Where consistent with SEC standards for line maintenance/improvement, rerouting of lines or moving lines underground at the member's expense will be considered. Rerouting must follow SEC guidelines, and accessibility to the lines must be as good as or better than at the original location. In locations where groups of landowners must agree to rerouting, it is the responsibility of the interested landowners to negotiate agreement with adjacent landowners and obtain necessary easements before rerouting can proceed. If such agreement cannot be obtained within a time frame specified by SEC, right-of-way clearing will proceed unless other options are negotiated individually with SEC.

Section 10.0 Use of Chemicals and Sprays

- 10.1 The Contractor shall ensure that the on-site applicator be certified by the Kentucky Department of Agriculture, Division of Pesticides. Only certified applicator(s) may apply herbicide on Shelby Energy right-of-way. Copies of applicators licenses shall be given to Shelby Energy prior to starting any projects.
- 10.2 All herbicides used by the contractor shall be approved by Shelby Energy and used in accordance with the manufacturer's specifications on the label. Herbicides with a National Fire Protection Association (NFPA) health rating of 3 or greater shall not be used on Shelby Energy's system unless specifically approved by Shelby Energy. Contractor shall be responsible for purchasing, storing, and furnishing chemicals to its crews.
- 10.3 There will be no herbicide application on National Forest or other State or Federally owned lands unless authorized with proper permits and authorization from the proper manager of those lands.
- 10.4 All herbicide treatment crews will have the ability to perform foliar and basal chemical treatment where applicable.
- 10.5 Treatment Around Poles and Guy Wire Attachments - Cut off all vines ascending all poles and guy wires at the height of reach. Treat with herbicides all vines below cutting and other vegetation, which may interfere with SEC's facilities from all poles and guy wires. Should vines be in contact with SEC conductors or equipment the contractor shall notify the Supervisor, Field Support Services to have them safely removed.

- 10.6 Herbicide treatment of right of way may be done at various locations using suitable herbicides to control vegetation particular to that location. Prior to commencement of any Work involving the application of chemicals, the Contractor shall thoroughly familiarize and inform himself of all local conditions and other factors which could or might affect herbicide treatment.
- 10.7 Unless otherwise specified by SEC, the Contractor shall mix and apply the herbicides in accordance with the recommendations of the manufacturer's label and the following general specifications:
- (a) For Foliage Application: This method shall be used only on brush during the active plant growth period, generally between May 1 and September 1. Herbicide mixture shall be applied to completely wet the entire leaf, stem and trunk surface of each plant.
 - (b) For Basal Application: This method shall be used on brush of any size at any season of the year. Herbicide mixture shall be applied to completely wet the entire surface of the stem or trunk from the root-crown up the stem eighteen (18) inches, with emphasis on completely wetting the root-crown.
 - (c) For Stump Application: This method shall be used on all new stumps at any season of the year. Stumps shall be treated as soon as practical, but always on the same day that the cutting is performed. Herbicide mixture shall be applied in sufficient volume to completely wet the sapwood, the area around the outer edge of stump.
- 10.8 Contractor shall not be obligated to treat any portion of a line where damages to crops, orchards, or ornamental plants may result from chemical drift.
- 10.9 SEC will have the right to specify when and where herbicide application and/or herbicide treatment will be used in rural areas or otherwise.
- 10.10 Contractor's use of herbicides in connection with the Work shall be in strict compliance with all federal and state laws, rules and regulations which from time to time govern the use of herbicides. By undertaking to perform any part of the Work in which chemicals are used, the Contractor certifies that Contractor is familiar with, has complied with, and at all times will comply with all requirements (including but not limited to those relating to training and the giving and posting of all required notices) under all of the foregoing laws, rules and regulations and further, the Contractor shall indemnify and hold harmless Shelby Energy and its directors, officers, employees and agents from and against any liability, claim, demand, cause of action of every kind and description, damage, losses and expenses, including attorney's fees through appeals, arising or resulting from the Contractor's non-compliance with or violation of any of the foregoing laws, rules or regulations.
- 10.11 Chemical spills shall be immediately cleaned-up in a manner consistent with label restrictions, Federal and State regulations, and acceptable environmental

procedures mandated by law. Any and all notifications to proper authorities in connection with such spills shall be made by the Contractor. Each crew responsible for herbicide applications shall be supplied with a suitable spill response kit for cleaning-up and neutralizing spills of chemicals, all at the sole expense of the Contractor. Contractor shall insure that its employees are trained in the proper techniques for spill response, and are supplied with the necessary personal protective equipment required to perform spill mitigation duties.

- 10.12 Contractor shall at all times be solely responsible for the continuous safeguarding of its workforce, including compliance with all applicable Federal, State, and local laws, together with its responsibilities for training its employees in the proper methods and use of personal protective equipment required for handling herbicides used in connection with this Work.

Section 11.0 Safety to Employees and the Public

Contractor shall at all times take all reasonable precautions for the safety of its employees and the public, and shall comply with all applicable provisions of federal, state and local laws, rules and regulations, including but not limited to the most current version of the National Electric Safety Code, all OSHA rules, and the Shelby Energy Safety Manual. Contractor shall have a Safety program in place and will produce documentation of Safety training, audits, or other necessary documents upon request.

SEC reserves the right to stop the contractor's work immediately if SEC becomes aware that the contractor is in violation of any of the above mentioned safety requirements, and SEC reserves the right to terminate the contract due to safety concerns at its sole discretion. SEC further reserves the right to inspect contractor work sites at its discretion.

The Contractor shall provide a safety person to check on the crews at no charge to the owner. The schedule for checking crews will be determined by the contractor.

The contractor is required to furnish SEC with all documentation in a timely manner (when and if requested by SEC) concerning safety requirements, investigations or any other information about the crews working on SEC's system. The contractor must provide a written report to SEC for any OSHA reportable injury or violation, and any "near-miss" incident or accident must be promptly reported to the SEC Field Supervisor.

- 11.1 The contractor shall obtain full information from Shelby Energy as to the voltage of its circuits before starting the various parts of the work.
- 11.2 The Contractor shall at all times conduct the work in a manner as to safeguard the public from injury to persons or property, and shall comply with the regulations set forth in OSHA 1910.269, OSHA 1910.331, OSHA 1910.266 Logging

Standard and ANSI Z133.1 – 1994. All provisions of Shelby Energy safety policy, as detailed in the Shelby Energy Safety Manual, further apply to all contractors on Shelby Energy.

- 11.3 The contractor shall use all necessary protection for its employees and to guard against interference with the normal operation of the circuits. If, in the judgment of the Contractor's General Foreman/Supervisor, it is hazardous to trim or remove trees with the circuits energized, the authorized Shelby Energy representative(s) shall be contacted. If deemed appropriate, the necessary protection or de-energizing the circuits will be provided by Shelby Energy to ensure the safe removal of the affected tree parts.
- 11.4 When applying herbicides, the contractor shall at all times take all reasonable precautions for the safety of employees on the work and of the public by utilizing safety equipment and methods in accordance with the manufacturer's specifications on the herbicide label. Contractor shall comply with all applicable provisions of Federal, State, and local laws specifically including 302 KAR Chapters 27, 28 and 29 relating to the use and application of herbicides. Contractor will furnish copies of any required licenses, certifications or permits to Shelby Energy upon request.

Section 12.0 Work Assignments and Equipment

- 12.1 The Contractor shall advise SEC on a daily basis as to the location of all crews, any and all crew movements throughout the day, the progress of the Work assigned, and any problems or unusual occurrences. SEC will furnish systems maps or digital aerial / GPS files to the contract ROW foreman or supervisor for the purpose of locating and recording all work done on SEC's system. After work has been completed in a particular area the paper maps or digital files should be returned to SEC's Field Supervisor.
- 12.2 Contractor shall make available its crews for emergency work as determined by SEC, day or night, weekends, holidays, or during any natural disasters such as ice or snow storms, tornadoes and other strong storms, etc. Contractor shall furnish an emergency work price list to SEC along with their bid. Contractor shall furnish SEC the name and telephone number of the person to contact for emergency crews. Contractor may be asked to assign additional crews to SEC's system if the emergency is severe or of long duration.
- 12.3 Contractor shall submit to SEC a progress report at the end of each week.
- 12.4 Reasonable working hours shall be utilized for lump sum cost for circuit work. Contractor shall be free to determine working days and hours to suit his needs with the following exceptions. There shall be no work on Saturday or Sunday and on SEC designated holidays without approval by a designated SEC representative. In general, the normal workweek for lump sum work should consist of forty (40)

productive hours between 7:00 a.m. and 6:00 p.m., Monday through Friday, unless otherwise approved by SEC. The workday shall begin at the designated assembly location and end at the work site.

- 12.5 SEC properties will not be made available for the Contractor for crew starting points or for storing/garaging tools or equipment, unless authorized by SEC. When convenient, the contractor may be given permission to park vehicles and equipment on SEC property. Contractors may not park at substation property owned by East Kentucky Power (EKP) without written permission from EKP. When parking equipment in the field the contractor is responsible for obtaining permission from the land owners.
- 12.6 SEC shall not be charged for time spent on maintenance of equipment, including without limitation fueling of vehicles, oil or antifreeze changes, changing and/or sharpening of chipper blades, and other similar maintenance and repair work. SEC will not render payment for equipment that is incapable of fully performing its intended function. Minor mechanical repairs such as sharpening and adjusting chain saws shall be permitted on SEC time.
- 12.7 Equipment must be maintained in above average condition and with little or no oil leaks. SEC shall have the right to request that equipment which does not meet the approval of SEC be replaced. The decision of SEC shall be final.

Section 13.0 Supervision of Work and Workmanship

- 13.1 Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for and have control over construction means, methods, techniques, and procedures.
- 13.2 Contractor is an independent contractor and neither Contractor nor any of its employees shall be deemed to be agents or employees of SEC.
- 13.3 The Contractor shall give prior notification of work start-up and when adding or changing crew. Complete the necessary reporting forms as needed. All reports, logs, timesheets, and paperwork shall be accurate, neat, and complete. Exaggerated, padded, or incorrect work report entries may result in the dismissal of the crew foreman and/or general foreman/supervisor. The crew foreman and/or supervisor shall maintain an up-to-date log of all property owner notification and/or refusals.
- 13.4 Contractor shall provide and maintain continually on the site of the Work during its progress and until its completion, adequate and competent supervision of all operations for and in connection with the Work being performed under this Contract, either personally or by a duly authorized representative. The General Foreman or other representative of the Contractor, who has charge of the Work thereof, shall be fully authorized to act for the Contractor and to receive whatever

orders as may be given for the proper execution of the Work or notices in connection therewith.

- 13.5 Contractor shall employ only workers who are competent to perform the Work assigned to them and who are adequately trained and experienced in performing first-class Work of the character and magnitude required by this Contract and expected of reputable Contractor's performing work similar to the Work necessary under this Contract.
- 13.6 SEC will periodically review and evaluate crew performance based upon factors such as, but not limited to, quality of work, quantity of work, clearances obtained, safety awareness and public relations efforts.
- 13.7 Contractor shall be required to attend regular progress meetings with SEC to discuss the Work of this Contract, review crew evaluations, receive information as to future work locations for planning purposes and discuss any problems in prosecuting the Work under this Contract.
- 13.8 SEC will furnish a designated employee to oversee all aspects of line clearing while contract crews are working on Shelby Energy's system. Any and all questions that may arise should be brought before this designated person for resolution. SEC's representative will strive to provide answers to contractor questions and/or requests in a timely manner (usually within two or three business days).

Section 14.0 Contractor Caused Outages

- 14.1 Anytime the Contractor feels that work can not be completed safely or an outage due to work associated with the clearing of the right of way is unavoidable he should ask for an outage to be scheduled by our line crews. We will have no problem with scheduling an outage to make the job safe.
- 14.2 Should the Contractor knock down or come in contact with SEC's conductors or equipment they must immediately contact the Supervisor, Field Support Services.
- 14.3 There will be a minimum charge of \$200 dollars for each Contractor caused outage for restoration costs. If the amount of restoration or damages costs exceeds \$200 then the total amount for restoration will be charged to the Contractor.
- 14.3.1 If a Contract Crew causes an outage, that entire crew shall "Stand Down" and will not be permitted to work on the SEC system until the completion of an incident investigation. Upon completion of the investigation, the crew may return to work as determined by SEC and depending on the findings of the investigation. This will allow the contractor and SEC sufficient time to investigate and take any necessary actions to insure future outages will be avoided.

Section 15.0 Payment for Work

- 15.1 The Contractor will be required to utilize daily time sheets provided by or approved by Shelby Energy. Timesheets shall be accurate, neat and complete, and shall detail time charged to individual work and service orders.
- 15.2 In order to receive payment for any **Combination Lump Sum/Unit Price** bid work the Contractor must supply with invoices a weekly detailed list of units cleared or trimmed and the location of these units. Inspection for accuracy shall be done by a representative of SEC before payment.
- 15.3 When overtime is applicable, the rate will be 1.5 times the regular hourly rate for labor; however; overtime rates will not be charged for equipment prices. Overtime billed for emergency/storm work will be applicable for hours that exceed 40 hours in a week.

If the owner requests the contractor to bring in extra temporary workers or equipment for emergency situations such as additional work or storm restorations the owner and contractor shall negotiate rates and any special terms/conditions for those extra workers and equipment at the time the request is made. All other terms/conditions applying to temporary workers or equipment not changed by mutual agreement of the parties in writing shall be as stated in the contract.

It is understood that by both parties that the hourly rates included in this contract are complete charges and there is no extra charge per man (per Diem) charge.

Section 16.0 Indemnification

To the maximum extent permitted by law, Contractor shall defend, indemnify, and hold harmless Owner and Owner's directors, officers, and employees from all claims, causes of action, losses, liabilities, and expenses (including reasonable attorney's fees) for personal loss, injury, or death to persons (including but not limited to Contractor's employees) and loss, damage to or destruction of Owner's property or the property of any other person or entity (including but not limited to Contractor's property) in any manner arising out of or connected with the Contract, or the materials or equipment supplied or services per formed by Contractor, its subcontractors and suppliers of any tier. But nothing herein shall be construed as making Contractor liable for any injury, death, loss, damage, or destruction caused by the sole negligence of Owner.

Section 17.0 Hold Harmless

Contractor agrees to defend, pay on behalf of, and hold harmless Shelby Energy and its directors, officer, agents, members and employees, from all claims, demands, causes of action, damages, costs, or liabilities, in law or in equity, of every kind and nature whatsoever, including but not limited to those brought by

employees of Contractor or its subcontractors, and those brought as a result of any interruption, discontinuance, or interference with Shelby Energy's service to any of its customers, arising out of or as a result of any act or failure to act, whether or not negligent, in connection with the performance of the work to be performed pursuant to this proposal by Contractor its directors, officers, agents, employees, and subcontractors. Contractor agrees to defend and pay all costs in defending these claims, demands, causes of action, damages, costs, or liabilities, including attorney's fees, and Contractor shall also reimburse Shelby Energy for any and all legal and other expenses incurred by Shelby Energy in connection therewith.

Furthermore, Contractor agrees to maintain public liability and property damage insurance (including automobile public liability and property damage insurance) to cover the obligations set forth above. The minimum insurance limits of liability shall be \$500,000.00 automobile public liability and property damage and \$1,000,000.00 for all other public liability and property damage.

The policy must state that Contractor has contractual liability coverage and that Shelby Energy has been added as an additional insured. Contractor and any subcontractor shall carry workers' compensation insurance as required by law. Shelby Energy shall receive a minimum thirty (30) day notice in the event of cancellation of insurance required by the agreement. Contractor shall furnish a certificate of insurance to Shelby Energy showing that the above obligations and requirements are provided for by a qualified insurance carrier, and showing Shelby Energy as an additional insured on such insurance annually prior January 1 of the insured calendar year. It shall be the contractor's responsibility to provide SEC with a new proof prior to the expiration of the current proof.

Section 18.0 Independent Contractor

Contractor hereby acknowledges that it is an independent contractor for Shelby Energy. Contractor shall be free to determine and control its time, energy and skill to perform the work in accordance with this Agreement.

Contractor acknowledges that Shelby Energy, in reliance upon this Agreement, is not withholding any taxes from sums paid to Contractor as compensation for services rendered under this Agreement. Additionally, Contractor acknowledges that Shelby Energy is not carrying worker's compensation coverage or unemployment insurance coverage on Contractor or Contractor's employees due to the independent Contractor nature of the relationship. In the event Contractor should be adjudged not to be an independent Contractor, Contractor will indemnify Shelby Energy for any additional expenses resulting from such ruling.

ATTACHMENT
FILED UNDER SEAL
PURSUANT TO A
MOTION FOR
CONFIDENTIAL
TREATMENT

ATTACHMENTS
ARE EXCEL
SPREADSHEETS
AND UPLOADED
SEPARATELY