

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

<b>THE ELECTRONIC APPLICATION OF</b>	)	
<b>SOUTH KENTUCKY RURAL ELECTRIC</b>	)	
<b>COOPERATIVE CORPORATION FOR A</b>	)	<b>CASE NO.</b>
<b>GENERAL ADJUSTMENT OF RATES</b>	)	<b>2024-00402</b>
<b>AND OTHER GENERAL RELIEF</b>	)	

---

SOUTH KENTUCKY RURAL ELECTRIC  
COOPERATIVE CORPORATION'S APPLICATION

---

Comes now South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”), by counsel, pursuant to KRS 278.180, KRS 278.190, 807 KAR 5:001, and other applicable law, and does hereby request the Kentucky Public Service Commission (“Commission”) to grant it a general adjustment of rates, respectfully stating as follows:

**I. INTRODUCTION**

1. South Kentucky is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. South Kentucky is engaged in the business of distributing retail electric power to approximately 52,000 members in the Kentucky counties of Adair, Casey, Clinton, Cumberland, Laurel, Lincoln, McCreary, Pulaski, Rockcastle, Russell, and Wayne. It owns approximately 7,100 circuit miles of distribution line in its service territory. South Kentucky purchases its power requirements from East Kentucky Power Cooperative, Inc., pursuant to a Wholesale Power Contract dated October 1, 1964, and subsequent amendments.

2. South Kentucky's current rates were set by Commission Order dated June 30, 2022.<sup>1</sup> The Commission allowed an increase of \$5,744,145, resulting in a Times Interest Earned Ratio ("TIER") of 2.00. Included in this revenue increase was an upward adjustment of the monthly residential customer charge from \$13.29 to \$17.50.<sup>2</sup>

3. South Kentucky's energy sales have decreased while purchased power and other costs of conducting business have increased in almost every portion of its operations. This situation has resulted in a degradation of South Kentucky's financial condition. Despite careful management and diligent planning, South Kentucky requires additional financial support to reasonably maintain its services. Additional details concerning the greatest cost drivers necessitating this rate adjustment request are provided in witness testimony and supporting exhibits included in this application.

4. To address South Kentucky's current undesirable financial condition, the cooperative's Board of Directors, in conjunction with its management, has determined that a general adjustment of retail rates is necessary to account for cumulative inflationary pressures since its last full rate case, improve its overall financial condition, and satisfy current and future loan covenants. Consistent with KRS 278.030(1), South Kentucky seeks Commission approval to demand, collect and receive fair, just and reasonable rates for the retail service it provides. Specifically, South Kentucky seeks approval to increase its annual revenues by \$10,766,999, or 7.16% to achieve an Operating Times Interest Earned Ratio ("OTIER") of 1.85. South Kentucky bases its proposed rates on a twelve-month historical test period ending May 31, 2024. Included

---

<sup>1</sup> See Case No. 2021-00407, *Electronic Application of South Kentucky Rural Electric Cooperative Corporation for a General Adjustment of Rates, Approval of a Depreciation Study, and Other General Relief*, June 30, 2022 Order (Ky. PSC June 30, 2024).

<sup>2</sup> Case No. 2021-00407, June 30 2022 Order.

in this application is an increase of the monthly residential consumer charge from \$17.50 to \$30.75, and a small increase in the kWh charge from \$.09816 to \$.09869. These rates are appropriately adjusted for known and measurable changes, and South Kentucky proposes that its revised tariff schedules become effective as of March 5, 2025.

5. South Kentucky's existing depreciation rates were set by the Commission in Case No. 2021-00407. The Commission's Order in Case No. 2021-00407, required South Kentucky to perform a depreciation study in its next general rate adjustment.<sup>3</sup> As part of this application, South Kentucky is requesting the Commission to approve the new depreciation study and allow South Kentucky to implement the depreciation rates contained in that study.

## **II. FILING REQUIREMENTS**

6. Pursuant to 807 KAR 5:001 Section 14(1), South Kentucky's mailing address is 200 Electric Avenue, Somerset, Kentucky 42501 and its electronic mailing address is skrecc@skrecc.com. South Kentucky's telephone number is (606) 678-4121 and the fax number is (606) 679-8279. South Kentucky requests that the following individuals be included on the service list:

Kevin Newton, South Kentucky's President & Chief Executive Officer:

kevin@skrecc.com

Carrie Bessinger, South Kentucky's Chief Financial Officer:

carrieb@skrecc.com

Counsel for South Kentucky, L. Allyson Honaker and Heather S. Temple:

allyson@hloky.com

heather@hloky.com

---

<sup>3</sup> Case No. 2021-00407, June 30, 2022 Order at 10.

7. Pursuant to 807 KAR 5:001, Section 14(2), South Kentucky is a Kentucky corporation, in good standing, and was incorporated on October 13, 1938. A copy of the Certificate of Good Standing can be found in Exhibit 8, Direct Testimony of Kevin Newton.

8. Pursuant to 807 KAR 5:001, Section 16(1)(a), South Kentucky's application is based upon the historic test year ending May 31, 2024, that includes adjustments for known and measurable changes.

9. Pursuant to 807 KAR 5:001, Section 16(1)(b)1., South Kentucky's application is supported by the testimony of three witnesses and numerous schedules and exhibits which detail the reason the adjustment is required.

10. Pursuant to 807 KAR 5:001, Section 16(1)(b)2., South Kentucky does not operate under an assumed name.

11. Pursuant to 807 KAR 5:001, Section 16(1)(b)3., revised tariff sheets are attached hereto. South Kentucky's new rates would be effective March 5, 2025.

12. Pursuant to 807 KAR 5:001, Section 16(1)(b)4., revised tariff sheets showing the proposed tariff sheets with italicized inserts and strikethroughs over proposed deletions are attached hereto at Exhibit 4.

13. Pursuant to 807 KAR 5:001, Section 16(1)(b)5., South Kentucky states that notice has been given in accordance with 807 KAR 5:001, Section 17. A copy of the notice that was published in *Kentucky Living* magazine and mailed to the members who opt-out of receiving *Kentucky Living* is attached hereto at Exhibit 5.

14. Pursuant to 807 KAR 5:001, Section 16(2), Notice of Intent was filed by South Kentucky with the Commission and transmitted to the Kentucky Attorney General's Office of Rate Intervention on January 3, 2025. A copy of which is attached hereto at Exhibit 6.

15. Pursuant to 807 KAR 5:001, Section 16(3), notice has been given by South Kentucky in accordance with 807 KAR 5:001, Section 17.

16. Pursuant to 807 KAR 5:001, Section 16(4), South Kentucky provides a Table of Contents of the exhibits which are required to support a rate application utilizing an historic test year. This Table of Contents immediately follows and is specifically incorporated into the application to demonstrate compliance with all filing requirements.

17. The filing requirements set forth in 807 KAR 5:001, Sections 16(4)(c), (f), (p), (s), and (v) do not apply because South Kentucky: (1) has gross annual revenues greater than \$5,000,000; (2) is not an incumbent local exchange carrier; (3) has not tendered any stock or bond offerings; (4) is not a Securities and Exchange Commission registrant; and, (5) is not a local exchange carrier with more than 50,000 access lines.

18. Pursuant to 807 KAR 5:001, Section 16(5)(a), a detailed income statement and balance sheet reflecting the impact of all proposed adjustments is attached as Exhibit 26.

19. Pursuant to 807 KAR 5:001, Section 16(5)(b), the most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions is attached as Exhibit 27. There are no pro forma adjustments for plant additions.

20. Pursuant to 807 KAR 5:001, Section 16(5)(c)1-8, information required for each pro forma adjustment reflecting plant additions is required. However, South Kentucky does not propose any pro forma adjustments for plant additions.

21. Pursuant to 807 KAR 5:001, Section 16(5)(d), the operating budgets for each month of the period encompassing the pro forma adjustments are attached hereto at Exhibit 29.

22. Pursuant to 807 KAR 5:001, Section 16(5)(e), the number of customers to be added to the test period end level of customers and related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers is attached hereto at Exhibit 30.

23. Pursuant to the July 24, 2012 Order in Case No. 2008-00408, *Consideration of the New Federal Standards of the Energy Independence and Security Act of 2007*, a statement regarding consideration of cost-effective energy efficiency resources and impact of such resources on the test year is included as Exhibit 31.

24. Pursuant to the July 24, 2012 Order in Case No. 2012-00428, *Consideration of the Implementation of Smart Grid and Smart Meter Technologies*, a statement regarding smart grid and smart meter technologies and impact of such resources on the test year is included as Exhibit 32.

### **III. REASONS FOR AND SUMMARY OF RELIEF SOUGHT**

25. South Kentucky's last general rate adjustment became effective June 30, 2022. Due to a substantial increase in general operating expenses coupled with a reduction in energy sales since that time, South Kentucky's management and board of directors decided that it was in the cooperative's best interest to request relief through a general rate case designed to produce sufficient revenues to align with the cost of providing safe and reliable service, all the while ensuring compliance with its loan covenants with lenders.

26. The biggest single reason for South Kentucky's decision to file a general rate case is the substantial increase in costs related to vegetation management. In Case No. 2021-00407, the Commission encouraged South Kentucky to return to a six-year cycle for circuit trimming.<sup>4</sup> South Kentucky has done so, however as a result of this change South Kentucky has seen an

---

<sup>4</sup> Case No. 2021-00407, June 30, 2022 Order at 28-29.

increase of nearly \$6 million in expenses to maintain a six year cycle. South Kentucky is cognizant of this increased expense, but the safety and reliability for our members and communities is most important. Aside from this right-of-way expense, essential materials and labor have seen increases since the last general rate adjustment. These increases have occurred over all areas of the Cooperative's business while customer growth and energy sales have remained stagnant. South Kentucky has no option other than a rate increase to continue safe and reliable service for its members.

27. South Kentucky proposes charges that will move its rates in the direction of cost of service to better align cost-causer to cost-payer. To accomplish this, South Kentucky proposes moving service charges, energy charges and demand charges in a direction that reflects unit costs calculated in the cost-of-service study.

## **VI. OVERVIEW OF TESTIMONY**

28. Further support for South Kentucky's requested relief is throughout this application and exhibits, particularly in the testimony of the following three witnesses:

a. Mr. Kevin Newton, South Kentucky's President and Chief Executive Officer, offers testimony describing, *inter alia*, the cooperative's business and existing retail electric distribution system, the events that preceded the filing of this case, and the cooperative's need to increase its existing rates to ensure it may continue to provide safe, reliable retail electric service to its owner-members.

b. Ms. Carrie Bessinger, South Kentucky's Chief Financial Officer, who offers testimony describing, *inter alia*, the cooperative's financial condition, its expenses, and certain of its relevant practices and policies, as well as the necessity of the rate relief requested by the cooperative in this proceeding.

c. Mr. John Wolfram, expert consultant with Catalyst Consulting LLC, who offers testimony describing, *inter alia*, South Kentucky's rate classes, the calculation of South Kentucky's revenue requirement, the pro forma adjustments to the test period results, the results of a cost-of-service study and its process, the proposed allocation of the revenue increase to the rate classes, and the rate design, proposed rates, estimated billing impact by rate class, and the results of a depreciation study.

## V. CONCLUSION

29. South Kentucky has initiated this proceeding because its existing retail rates do not provide sufficient revenue to ensure the financial strength of the cooperative. While it is always South Kentucky's goal to keep rates as low as possible, the expense of providing safe and reliable service must be recovered. Additionally, prudent management (and lender requirements) demand that healthy financial benchmarks be maintained. South Kentucky's application, supporting exhibits, schedules and testimony fully demonstrate that an adjustment to the company's wholesale base rates is both necessary and appropriate. South Kentucky respectfully requests the Commission award it an increase in rates that are fair, just and reasonable so that South Kentucky may continue to maintain its healthy financial condition, satisfy current and future loan covenants, address substantial cost escalation seen on the operations side of its business, account for inflationary pressures since its last rate case, and sustain its ability to provide safe, adequate and efficient service at rates that are fair, just and reasonable.

30. Because of the need to adjust depreciation rates on its various plant accounts, South Kentucky also proposes that the Commission approve the depreciation study which has been provided in this case.



31. The preparation, filing and administration of this request for rate relief necessitates, *inter alia*, the expenditure of money by South Kentucky for financial, rate and legal consultants. South Kentucky is entitled to and requests the Commission to allow recovery of all such reasonable expenses in its new rates amortized over a period of three (3) years.

WHEREFORE, on the basis of the foregoing, South Kentucky respectfully prays the Commission for the following relief:

1. Approve the adjustments to South Kentucky's base rates as set forth herein with effective dates of March 5, 2025;
2. Approve South Kentucky's depreciation study provided herein and allow South Kentucky to implement the rates contained in the study.
3. Approve South Kentucky's proposed changes to rate design;
4. Approve the changes to each of South Kentucky's tariffs described herein;
5. Approve recovery of reasonable rate case expenses in rates amortized over a period of three (3) years, or such other period which the Commission finds reasonable; and,
6. Grant South Kentucky any and all other due and proper relief to which it may appear entitled.

This 3<sup>rd</sup> day of February, 2025.

Respectfully Submitted,

*Heather S. Temple*

---

L. Allyson Honaker

Heather S. Temple  
Honaker Law Office, PLLC  
1795 Alysheba Way, Suite 6202  
Lexington, KY 40509  
(859) 368-8803  
allyson@hloky.com  
heather@hloky.com

*Counsel for South Kentucky Rural Electric  
Cooperative Corporation*



## CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Commission for filing on February 3, 2025; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; by virtue of the Commission's July 22, 2021 Order in Case No. 2020-00085, a copy of the filing in paper medium shall not be required; and, a true and accurate copy of the filing has been electronically transmitted to the Kentucky Attorney General's Office of Rate Intervention at: [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov).

*Heather S. Temple*

---

Heather S. Temple  
*Counsel for South Kentucky Rural  
Electric Cooperative Corporation*

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**

**Table of Contents**

**General Adjustment of Rates, Historical Test Year - Filing Requirements / Exhibit List**

*(Historical Test Period: Twelve Months Ending May 31, 2024)*

<b>Exhibit No.</b>	<b>Filing Requirement</b>	<b>Description</b>	<b>Sponsoring Witness(es)</b>
1	807 KAR 5:001 § 16(1)(b)(1)	Statement of the reason the rate adjustment is required	Kevin Newton
2	807 KAR 5:001 § 16(1)(b)(2)	Certificate of assumed name or statement that one is not necessary	Carrie Bessinger
3	807 KAR 5:001 § 16(1)(b)(3)	Proposed tariff sheets	Carrie Bessinger
4	807 KAR 5:001 § 16(1)(b)(4)	Proposed tariff sheets with proposed changes identified	Carrie Bessinger
5	807 KAR 5:001 § 16(1)(b)(5)	Statement that compliant notice to customers has been given, with a copy of the notice	Kevin Newton
6	807 KAR 5:001 § 16(2) and KRS 278.180	Notice to the Kentucky Public Service Commission of intent to adjust rates	Kevin Newton
7	807 KAR 5:001 § 16(4)(a)	Complete description and quantified explanation for all proposed adjustments with proper support for proposed changes in price or activity levels, if applicable, and other factors that may affect the adjustment	John Wolfram
8	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application	Kevin Newton
9	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application	Carrie Bessinger
10	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application (Mr. Wolfram)	John Wolfram
-	807 KAR 5:001 § 16(4)(c)	<i>Not applicable - Utility has gross annual revenues greater than \$5 million</i>	N/A
11	807 KAR 5:001 § 16(4)(d)	Statement estimating the effect that each new rate will have upon the revenues of the utility, including the total amount of revenues resulting from the increase or decrease and percentage increase or decrease	John Wolfram
12	807 KAR 5:001 § 16(4)(e)	Effect upon the average bill for each customer classification to which the proposed rate change will apply	John Wolfram
-	807 KAR 5:001 § 16(4)(f)	<i>Not applicable - Utility is not an incumbent local exchange company</i>	N/A
13	807 KAR 5:001 § 16(4)(g)	Detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class	John Wolfram
14	807 KAR 5:001 § 16(4)(h)	Summary of the utility's determination of its revenue requirements	John Wolfram
15	807 KAR 5:001 § 16(4)(i)	Reconciliation of the rate base and capital used to determine its revenue requirements	John Wolfram
16	807 KAR 5:001 § 16(4)(j)	Current chart of accounts if more detailed than the Uniform System of Accounts	Carrie Bessinger
17	807 KAR 5:001 § 16(4)(k)	Independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls	Carrie Bessinger
18	807 KAR 5:001 § 16(4)(l)	Most recent Federal Energy Regulatory Commission audit report	Carrie Bessinger
19	807 KAR 5:001 § 16(4)(m)	Most recent FERC Financial Report FERC Form No.1, FERC Financial Report FERC Form No. 2, or Public Service Commission Form T (telephone)	Carrie Bessinger
20	807 KAR 5:001 § 16(4)(n)	Summary of latest depreciation study, or, reference by case number to depreciation schedule on file with the Commission	Carrie Bessinger
21	807 KAR 5:001 § 16(4)(o)	List of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application	Carrie Bessinger
-	807 KAR 5:001 § 16(4)(p)	<i>Not applicable - Utility has made no stock or bond offerings</i>	N/A
22	807 KAR 5:001 § 16(4)(q)	Annual report to shareholders or members and statistical supplements covering the two (2) most recent years from the utility's application filing date	Carrie Bessinger
23	807 KAR 5:001 § 16(4)(r)	Monthly managerial reports providing financial results of operations for the twelve (12) months in the test period	Carrie Bessinger
-	807 KAR 5:001 § 16(4)(s)	<i>Not applicable--Utility's annual report on Form 10-K (most recent two (2) years), any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters updated as information becomes available</i>	N/A
24	807 KAR 5:001 § 16(4)(t)	Affiliate charges, allocations, and payments with description, explanation, and demonstration of reasonableness (including a detailed description of the method and amounts allocated or charged to the utility by the affiliate, an explanation of how the allocator for the test period was determined and all facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable).	Carrie Bessinger
25	807 KAR 5:001 § 16(4)(u)	Cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period	John Wolfram

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**

**Table of Contents**

**General Adjustment of Rates, Historical Test Year - Filing Requirements / Exhibit List**  
*(Historical Test Period: Twelve Months Ending May 31, 2024)*

<b>Exhibit No.</b>	<b>Filing Requirement</b>	<b>Description</b>	<b>Sponsoring Witness(es)</b>
-	807 KAR 5:001 § 16(4)(v)	<i>Not applicable - Utility is not a local exchange carrier</i>	N/A
26	807 KAR 5:001 § 16(5)(a)	Detailed income statement and balance sheet reflecting the impact of all proposed adjustments	Carrie Bessinger & John Wolfram
27	807 KAR 5:001 § 16(5)(b)	Most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions	& John Wolfram
28	807 KAR 5:001 § 16(5)(c)	Detail regarding pro forma adjustments reflecting plant additions	John Wolfram
29	807 KAR 5:001 § 16(5)(d)	Operating budget for each month of the period encompassing the pro forma adjustments	Carrie Bessinger & John Wolfram
30	807 KAR 5:001 § 16(5)(e)	Number of customers to be added to the test period end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers	John Wolfram
31	Case No. 2008-00408 July 24, 2012 Order	Consideration of cost-effective energy efficiency resources and impact of such resources on test year	Carrie Bessinger
32	Case No. 2021-00428 July 24, 2012 Order	A discussion of smart grid investments	Carrie Bessinger

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 1**

**807 KAR 5:001 Section 16(1)(b)(1)**  
**Sponsoring Witness: Kevin Newton**

**Description of Filing Requirement:**

*Statement of the reason the rate adjustment is required.*

**Response:**

South Kentucky's Application generally, and specifically the written testimony provided at Exhibits 8 through 10, underscore the necessity of the adjustment requested by South Kentucky in this proceeding. Due to increased expenses and continued decline in sales volumes since the last general adjustment of rates in 2021-00407, South Kentucky is requesting relief that will align with the cost of providing service and ensure compliance with essential financial metrics set by lenders in its loan covenants. Without an adjustment of rates in the magnitude requested in this case, South Kentucky's insufficient rate structure will continue to put it at risk of non-compliance with its lenders, and could impar the excellent level of safe and reliable service its members deserve and expect.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 2**

**807 KAR 5:001 Section 16(1)(b)(2)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*Certificate of assumed name or statement that one is not necessary*

**Response:**

South Kentucky does not conduct or transact business under an assumed name, and thus it has not filed a Certificate of Assumed Name pursuant to KRS 365.015. Therefore, such a certificate is not necessary.



**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 3**

**807 KAR 5:001 Section 16(1)(b)(3)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*New or revised tariff sheets, if applicable, in a format that complies with 807 KAR 5:011  
with an effective date not less than thirty (30) days from the date the application is filed*

**Response:**

See attached.

---

**RULES AND REGULATIONS**

**Section II - Service Procedures (con't)**

**2.41 DISCONTINUANCE OF SERVICE BY COOPERATIVE**

The Cooperative may/shall refuse or discontinue to serve a member under the following conditions (Also see Section 4.40 for requirements):

- (a) For non-compliance with its rules and regulations, pursuant to 807 KAR 5:006, Section 14(1)(e).
- (b) When a dangerous condition is found to exist on the member's premises.
  - (c) When a member refuses or neglects to provide reasonable access to the premises for the purpose of installation, operation, meter reading, inspecting, maintenance or removal of Cooperative property, pursuant to 807 KAR 5:006, Section 14(1)(c).
- (d) For non-payment for service furnished or other tariffed charges in accordance with 807 KAR 5:006, Section 14(1)(e).
- (e) For failure to comply with the provisions of the wiring code pursuant to 807 KAR 5:006, Section 14-5(1)(e).
- (f) For fraudulent or illegal use of service. When the Cooperative has discovered evidence that by fraudulent or illegal means a member has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. The Cooperative will not restore service until customer has complied with all rules of the Cooperative and regulations of the Public Service Commission and the Cooperative has been reimbursed for the estimated amount of the service rendered, including the initial disconnection and the cost to the Cooperative incurred by reason of the fraudulent use. The discontinuance of service to a member for any cause stated in this rule does not release the member of his obligations to all debts due. Within 24 hours after such termination, the utility shall send written notification to the customer of the reasons for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Commission.

**DATE OF ISSUE:** FEBRUARY 3, 2025

**DATE EFFECTIVE:** MARCH 5, 2025

**ISSUED BY:** *ISi* Kevin Newton,

---

President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC  
SERVICE COMMISSION IN CASE NO. 2024-00402  
DATED MARCH 5, 2025

**RULES AND REGULATIONS**  
**Section II-Service Procedures (con't)**

**2.50 SPECIAL CHARGES**

The Cooperative may make a charge of \$ 140.00 for each trip made during regular working hours or \$387.00 for each trip made after or before regular working hours for any service trip requested by a member to restore electric service when it is determined that the service interruption was caused by a defect in the member's wiring or equipment and is not the fault of the Cooperative.

(I)  
(I)

**2.60 CONNECT, RECONNECT, COLLECTION AND METER READING CHARGES**

(a) The Cooperative will make no charge for connecting service to the new member's installation of service provided the connection is made during regular working hours.

(b) The Cooperative may make a service charge of \$140.00 for the following:

(I)

1. A trip to either disconnect a past due account, collect the past due amount, or if utility representative agrees to delay termination based on customer's agreement to pay delinquent bill by specific date.
2. A trip to reconnect an account that has been disconnected for delinquent bill or to reconnect an account that is seasonal that was disconnected within the previous 12 months.
3. If due to consumer's negligence or refusal to grant an identified Cooperative agent or contract meter reader access for meter reading and a Cooperative employee is dispatched to read the meter and/or disconnect.

(c) In lieu of (a) and (b) above, a charge of \$387.00 shall apply if the consumer requests service before or after regular working hours.

(I)

(d) In lieu of (b) and (c) above, where a remote meter with remote connect, disconnect and meter reading capability is installed and service is either active or inactive for less than 60 days, a charge of \$20 shall apply.

(N)

(e) To reconnect service for the same member where service has been disconnected for more than 60 days and less than 12 months, a charge of \$300 shall apply.



**2.70 RETURN PAYMENT CHARGE**

The Cooperative will make a charge of \$10.00 for each payment returned unpaid by the bank for any reason. The returned payment charge will be added to the amount of the return payment and be subject to the conditions set forth in Section 5.50, Unpaid Payments from Consumers.

(I)

**2.80 SERVICE CHARGES FOR TEMPORARY SERVICE**

Consumers requiring temporary service may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, an amount will be required to cover estimated consumption of electricity. All such costs will be paid in advance. Any balance remaining at the end of temporary service will be refunded. (This rule applies, but not limited, to carnivals, fairs, voting booths, temporary construction projects, etc.) Temporary line extension requirements are in Section 6.

**DATE OF ISSUE:** February 3, 2025  
**DATE EFFECTIVE:** March 5, 2022  
**ISSUED BY:** /s/ Kevin Newton  
President & CEO

---

**RULES AND REGULATIONS**

**Section III - Meters**

**3.10 METER TESTS**

- (a) All new meters shall be checked for accuracy before installation. The cooperative will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Public Service Commission.
- (b) The Cooperative will make additional tests of meters at the request of the member, provided the member does not request such test more frequently than once in twelve (12) months and upon payment of a fee for obtaining and testing of \$ 150.00 paid in advance (I) which is refundable to consumer only if the meter does not test within the 2% fast or slow range. (I)
- (c) If test results on a consumer's meter show an average error greater than two percent (2%) fast or slow, or if a consumer has been incorrectly billed for any other reason, except in an instance where a utility has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a consumer, the cooperative shall immediately determine the period during which the error has existed, and shall recompute and adjust the consumer's bill to either provide a refund to the consumer or collect an additional amount of revenue from the under billed consumer. The Cooperative shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the consumer. If that data is not available, the average usage of similar consumer loads shall be used for comparison purposes in calculating the time period.

If the Consumer and the Cooperative are unable to agree on an estimate of the time period during which the error existed, the Kentucky Public Service Commission shall determine the issue.

In all instances of consumer over billing, the consumer's account shall be credited or the over billed amount refunded at the request of the consumer within thirty (30) days after final meter test results. The Cooperative shall not require consumer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

---

**DATE OF ISSUE:** February 3, 2025

**DATE EFFECTIVE:** March 5, 2025

**ISSUED BY:** /s/ Kevin Newton,  
President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC  
SERVICE COMMISSION IN CASE NO. 2024-00402  
DATED MARCH 5, 2025

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
21st REVISED SHEET NO. T-1  
CANCELLING P.S.C. KY. NO.7  
20th REVISED SHEET NO. T-1

---

CLASSIFICATION OF SERVICE

**RESIDENTIAL, FARM AND  
NON-FARM SERVICE**

**SCHEDULE A**

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers of the Cooperative for all uses in the home and on the farm and for other consumers using single-phase service including schools, churches, and community buildings all subject to the established rules and regulations of the seller. The capacity of individual motors served under this schedule may not exceed 10 horsepower.

TYPE OF SERVICE: Single-phase 60 cycle at available secondary voltage.

RATES PER MONTH:

Consumer Charge - No KWH Usage.....	\$ 30.75	(l)
Energy Charge:		
All KWH per Month@.....	\$0. 09869	(l)

FUEL ADJUSTMENT CLAUSE: As shown in APPENDIX B following these tariffs.

**MINIMUM CHARGE: The minimum monthly charge shall be the "Consumer Charge - No KWH Usage" as stated in Rates per month above.**

(Continued - Next Page)

---

DATE OF ISSUE: FEBRUARY 3, 2025

DATE EFFECTIVE: MARCH 5, 2025

ISSUED BY: /s/ Kevin Newton,  
President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2024-00402  
DATED MARCH 5, 2025

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
21st REVISED SHEET NO. T-2  
CANCELLING P.S.C. KY. NO.7  
20th REVISED SHEET NO. T-2

---

CLASSIFICATION OF SERVICE

**RESIDENTIAL, FARM AND  
NON-FARM SERVICE**

**SCHEDULE A**

MARKETING RATE: A special discount marketing rate is available for specific marketing program as approved by South Kentucky's Board of Directors. The marketing rate requires separate metering and an executed contract between the Member and the Cooperative. A sample contract is shown following these tariffs as APPENDIX D. This discounted marketing rate is for energy purchased from the wholesale power supplier under their marketing rate and is for the below listed off-peak hours:

<u>-MONTHS-</u>	<u>OFF-PEAK HOURS - EST</u>
October through April	12:00 Noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.
May through September	10:00 p.m. to 10:00 a.m.

MARKETING RATE PER MONTH:

ETS USAGE All KWH per Month@ ..... \$0.07359

TERMS OF PAYMENT: The rates stated are net. If payment is not made by the due date, the current month charges shall be increased by 5%.

---

DATE OF ISSUE: FEBRUARY 3, 2025

DATE EFFECTIVE: MARCH 5, 2025

ISSUED BY: **IsI** Kevin Newton, President & CEO  
BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2024-00402  
DATED MARCH 5, 2025

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 4**

**807 KAR 5:001 Section 16(1)(b)(4)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*New or revised tariff sheets, if applicable, in a format that complies with 807 KAR 5:011 shown either by providing: ...A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.*

**Response:**

See attached.

---

**RULES AND REGULATIONS**

**Section II - Service Procedures (con't)**

**2.41 DISCONTINUANCE OF SERVICE BY COOPERATIVE**

The Cooperative may/shall refuse or discontinue to serve a member under the following conditions (Also see Section 4.40 for requirements):

- (a) For non-compliance with its rules and regulations, pursuant to 807 KAR 5:006, Section 14(1)(e).
- (b) When a dangerous condition is found to exist on the member's premises.
- (c) When a member refuses or neglects to provide reasonable access to the premises for the purpose of installation, operation, meter reading, inspecting, maintenance or removal of Cooperative property, pursuant to 807 KAR 5:006, Section 14(1)(c).
- (d) For non-payment for service furnished or other tariffed charges in accordance with 807 KAR 5:006, Section 14(1)(e).
- (e) For failure to comply with the provisions of the wiring code pursuant to 807 KAR 5:006, Section 14-5(1)(e).
- (f) For fraudulent or illegal use of service. When the Cooperative has discovered evidence that by fraudulent or illegal means a member has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. The Cooperative will not restore service until customer has complied with all rules of the Cooperative and regulations of the Public Service Commission and the Cooperative has been reimbursed for the estimated amount of the service rendered, including the initial disconnection and the cost to the Cooperative incurred by reason of the fraudulent use. The discontinuance of service to a member for any cause stated in this rule does not release the member of his obligations to all debts due. Within 24 hours after such termination, the utility shall send written notification to the customer of the reasons for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Commission.

**DATE OF ISSUE:** ~~JULY 13, 2022~~ February 3, 2025

**DATE EFFECTIVE:** ~~JUNE 30, 2022~~ March 5, 2025

**ISSUED BY: /S/** ~~Kenneth E. Simmons,~~ Kevin Newton

---

President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. ~~2021-00407~~ 2024-00402  
DATED ~~JUNE 30, 2022.~~ March 5, 2025



**RULES AND REGULATIONS**

**Section II -Service Procedures (con't)**

**2.50 SPECIAL CHARGES**

The Cooperative may make a charge of ~~\$17.55~~140.00 for each trip made during regular working hours or ~~\$345.00-387.00~~ for each trip made after or before regular working hours for any service trip requested by a member to restore electric service when it is determined that the service interruption was caused by a defect in the member's wiring or equipment and is not the fault of the Cooperative.

(I)

**2.60 CONNECT, RECONNECT, COLLECTION AND METER READING CHARGES**

(a) The Cooperative will make no charge for connecting service to the new member's installation of service provided the connection is made during regular working hours.

(b) The Cooperative may make a service charge of ~~\$17.55~~ 140.00 for the following:

(I)

1. A trip to either disconnect a past due account, collect the past due amount, or if utility representative agrees to delay termination based on customer's agreement to pay delinquent bill by specific date.
2. A trip to reconnect an account that has been disconnected for delinquent bill or to reconnect an account that is seasonal that was disconnected within the previous 12 months.
3. If due to consumer's negligence or refusal to grant an identified Cooperative agent or contract meter reader access for meter reading and a Cooperative employee is dispatched to read the meter and/or disconnect.

(c) In lieu of (a) and (b) above, a charge of ~~\$345.00~~387.00 shall apply if the consumer requests service before or after regular working hours.

(d) In lieu of (b) and (c) above, where a remote meter with remote connect, disconnect and meter reading capability is installed and service is either active or inactive for less than 60 days, a charge of \$20 shall apply.

(I)

(N)

{G}(e) To reconnect service for the same member where service has been disconnected for more than 60 days and less than 12 months, a charge of \$300 shall apply.



**2.70 RETURN PAYMENT CHARGE**

The Cooperative will make a charge of ~~\$6~~ 10.00 for each payment returned unpaid by the bank for any reason. The returned payment charge will be added to the amount of the return payment and be subject to the conditions set forth in Section 5.50, Unpaid Payments from Consumers.

(I)

**2.80 SERVICE CHARGES FOR TEMPORARY SERVICE**

Consumers requiring temporary service may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, an amount will be required to cover estimated consumption of electricity. All such costs will be paid in advance. Any balance remaining at the end of temporary service will be refunded. (This rule applies, but not limited, to carnivals, fairs, voting booths, temporary construction projects, etc.) Temporary line extension requirements are in Section 6.

<b>DATE OF ISSUE:</b>	<del>JULY 13, 2022</del>	February 3, 2025
<b>DATE EFFECTIVE:</b>	<del>JUNE 30, 2022</del>	March 5, 2025
<b>ISSUED BY:</b> <i>Isl</i>	<del>Kenneth E. Simmons,</del> President & CEO	Kevin Newton

---

**RULES AND REGULATIONS**

**Section III - Meters**

**3.10 METER TESTS**

- (a) All new meters shall be checked for accuracy before installation. The cooperative will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Public Service Commission.
- (b) The Cooperative will make additional tests of meters at the request of the member, provided the member does not request such test more frequently than once in twelve (12) months and upon payment of a fee for obtaining and testing of \$~~17.55~~ 150.00 paid in advance (l) which is refundable to consumer only if the meter does not test within the 2% fast or slow range. (l)
- (c) If test results on a consumer's meter show an average error greater than two percent (2%) fast or slow, or if a consumer has been incorrectly billed for any other reason, except in an instance where a utility has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a consumer, the cooperative shall immediately determine the period during which the error has existed, and shall recompute and adjust the consumer's bill to either provide a refund to the consumer or collect an additional amount of revenue from the under billed consumer. The Cooperative shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the consumer. If that data is not available, the average usage of similar consumer loads shall be used for comparison purposes in calculating the time period.

If the Consumer and the Cooperative are unable to agree on an estimate of the time period during which the error existed, the Kentucky Public Service Commission shall determine the issue.

In all instances of consumer over billing, the consumer's account shall be credited or the over billed amount refunded at the request of the consumer within thirty (30) days after final meter test results. The Cooperative shall not require consumer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

---

**DATE OF ISSUE:** ~~JULY 13, 2022~~ February 3, 2025

**DATE EFFECTIVE:** ~~JUNE 30, 2022~~ March 5, 2025

**ISSUED BY:** /s/ ~~Kenneth E. Simmons,~~ Kevin Newton  
President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. ~~2021-00407~~ 2024-00402  
DATED ~~JUNE 30, 2022.~~ March 5, 2025

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
21st 20th REVISED SHEET NO. T-1  
20th 19th REVISED SHEET NO. T-1  
CANCELLING P.S.C. KY. NO.7

CLASSIFICATION OF SERVICE

RESIDENTIAL, FARM AND  
NON-FARM SERVICE

SCHEDULE A

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers of the Cooperative for all uses in the home and on the farm and for other consumers using single-phase service including schools, churches, and community buildings all subject to the established rules and regulations of the seller. The capacity of individual motors served under this schedule may not exceed 10 horsepower.

TYPE OF SERVICE: Single-phase 60 cycle at available secondary voltage.

RATES PER MONTH:

Consumer Charge - No KWH Usage ..... ~~\$17.5030.75~~ (1)

Energy Charge:

All KWH per Month@.....\$0. ~~0.09816 09869~~ (1)

FUEL ADJUSTMENT CLAUSE: As shown in APPENDIX B following these tariffs.

MINIMUM CHARGE: The minimum monthly charge shall be the "Consumer Charge - No KWH Usage" as stated in Rates per month above.

(Continued - Next Page)

DATE OF ISSUE: ~~SEPTEMBER 5, 2024~~ February 3, 2025

DATE EFFECTIVE: ~~SEPTEMBER 1, 2024~~ March 5, 2025

ISSUED BY: s Kevin Newton.  
President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO ~~2023-00014~~ 2024-00402  
DATED ~~SEPTEMBER 6 2023~~

March 5, 2025

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
~~21st~~ ~~20th~~ REVISED SHEET NO. T-2  
~~20th~~ CANCELLING P.S.C. KY. NO.7  
~~19th~~ REVISED SHEET NO. T-2

---

CLASSIFICATION OF SERVICE

**RESIDENTIAL, FARM AND  
NON-FARM SERVICE**

**SCHEDULE A**

MARKETING RATE: A special discount marketing rate is available for specific marketing program as approved by South Kentucky's Board of Directors. The marketing rate requires separate metering and an executed contract between the Member and the Cooperative sample contract is shown following these tariffs as APPENDIX D. This discounted marketing rate is for energy purchased from the wholesale power supplier under their marketing rate and is for the below listed off-peak hours:

<u>-MONTLIS-</u>	<u>OFF-PEAK HOURS - EST</u>
October through April	12:00 Noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.
May through September	10:00 p.m. to 10:00 a.m.

MARKETING RATE PER MONTH:

ETS USAGE All KWH per Months@..... \$0.07359

TERMS OF PAYMENT: The rates stated are net. If payment is not made by the due date, the current month charges shall be increased by 5%.

---

DATE OF ISSUE: ~~SEPTEMBER 5, 2024~~ February 3, 2025  
DATE EFFECTIVE: ~~SEPTEMBER 1, 2024~~ March 5, 2025  
ISSUED BY: /s/ Kevin Newton.  
President & CEO

BY AUTHORITY OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. ~~2023-00014~~ 2024-00402  
DATED. ~~SEPTEMBER 6, 2023~~ March 5, 2025

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 5**

**807 KAR 5:001 Section 16(1)(b)(5)**  
**Sponsoring Witness: Kevin Newton**

**Description of Filing Requirement:**

*A statement that notice has been given in accordance with 807 KAR 5:001, Section 17, including the notice and affidavit.*

**Response:**

South Kentucky has given notice in compliance with 807 KAR 5:001 Section 17. Specifically, as of the date South Kentucky submitted this Application to the Commission, South Kentucky has: (i) posted at its place of business a copy of the full notice required by the relevant regulations; (ii) posted to its website a copy of the full notice required by the relevant regulation and a hyperlink to the location on the Commission's website where the case documents are available; (iii) posted to its social media account a link to its website where a copy of the full notice by the relevant regulation published may be found; (iv) published a copy of the notice in *Kentucky Living* magazine, which was sent to Members on February 1, 2024; and, (v) mailed a copy of the same notice to all Members who do not receive a copy of *Kentucky Living*. An affidavit of publication in *Kentucky Living* magazine and an affidavit for the mailing of customer notice and a copy of the letter sent with the notice are attached.

AFFIDAVIT OF MAILING  
OF FILING NOTICE

Notice is hereby given that the February 2025 issue of *KENTUCKY LIVING*, bearing an official notice of the intent to file with the Public Service Commission a proposed general rate adjustment for **SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**, was entered as direct mail on January 30, 2025.




\_\_\_\_\_  
Joel Sams  
Managing Editor  
*Kentucky Living*

County of Jefferson  
State of Kentucky

Sworn to and subscribed before me, a Notary Public,

This 30<sup>th</sup> day of January, 2025.

My commission expires 3-1-2025

  
\_\_\_\_\_  
Notary Public, State of Kentucky

Kentucky Electric Cooperatives Inc.  
P.O. Box 32170 | Louisville, KY 40232  
1630 Lyndon Farm Court | Louisville, KY 40223

(502) 451-2430  
(800) KY-LIVING (800) 595-4846

[www.kentuckyliving.com](http://www.kentuckyliving.com)

# DISCOVERING SOUTH KENTUCKY

www.skrecc.com • FEBRUARY 2025

## South Kentucky RECC prepares for rate adjustment

As your trusted electric cooperative, South Kentucky RECC's mission has always been to provide safe, reliable and affordable electricity to the communities we serve. To continue fulfilling this mission in the face of evolving economic conditions, South Kentucky RECC has begun the process of requesting a rate adjustment with the Kentucky Public Service Commission.

South Kentucky RECC is dedicated to providing superior reliability and the best possible service for our membership. Over the last several years, inflationary pressures have resulted in substantial cost increases for goods and services regularly used by the co-op. In order for South Kentucky RECC to continue providing the same excellent service, it must be able to recover the costs of building, operating and maintaining the facilities required to provide this service. This includes increased costs associated with our proactive approach to right-of-way (ROW) maintenance that is intended to limit safety and reliability threats posed by trees and other vegetation growing too close to our power lines.

As a not-for-profit electric cooperative, South Kentucky RECC understands and deeply cares about how this rate adjustment may affect our members.

As proposed, the increase for the average residential account using 993 kWh of electricity would be approximately \$13.78 per month.

The official notice of the rate adjustment with the exact, proposed changes is on the pages that follow. South Kentucky RECC will file the application with the PSC on or after February 3, 2025. The new rates are not expected to go into effect until the co-op receives approval from the Kentucky Public Service Commission.

South Kentucky RECC offers billing options to assist members when budgeting for their electricity costs. Members can visit South Kentucky RECC's website at [www.skrecc.com](http://www.skrecc.com) to learn more about these options and other programs. Members can always call to speak to a member services representative or energy advisor for assistance.

Right, line crews work tirelessly to restore power after severe weather events—efforts that highlight the importance of maintenance and reliability. Photo: Bruce Parkey



SKRECC construction crews hard at work maintaining power poles and infrastructure—key efforts to ensure long-term reliability. Photo: Eric Chumbley



# Notice of proposed adjustment to retail electric rates

PLEASE TAKE NOTICE that, in accordance with the requirements of the Kentucky Public Service Commission (“Commission”), as set forth in 807 KAR 5:001, Section 17(2)(b), of the Commission’s Rules and Regulations, notice is hereby given to the member consumers of South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”) of a proposed general rate adjustment. South Kentucky intends to file an application styled, The Electronic Application of South Kentucky Rural Electric Cooperative Corporation for General Adjustment of Rates, and Other General Relief, to the Commission, on or after February 3, 2025.

The rate adjustment, with a requested effective date of March 5, 2025, or after, will result in an increase in retail power costs to its member consumers, and in an increase in revenue of \$10,766,999 or 7.2% for South Kentucky.

The amount and percent of increase by rate class are listed below:

Rate Class		Increase	
		Dollars	Percent
A	Residential, Farm and Non-Farm Service	\$ 10,766,999	10.84%
B	Small Commercial Rate	\$ -	0.00%
LP	Large Power Rate (Excess of 50 KVA)	\$ -	0.00%
LP-1	Large Power Rate (500 KW to 4,999 KW)	\$ -	0.00%
LP-2	Large Power Rate (5,000 KW to 9,999 KW)	\$ -	0.00%
LP-3	Large Power Rate (500 KW to 2,000 KW)	\$ -	0.00%
OPS	Optional Power Service	\$ -	0.00%
AES	All Electric Schools	\$ -	0.00%
Lights	Lighting	\$ -	0.00%
Total		\$ 10,766,999	7.16%

The effects of the proposed rates on the average monthly bill by rate class are listed below:

Rate Class		Average Usage (kWh)	Increase	
			Dollars	Percent
A	Residential, Farm and Non-Farm Service	993	\$ 13.78	10.84%
B	Small Commercial Rate	1,228	\$ -	0.0%
LP	Large Power Rate (Excess of 50 KVA)	34,325	\$ -	0.0%
LP-1	Large Power Rate (500 KW to 4,999 KW)	819,598	\$ -	0.0%
LP-2	Large Power Rate (5,000 KW to 9,999 KW)	3,145,628	\$ -	0.0%
LP-3	Large Power Rate (500 KW to 2,000 KW)	753,956	\$ -	0.0%
OPS	Optional Power Service	7,089	\$ -	0.0%
AES	All Electric Schools	51,336	\$ -	0.0%
Lights	Lighting	NA	\$ -	0.0%



The present and proposed monthly rates for each rate schedule are listed below:

		Present	Proposed	Increase
Rate	Item			
A	Residential, Farm and Non-Farm Service			
	Consumer Charge	\$ 17.50	\$ 30.75	\$ 13.25
	Energy Charge per kWh	\$ 0.09816	\$ 0.09869	\$ 0.00053
B	Small Commercial Rate			
	Consumer Charge	\$ 40.00	\$ 40.00	\$ -
	Energy Charge per kWh	\$ 0.09923	\$ 0.09923	\$ -
LP	Large Power Rate (Excess of 50 kVA)			
	Consumer Charge	\$ 70.00	\$ 70.00	\$ -
	Demand Charge per kW	\$ 7.78	\$ 7.78	\$ -
	Energy Charge per kWh	\$ 0.06985	\$ 0.06985	\$ -
LP-1	Large Power Rate (500 KW to 4,999 KW)			
	Metering Charge	\$ 225.00	\$ 225.00	\$ -
	Substation Charge 500–999 kW	\$ 373.20	\$ 373.20	\$ -
	Substation Charge 1,000–2,999 kW	\$ 1,118.42	\$ 1,118.42	\$ -
	Substation Charge 3,000–7,499 kW	\$ 2,811.45	\$ 2,811.45	\$ -
	Demand Charge per kW	\$ 6.54	\$ 6.54	\$ -
	Energy Charge per kWh	\$ 0.06377	\$ 0.06377	\$ -
LP-2	Large Power Rate (5,000 KW to 9,999 KW)			
	Metering Charge	\$ 160.00	\$ 160.00	\$ -
	Substation Charge 3,000-7,499 kW	\$ 2,811.45	\$ 2,811.45	\$ -
	Substation Charge 7,500-14,799 kW	\$ 3,382.50	\$ 3,382.50	\$ -
	Demand Charge per kW	\$ 6.59	\$ 6.59	\$ -
	Energy Charge, First 400, per kWh	\$ 0.06377	\$ 0.06377	\$ -
	Energy Charge, All Remaining, per kWh	\$ 0.05665	\$ 0.05665	\$ -
LP-3	Large Power Rate (500 KW to 2,999 KW)			
	Metering Charge	\$ 151.21	\$ 151.21	\$ -
	Substation Charge 500–999 kW	\$ 381.08	\$ 381.08	\$ -
	Substation Charge 1,000–2,999 kW	\$ 1,142.01	\$ 1,142.01	\$ -
	Demand Charge per kW Contract	\$ 7.55	\$ 7.55	\$ -
	Demand Charge per kW Excess	\$ 9.37	\$ 9.37	\$ -
	Energy Charge per kWh	\$ 0.06100	\$ 0.06100	\$ -
OPS	Optional Power Service			
	Consumer Charge	\$ 51.83	\$ 51.83	\$ -
	Energy Charge per kWh	\$ 0.118610	\$ 0.118610	\$ -
AES	All-Electric Schools			
	Consumer Charge	\$ 86.07	\$ 86.07	\$ -
	Energy Charge per kWh	\$ 0.096110	\$ 0.096110	\$ -
STL	Street Lighting			
	Mercury Vapor or Sodium 0–20,000 Lumens	\$ 9.71	\$ 9.71	\$ -
	LED 10,500 Lumens	\$ 17.58	\$ 17.58	\$ -
	Mercury Vapor or Sodium Over 20,000 Lumens	\$ 16.14	\$ 16.14	\$ -

		Present	Proposed	Increase
DSTL	Decorative Street Lighting			
	Cobra Head Light Existing Pole 15,000-28,000 Lumens Unmetered	\$ 17.66	\$ 17.66	\$ -
	Cobra Head Light Existing Pole 15,000-28,000 Lumens Metered	\$ 10.81	\$ 10.81	\$ -
	LED Cobra Head Light Existing Pole 10,500 Lumens Unmetered	\$ 17.58	\$ 17.58	\$ -
	LED Cobra Head Light Existing Pole 10,500 Lumens Metered	\$ 14.07	\$ 14.07	\$ -
	Cobra Head Light 30' Pole 7,000-10,000 Lumens Unmetered	\$ 20.39	\$ 20.39	\$ -
	Cobra Head Light 30' Pole 7,000-10,000 Lumens Metered	\$ 17.37	\$ 17.37	\$ -
	Cobra Head Light 30' Pole 15,000-28,000 Lumens Unmetered	\$ 24.39	\$ 24.39	\$ -
	Cobra Head Light 30' Pole 15,000-28,000 Lumens Metered	\$ 17.37	\$ 17.37	\$ -
	100 Watt Acorn Unmetered	\$ 11.52	\$ 11.52	\$ -
	100 Watt Acorn Metered	\$ 8.31	\$ 8.31	\$ -
	100 Watt Lexington Lamp Unmetered	\$ 9.21	\$ 9.21	\$ -
	100 Watt Lexington Lamp Metered	\$ 6.07	\$ 6.07	\$ -
	14' Smooth Black Pole	\$ 12.37	\$ 12.37	\$ -
	14' Fluted Pole	\$ 16.01	\$ 16.01	\$ -
	LED 173 Watt Unmetered	\$ 27.13	\$ 27.13	\$ -
	LED 173 Watt Metered	\$ 21.75	\$ 21.75	\$ -
	400 Watt Galleria Unmetered	\$ 24.75	\$ 24.75	\$ -
	400 Watt Galleria Metered	\$ 13.08	\$ 13.08	\$ -
	1,000 Watt MH Galleria Unmetered	\$ 42.57	\$ 42.57	\$ -
	1,000 Watt MH Galleria Metered	\$ 15.29	\$ 15.29	\$ -
	30' Square Steel Pole	\$ 18.34	\$ 18.34	\$ -
	250 Watt Cobra Head 30' Aluminum Pole	\$ 26.87	\$ 26.87	\$ -
	400 Watt Cobra Head MV 8' Arm Unmetered	\$ 21.05	\$ 21.05	\$ -
	400 Watt Cobra Head MV 8' Arm Metered	\$ 9.48	\$ 9.48	\$ -
	400 Watt Cobra Head MV 12' Arm Unmetered	\$ 24.37	\$ 24.37	\$ -
	400 Watt Cobra Head MV 12' Arm Metered	\$ 12.73	\$ 12.73	\$ -
	400 Watt Cobra Head MV 16' Arm Unmetered	\$ 25.42	\$ 25.42	\$ -
	400 Watt Cobra Head MV 16' Arm Metered	\$ 13.72	\$ 13.72	\$ -
	30' Aluminum Pole	\$ 27.95	\$ 27.95	\$ -
OLS	Outdoor Lighting/Security Lights			
	MV or Sodium 7,000-10,000 Unmetered	\$ 11.70	\$ 11.70	
	MV or Sodium 7,000-10,000 Metered	\$ 7.99	\$ 7.99	
	LED 6,300 Lumens Unmetered	\$ 14.37	\$ 14.37	
	LED 6,300 Lumens Metered	\$ 12.30	\$ 12.30	
	200 W LED Unmetered	\$ 25.27	\$ 25.27	
	200 W LED Metered	\$ 18.77	\$ 18.77	
	391 Watt LED Unmetered	\$ 39.04	\$ 39.04	
	391 Watt LED Metered	\$ 26.91	\$ 26.91	
	250 Watt Sodium Unmetered	\$ 18.79	\$ 18.79	
	250 Watt Sodium Metered	\$ 10.15	\$ 10.15	
	250 Watt MH Unmetered	\$ 20.28	\$ 20.28	
	250 Watt MH Metered	\$ 11.29	\$ 11.29	

		Present	Proposed	Increase
	400 Watt MH Unmetered	\$ 25.58	\$ 25.58	\$ -
	400 Watt MH Metered	\$ 11.29	\$ 11.29	\$ -
	1,000 Watt MH Unmetered	\$ 46.13	\$ 46.13	\$ -
	1,000 Watt MH Metered	\$ 12.61	\$ 12.61	\$ -
<b>Miscellaneous Charges</b>				
	Meter Test Charge	\$ 17.55	\$ 150.00	\$ 132.45
	Trip Charge: Regular Hours	\$ 17.55	\$ 140.00	\$ 122.45
	Trip Charge: After Hours	\$ 345.00	\$ 387.00	\$ 42.00
	Returned Check Charge	\$ 6.20	\$ 10.00	\$ 3.80
	Remote Reconnect-60 days or less	\$ -	\$ 20.00	\$ 20.00
	Remote Reconnect-61 through 365 days	\$ -	\$ 300.00	\$ 300.00

South Kentucky proposes two additions to Tariff P.S.C. KY. NO. 7, 2nd Revised Sheet NO. R-5 “Rules and Regulations Section II – Service Procedures” to add a Remote Reconnect – 60 Days or Less fee and Remote Reconnect – 61 through 365 days fee.

South Kentucky proposes the following language for the two new types of reconnect services:

- (d) In lieu of (b) and (c) above, where a remote meter with remote connect, disconnect and meter reading capability is installed and service is inactive for less than 60 days, a charge of \$20 shall apply.
- (e) To reconnect service for the same member where service has been disconnected for more than 60 days and less than 12 months, a charge of \$300 shall apply.

South Kentucky does not propose any revisions to other tariffs or schedules not listed above.

Any person may examine the rate application and related documents which South Kentucky has filed with the Commission at the utility’s principal office located at:

South Kentucky Rural Electric Cooperative Corporation  
200 Electric Avenue  
Somerset, Kentucky 42501

Any person may also examine the rate application and related documents which South Kentucky has filed with the Commission on the Commission’s website at <https://psc.ky.gov>, or Monday through Friday, 8:00 a.m. to 4:30 p.m., at its office located at:

Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Comments regarding the application may be submitted to the Commission by mail to: Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, or by electronic mail to: [psc.info@ky.gov](mailto:psc.info@ky.gov).

The rates contained in this notice are the rates proposed by South Kentucky Rural Electric Cooperative Corporation. However, the Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request, including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

# Six ways to keep the cold out

Cold air leaking in around windows and doors can create a chilly home. Cold drafts can waste up to 30% of your home energy, the U.S. Department of Energy reports. Luckily, there are easy, inexpensive fixes for keeping cold air out, says South Kentucky RECC Energy Services Manager Alan Coffey.

1. **Apply caulk.** If you don't need to open windows until spring, caulk along the edges to completely seal them. Or, apply caulk to damaged areas of window frames to prevent heat loss.
2. **Install a door sweep.** A sweep, or bottom-mount weather stripping, fills the gap between an exterior door bottom and the floor.
3. **Try tape.** Applying self-stick strips of foam weather stripping on upper and lower window sashes forms a tight, air-blocking seal.
4. **Hang thermal curtains.** Substituting foam-lined thermal curtains for standard ones is a simple way to create an added layer of insulation.
5. **Close foundation vents.** If your home has vents along the foundation walls, close all but a few of them with a cover or inexpensive foam plug to keep heat in.
6. **Lay a draft stopper.** Whether it's ready made or a DIY project, placing a filled fabric tube along the bottom edge of a door or along a window ledge can block cold air.

Performing these simple tasks will keep your home more comfortable when winter winds blow. Plus, by improving your home's energy efficiency, you'll also save money on your power bill.



JULIA WADBE STOCK

## Virtual Energy Assessment

Complete a no-cost online analysis of your home today. We can help to identify opportunities to save on your energy bills.



[skrecc.com](http://skrecc.com)



STUDIOSADOBEE STOCK

# Take it slow in ice or snow

Now, ice and slush are often the cause for serious accidents during Kentucky winter weather events.

If you're in an industry that has to hit the road regardless of the conditions, drive with caution. South Kentucky RECC urges you to remember these safety pointers to avoid accidents.

- **Winterize your vehicle.** Before bad weather arrives, check the car battery, tire pressure and brakes. The heater, defroster, headlights and windshield wipers should work correctly.
- **Be prepared.** Have a full tank of gas. Stock your vehicle with an ice scraper, jumper cables, blankets, flashlight, phone charger, nonperishable snacks and a first-aid kit—items that can come in handy if you get stranded on the road.
- **Know before you go.** Check [goky.ky.gov](http://goky.ky.gov) for up-to-date traffic and roadway conditions. Expect delays; allow extra time for regular commutes.
- **Take it easy.** Drive slowly and increase the distance between vehicles.



LEWANA/SHUTTERSTOCK

Stopping in snow may require up to four times greater distance. Navigating icy conditions is even more challenging.

- **Beware of black ice.** Slow down when approaching intersections, off-ramps, bridges or shaded areas where black ice—a thin coating of clear ice—can form.
- **Move over.** Give a wide berth to large trucks as well as snowplows and other

snow-clearing equipment.

- **Stay alert.** Avoid distractions such as using your phone or eating while driving.

When winter weather impacts our Kentucky roadways, South Kentucky RECC urges members to avoid travel unless necessary. If you must be on the roads, put safety first.



PATSY WHITEHEAD



**Board of Directors**

Cathy Crew Epperson, Chairperson  
 Brent Tackett, Vice Chairman  
 Boris Haynes, Secretary/Treasurer  
 William Allen, Jr.  
 CV Hansford  
 Tommy Nelson, Jr.  
 Greg Redmon

**President & CEO**

Kevin Newton

**Communications Administrator**

Morghan Blevins

**SKRECC Offices:**

**Clinton County**  
 715 Snow Rd., Albany, KY 42602  
 (606) 387-6476

**McCreary County**  
 51 Center Ave., Whitley City, KY 42653  
 (606) 376-5997

**Pulaski County**  
 200 Electric Ave., Somerset, KY 42501  
 (606) 678-4121

**Russell County**  
 2405 N. Main St., Jamestown, KY 42629  
 (270) 343-7500

**Wayne County**  
 780 N. Main St., Monticello, KY 42633  
 (606) 348-6771

**Discovering South Kentucky** is a newsletter insert to *Kentucky Living* magazine and is published by the Kentucky Electric Cooperatives, Louisville, KY, and by South Kentucky Rural Electric Cooperative Corporation, P.O. Box 910, Somerset, KY 42502, (606) 678-4121.

**Address all correspondence to:** Discovering South Kentucky, P.O. Box 910, Somerset, KY 42502.

**Visit [www.skrecc.applicantpro.com/jobs/](http://www.skrecc.applicantpro.com/jobs/)** to explore exciting career opportunities with the South Kentucky RECC Team.

South Kentucky RECC is an equal opportunity employer and provider.

**Visit [www.skrecc.com](http://www.skrecc.com)** to pay your bill online, to visit our outage center, or for more information about the Co-op Connections Program.

**To report an outage 24/7/365**, please call your local office, (800) 264-5112, or set up your account to be able to text outages. Please do not report outages via social media.

**Plug into South Kentucky RECC. Follow us on social media:**



# Who Powers You state winner



Congratulations to SKRECC member Billy Hayes on winning first prize in the 2024 Who Powers You Contest! Be sure to check out the full story in our local section of the March 2025 issue of *Kentucky Living*.

EFCC

## WINTER SAFETY WORD SEARCH

Did you know most home fires happen during colder months? Play it safe this winter season. Read the safety tips below, then find and circle the bolded words in the puzzle.



A	P	I	R	P	A	J	G	F	W	D	C	Q	T	W
U	L	B	S	G	W	N	N	P	T	S	A	T	A	T
R	L	A	Y	P	J	I	U	Q	P	Q	N	G	E	O
C	T	W	R	Y	J	D	X	A	R	X	D	B	L	Z
J	F	T	P	M	K	G	C	I	B	T	L	T	C	F
X	B	K	Y	Z	S	E	M	B	Q	G	E	B	D	B
G	B	W	B	Z	H	K	T	Z	H	J	H	R	M	X
C	V	X	J	E	B	X	S	X	B	Q	C	K	V	A
V	I	M	A	B	O	K	A	T	C	S	I	K	F	E
X	Y	T	Q	Y	K	J	S	F	N	Q	V	T	J	W
L	E	V	J	A	N	V	U	W	C	B	A	P	A	W
R	T	R	E	L	E	C	T	R	O	N	I	C	S	O
W	Z	B	K	R	Y	X	S	B	V	A	Q	O	U	E
S	D	R	O	C	N	O	I	S	N	E	T	X	E	P
I	F	J	R	W	K	J	B	Q	P	U	B	D	T	Z

Never overload electrical outlets with too many **electronics**.

Test smoke and carbon monoxide **alarms** every month.

Never leave a **candle** burning in an empty room.

Keep flammable items at least three feet away from a **space heater**.

**Extension cords** should only be used temporarily. Damaged or frayed cords should be thrown away.

NRECA

Mail Solutions, LLC  
Suite 8  
127 Old Monticello St  
Somerset, KY 42501  
www.mailsolutions.biz

Rev. 134B29E

## AFFIDAVIT

---

Commonwealth of Kentucky  
Pulaski County of KY

I, Jeffrey Hudson, Manager Mail Solutions, LLC, of 127 Old Monticello St Ste 8, Somerset, KY 42501 do hereby swear under oath that:

1. 1088 Letters were mailed to a list provided by South Kentucky RECC, 200 Electric Avenue, Somerset, KY 42501. The list was processed through the USPS NCOA registry to obtain the best possible address for delivery prior to mailing. The mailing was delivered to the USPS at Somerset, KY on January 28, 2025.

Under penalty of perjury, I hereby declare and affirm that the above stated facts, to the best of my knowledge, are true and correct.

DATED this 3rd day of February, 2025

Signature

Jeffrey Hudson, Manager Mail Solutions, LLC

Printed Name

Mail Solutions, LLC

Suite 8

127 Old Monticello St

Somerset, KY 42501

www.mailsolutions.biz

NOTARY ACKNOWLEDGMENT

Commonwealth of Kentucky )  
 ) (Seal)  
County of Pulaski )

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of February, 2025, by the undersigned, Jeffrey Hudson, Manager Mail Solutions, LLC, who is personally known to me or satisfactorily proven to me to be the person whose name is subscribed to the within instrument.

Valerie Reynolds  
Signature

Valerie Reynolds KYNP 48016  
Notary Public

My Commission Expires: 4/26/26



# Notice of proposed adjustment to retail electric rates

PLEASE TAKE NOTICE that, in accordance with the requirements of the Kentucky Public Service Commission (“Commission”), as set forth in 807 KAR 5:001, Section 17(2)(b), of the Commission’s Rules and Regulations, notice is hereby given to the member consumers of South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”) of a proposed general rate adjustment. South Kentucky intends to file an application styled, The Electronic Application of South Kentucky Rural Electric Cooperative Corporation for General Adjustment of Rates, and Other General Relief, to the Commission, on or after February 3, 2025.

The rate adjustment, with a requested effective date of March 5, 2025, or after, will result in an increase in retail power costs to its member consumers, and in an increase in revenue of \$10,766,999 or 7.2% for South Kentucky.

The amount and percent of increase by rate class are listed below:

		Increase	
Rate Class		Dollars	Percent
A	Residential, Farm and Non-Farm Service	\$ 10,766,999	10.84%
B	Small Commercial Rate	\$ -	0.00%
LP	Large Power Rate (Excess of 50 KVA)	\$ -	0.00%
LP-1	Large Power Rate (500 KW to 4,999 KW)	\$ -	0.00%
LP-2	Large Power Rate (5,000 KW to 9,999 KW)	\$ -	0.00%
LP-3	Large Power Rate (500 KW to 2,000 KW)	\$ -	0.00%
OPS	Optional Power Service	\$ -	0.00%
AES	All Electric Schools	\$ -	0.00%
Lights	Lighting	\$ -	0.00%
Total		\$ 10,766,999	7.16%

The effects of the proposed rates on the average monthly bill by rate class are listed below:

		Average	Increase	
Rate Class		Usage (kWh)	Dollars	Percent
A	Residential, Farm and Non-Farm Service	993	\$ 13.78	10.84%
B	Small Commercial Rate	1,228	\$ -	0.0%
LP	Large Power Rate (Excess of 50 KVA)	34,325	\$ -	0.0%
LP-1	Large Power Rate (500 KW to 4,999 KW)	819,598	\$ -	0.0%
LP-2	Large Power Rate (5,000 KW to 9,999 KW)	3,145,628	\$ -	0.0%
LP-3	Large Power Rate (500 KW to 2,000 KW)	753,956	\$ -	0.0%
OPS	Optional Power Service	7,089	\$ -	0.0%
AES	All Electric Schools	51,336	\$ -	0.0%
Lights	Lighting	NA	\$ -	0.0%

The present and proposed monthly rates for each rate schedule are listed below:

		Present	Proposed	Increase
Rate	Item			
A	Residential, Farm and Non-Farm Service			
	Consumer Charge	\$ 17.50	\$ 30.75	\$ 13.25
	Energy Charge per kWh	\$ 0.09816	\$ 0.09869	\$ 0.00053
B	Small Commercial Rate			
	Consumer Charge	\$ 40.00	\$ 40.00	\$ -
	Energy Charge per kWh	\$ 0.09923	\$ 0.09923	\$ -
LP	Large Power Rate (Excess of 50 kVA)			
	Consumer Charge	\$ 70.00	\$ 70.00	\$ -
	Demand Charge per kW	\$ 7.78	\$ 7.78	\$ -
	Energy Charge per kWh	\$ 0.06985	\$ 0.06985	\$ -
LP-1	Large Power Rate (500 KW to 4,999 KW)			
	Metering Charge	\$ 225.00	\$ 225.00	\$ -
	Substation Charge 500-999 kW	\$ 373.20	\$ 373.20	\$ -
	Substation Charge 1,000-2,999 kW	\$ 1,118.42	\$ 1,118.42	\$ -
	Substation Charge 3,000-7,499 kW	\$ 2,811.45	\$ 2,811.45	\$ -
	Demand Charge per kW	\$ 6.54	\$ 6.54	\$ -
	Energy Charge per kWh	\$ 0.06377	\$ 0.06377	\$ -
LP-2	Large Power Rate (5,000 KW to 9,999 KW)			
	Metering Charge	\$ 160.00	\$ 160.00	\$ -
	Substation Charge 3,000-7,499 kW	\$ 2,811.45	\$ 2,811.45	\$ -
	Substation Charge 7,500-14,799 kW	\$ 3,382.50	\$ 3,382.50	\$ -
	Demand Charge per kW	\$ 6.59	\$ 6.59	\$ -
	Energy Charge, First 400, per kWh	\$ 0.06377	\$ 0.06377	\$ -
	Energy Charge, All Remaining, per kWh	\$ 0.05665	\$ 0.05665	\$ -
LP-3	Large Power Rate (500 KW to 2,999 KW)			
	Metering Charge	\$ 151.21	\$ 151.21	\$ -
	Substation Charge 500-999 kW	\$ 381.08	\$ 381.08	\$ -
	Substation Charge 1,000-2,999 kW	\$ 1,142.01	\$ 1,142.01	\$ -
	Demand Charge per kW Contract	\$ 7.55	\$ 7.55	\$ -
	Demand Charge per kW Excess	\$ 9.37	\$ 9.37	\$ -
	Energy Charge per kWh	\$ 0.06100	\$ 0.06100	\$ -
OPS	Optional Power Service			
	Consumer Charge	\$ 51.83	\$ 51.83	\$ -
	Energy Charge per kWh	\$ 0.118610	\$ 0.118610	\$ -
AES	All-Electric Schools			
	Consumer Charge	\$ 86.07	\$ 86.07	\$ -
	Energy Charge per kWh	\$ 0.096110	\$ 0.096110	\$ -
STL	Street Lighting			
	Mercury Vapor or Sodium 0-20,000 Lumens	\$ 9.71	\$ 9.71	\$ -
	LED 10,500 Lumens	\$ 17.58	\$ 17.58	\$ -
	Mercury Vapor or Sodium Over 20,000 Lumens	\$ 16.14	\$ 16.14	\$ -

		Present	Proposed	Increase
DSTL	Decorative Street Lighting			
	Cobra Head Light Existing Pole 15,000-28,000 Lumens Unmetered	\$ 17.66	\$ 17.66	\$ -
	Cobra Head Light Existing Pole 15,000-28,000 Lumens Metered	\$ 10.81	\$ 10.81	\$ -
	LED Cobra Head Light Existing Pole 10,500 Lumens Unmetered	\$ 17.58	\$ 17.58	\$ -
	LED Cobra Head Light Existing Pole 10,500 Lumens Metered	\$ 14.07	\$ 14.07	\$ -
	Cobra Head Light 30' Pole 7,000-10,000 Lumens Unmetered	\$ 20.39	\$ 20.39	\$ -
	Cobra Head Light 30' Pole 7,000-10,000 Lumens Metered	\$ 17.37	\$ 17.37	\$ -
	Cobra Head Light 30' Pole 15,000-28,000 Lumens Unmetered	\$ 24.39	\$ 24.39	\$ -
	Cobra Head Light 30' Pole 15,000-28,000 Lumens Metered	\$ 17.37	\$ 17.37	\$ -
	100 Watt Acorn Unmetered	\$ 11.52	\$ 11.52	\$ -
	100 Watt Acorn Metered	\$ 8.31	\$ 8.31	\$ -
	100 Watt Lexington Lamp Unmetered	\$ 9.21	\$ 9.21	\$ -
	100 Watt Lexington Lamp Metered	\$ 6.07	\$ 6.07	\$ -
	14' Smooth Black Pole	\$ 12.37	\$ 12.37	\$ -
	14' Fluted Pole	\$ 16.01	\$ 16.01	\$ -
	LED 173 Watt Unmetered	\$ 27.13	\$ 27.13	\$ -
	LED 173 Watt Metered	\$ 21.75	\$ 21.75	\$ -
	400 Watt Galleria Unmetered	\$ 24.75	\$ 24.75	\$ -
	400 Watt Galleria Metered	\$ 13.08	\$ 13.08	\$ -
	1,000 Watt MH Galleria Unmetered	\$ 42.57	\$ 42.57	\$ -
	1,000 Watt MH Galleria Metered	\$ 15.29	\$ 15.29	\$ -
	30' Square Steel Pole	\$ 18.34	\$ 18.34	\$ -
	250 Watt Cobra Head 30' Aluminum Pole	\$ 26.87	\$ 26.87	\$ -
	400 Watt Cobra Head MV 8' Arm Unmetered	\$ 21.05	\$ 21.05	\$ -
	400 Watt Cobra Head MV 8' Arm Metered	\$ 9.48	\$ 9.48	\$ -
	400 Watt Cobra Head MV 12' Arm Unmetered	\$ 24.37	\$ 24.37	\$ -
	400 Watt Cobra Head MV 12' Arm Metered	\$ 12.73	\$ 12.73	\$ -
	400 Watt Cobra Head MV 16' Arm Unmetered	\$ 25.42	\$ 25.42	\$ -
	400 Watt Cobra Head MV 16' Arm Metered	\$ 13.72	\$ 13.72	\$ -
	30' Aluminum Pole	\$ 27.95	\$ 27.95	\$ -
OLS	Outdoor Lighting/Security Lights			
	MV or Sodium 7,000-10,000 Unmetered	\$ 11.70	\$ 11.70	
	MV or Sodium 7,000-10,000 Metered	\$ 7.99	\$ 7.99	
	LED 6,300 Lumens Unmetered	\$ 14.37	\$ 14.37	
	LED 6,300 Lumens Metered	\$ 12.30	\$ 12.30	
	200 W LED Unmetered	\$ 25.27	\$ 25.27	
	200 W LED Metered	\$ 18.77	\$ 18.77	
	391 Watt LED Unmetered	\$ 39.04	\$ 39.04	
	391 Watt LED Metered	\$ 26.91	\$ 26.91	
	250 Watt Sodium Unmetered	\$ 18.79	\$ 18.79	
	250 Watt Sodium Metered	\$ 10.15	\$ 10.15	
	250 Watt MH Unmetered	\$ 20.28	\$ 20.28	
	250 Watt MH Metered	\$ 11.29	\$ 11.29	

		<b>Present</b>	<b>Proposed</b>	<b>Increase</b>
	400 Watt MH Unmetered	\$ 25.58	\$ 25.58	\$ -
	400 Watt MH Metered	\$ 11.29	\$ 11.29	\$ -
	1,000 Watt MH Unmetered	\$ 46.13	\$ 46.13	\$ -
	1,000 Watt MH Metered	\$ 12.61	\$ 12.61	\$ -
<b>Miscellaneous Charges</b>				
	Meter Test Charge	\$ 17.55	\$ 150.00	\$ 132.45
	Trip Charge: Regular Hours	\$ 17.55	\$ 140.00	\$ 122.45
	Trip Charge: After Hours	\$ 345.00	\$ 387.00	\$ 42.00
	Returned Check Charge	\$ 6.20	\$ 10.00	\$ 3.80
	Remote Reconnect-60 days or less	\$ -	\$ 20.00	\$ 20.00
	Remote Reconnect-61 through 365 days	\$ -	\$ 300.00	\$ 300.00

South Kentucky proposes two additions to Tariff P.S.C. KY. NO. 7, 2nd Revised Sheet NO. R-5 “Rules and Regulations Section II – Service Procedures” to add a Remote Reconnect – 60 Days or Less fee and Remote Reconnect – 61 through 365 days fee.

South Kentucky proposes the following language for the two new types of reconnect services:

- (d) In lieu of (b) and (c) above, where a remote meter with remote connect, disconnect and meter reading capability is installed and service is inactive for less than 60 days, a charge of \$20 shall apply.
- (e) To reconnect service for the same member where service has been disconnected for more than 60 days and less than 12 months, a charge of \$300 shall apply.

South Kentucky does not propose any revisions to other tariffs or schedules not listed above.

Any person may examine the rate application and related documents which South Kentucky has filed with the Commission at the utility’s principal office located at:

South Kentucky Rural Electric Cooperative Corporation  
200 Electric Avenue  
Somerset, Kentucky 42501

Any person may also examine the rate application and related documents which South Kentucky has filed with the Commission on the Commission’s website at <https://psc.ky.gov>, or Monday through Friday, 8:00 a.m. to 4:30 p.m., at its office located at:

Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Comments regarding the application may be submitted to the Commission by mail to: Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, or by electronic mail to: [psc.info@ky.gov](mailto:psc.info@ky.gov).

The rates contained in this notice are the rates proposed by South Kentucky Rural Electric Cooperative Corporation. However, the Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request, including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 6**

**807 KAR 5:001 Section 16(2) and KRS 278.180**  
**Sponsoring Witness: Kevin Newton**

**Description of Filing Requirement:**

*A copy of the Notice of Intent filed with the Commission and transmitted to the Kentucky Attorney General's Office of Rate Intervention.*

**Response:**

South Kentucky, by counsel, notified the Commission in writing of its intent to file a rate application using a historical test year by submitting a letter dated January 3, 2025. A copy of the Notice of Intent (in portable document format) was also sent by electronic mail to the Kentucky Attorney General's Office of Rate Intervention at: [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov). See attached Notice of Intent letter.

January 3, 2025

*Via Electronic Filing System*

Ms. Linda C. Bridwell, P.E.  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RE: *Electronic Application of South Kentucky Rural Electric Cooperative Corporation for General Adjustment of Rates*  
**Case No. 2024-00402**

Dear Ms. Bridwell:

Enclosed, please find for filing, a South Kentucky Rural Electric Cooperative Corporation's Notice of Intent to file an Application for a General Adjustment of Rates in accordance with 807 KAR 5:001, Section 16(2) in the above styled case. In addition, a copy of this Notice is being sent via email to the Kentucky Attorney General at: [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov).

This is to certify that the electronic filing was made on January 3, 2025, and there are no parties the Commission has excused from electronic filing procedures. Pursuant to the Commission's July 22, 2022 Order in Case No. 2020-00085, no paper copies of filings will be made.

If you have any questions, please let me know.

Sincerely,

*Heather S. Temple*

Heather S. Temple

Enc.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

<b>THE ELECTRONIC APPLICATION OF</b>	)	
<b>SOUTH KENTUCKY RURAL ELECTRIC</b>	)	
<b>COOPERATIVE CORPORATION FOR A</b>	)	<b>CASE NO.</b>
<b>GENERAL ADJUSTMENT OF RATES</b>	)	<b>2024-00402</b>
<b>AND OTHER GENERAL RELIEF</b>	)	

---

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE  
CORPORATION’S NOTICE OF INTENT TO FILE RATE APPLICATION**

---

Comes now South Kentucky Rural Electric Cooperative Corporation (“South Kentucky RECC”), by counsel, and hereby gives notice to the Kentucky Public Service Commission (“Commission”), pursuant to 807 KAR 5:001, Section 16(2), of its intent to file a general rate adjustment application on or after February 3, 2025. This rate application will be supported by a historical test period, as provided in 807 KAR 5:001, Section 16(4) – (5). A copy of this Notice of Intent is being transmitted to the Kentucky Attorney General’s Office of Rate Intervention via email ([rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov)) contemporaneously herewith.

This the 3<sup>rd</sup> day of January 2025.

Respectfully submitted,

*Heather S. Temple*

---

L. Allyson Honaker  
Brittany Hayes Koenig  
Heather S. Temple  
Honaker Law Office, PLLC  
1795 Alysheba Way, Suite 1203  
Lexington, KY 40509  
Telephone (859) 368-8803  
allyson@hloky.com  
brittany@hloky.com  
heather@hloky.com

*Counsel for South Kentucky Rural Electric Corporation*

### **CERTIFICATE OF SERVICE**

This is to certify that the foregoing electronic filing was transmitted to the Commission for filing on January 3, 2025; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; by virtue of the Commission's July 22, 2021 Order in Case No. 2020-00085, a copy of the filing in paper medium shall not be required; and, a true and accurate copy of the filing has been electronically transmitted to the Kentucky Attorney General's Office of Rate Intervention at: [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov).

*Heather S. Temple*

---

Heather S. Temple  
*Counsel for South Kentucky Rural Electric  
Cooperative Corporation*



**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 7**

**807 KAR 5:001 Section 16(4)(a)**  
**Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*A complete description and quantified explanation for all proposed adjustments with proper support for proposed changes in price or activity levels, if applicable, and other factors that may affect the adjustment.*

**Response:**

South Kentucky's proposed adjustments to the historical test period are described in Exhibit 10 of the Application, the Direct Testimony of John Wolfram, and those exhibits accompanying Mr. Wolfram's testimony.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 8**

**807 KAR 5:001 Section 16(4)(b)**  
**Sponsoring Witness: Kevin Newton**

**Description of Filing Requirement:**

*If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.*

**Response:**

In support of its Application, South Kentucky is providing written testimony of Mr. Kevin Newton, South Kentucky's President and Chief Executive Officer. Mr. Newton's testimony is included with this Exhibit 8.

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIEF	)	

---

**DIRECT TESTIMONY OF KEVIN NEWTON,**  
**PRESIDENT AND CHIEF EXECUTIVE OFFICER**  
**ON BEHALF OF SOUTH KENTUCKY**  
**RURAL ELECTRIC COOPERATIVE CORPORATION**

---

**Filed: February 3, 2025**

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIEF	)	

---

**VERIFICATION OF KEVIN NEWTON**

---

COMMONWEALTH OF KENTUCKY    )  
  )  
COUNTY OF PULASKI            )

Kevin Newton, President and Chief Executive Officer of South Kentucky Rural Electric Cooperative Corporation, being duly sworn, states that he has supervised the preparation of his Direct Testimony 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.

  
\_\_\_\_\_  
Kevin Newton

The foregoing Verification was signed, acknowledged and sworn to before me this 29<sup>th</sup> day of January, 2025, by Kevin Newton.

  
\_\_\_\_\_  
Commission expiration: Aug 31, 2025



1 **Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

2 A. My name is Kevin Newton. I am the President and Chief Executive Officer  
3 (“CEO”) of South Kentucky Rural Electric Cooperative Corporation (“South  
4 Kentucky” or the “Cooperative”). My business address is 200 Electric Avenue,  
5 P.O. Box 910, Somerset, Kentucky 42502.

6 **Q. PLEASE BRIEFLY DESCRIBE YOUR PROFESSIONAL EXPERIENCE  
7 AND EDUCATIONAL BACKGROUND.**

8 A. I have worked at South Kentucky RECC for over 31 years. After graduating from  
9 the University of Kentucky with a bachelor's in electrical engineering in 1993, I  
10 began my career at South Kentucky. I began as an energy advisor and have held  
11 several engineering positions of increasing responsibility throughout my career. I  
12 was Chief Operating Officer from 2017 until my promotion to CEO in January  
13 of 2024. I served as interim CEO at the Cooperative two times.

14 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AT SOUTH KENTUCKY.**

15 A. As the CEO, I oversee all departments at South Kentucky and lead a capable and  
16 experienced management team responsible for all aspects of the operational and  
17 financial activities of the Cooperative. Among others, my primary duty as the CEO  
18 is to ensure that the Cooperative’s daily business is conducted consistent with best  
19 practices, established policies, legal and regulatory oversight and the strategic  
20 direction provided by South Kentucky’s Board of Directors.

21 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS  
22 PROCEEDING?**

1 A. The purpose of my testimony is first to provide a general overview of the  
2 Cooperative's business and existing retail electric distribution system. I will  
3 describe the events that preceded the filing of this case, discuss the Cooperative's  
4 financial and operational condition, and explain the reasons behind the  
5 Cooperative's need to review its existing rates to ensure the continued provision of  
6 safe, reliable retail electric service to its member-owners.

7 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

8 A. Yes. Attached to my testimony and labeled Attachment KN-1 is a Resolution of  
9 South Kentucky's Board of Directors dated December 12, 2024, pursuant to which  
10 South Kentucky's management was authorized and directed to prepare and submit  
11 the Application my testimony supports. Also attached to my testimony, is South  
12 Kentucky's Certificate of Good Standing from the Kentucky Secretary of State as  
13 Attachment KN-2.

14 **Q. PLEASE GENERALLY DESCRIBE THE COOPERATIVE'S BUSINESS.**

15 A. South Kentucky is a not-for-profit, member-owned rural electric cooperative  
16 corporation with its headquarters in Somerset, Kentucky. The Cooperative  
17 provides retail electric service to approximately 52,000 members in the counties of  
18 Adair, Casey, Clinton, Cumberland, Laurel, Lincoln, McCreary, Pulaski,  
19 Rockcastle, Russell, and Wayne Counties. In addition, service is provided to  
20 approximately 200 customers in two counties on the Tennessee border, Pickett and  
21 Scott. The Cooperative is one of sixteen (16) Owner-Members of East Kentucky  
22 Power Cooperative, Inc. ("EKPC"), which serves as the wholesale electricity  
23 provider for the Cooperative. South Kentucky owns and maintains approximately

1 7,100 miles of distribution lines connecting 42 substations. During the test year in  
2 this case, South Kentucky's average residential customer used approximately 993  
3 kWh of electricity per month, which is a 2.5% decrease from the 1019 kWh average  
4 seen during the previous rate case test year of April 2019 – March 2020.

5 **Q. WHEN DID SOUTH KENTUCKY LAST SEEK A GENERAL**  
6 **ADJUSTMENT OF ITS RATES?**

7 A. South Kentucky filed its last general rate case in 2021 in Case No. 2021-00407,  
8 *Electronic Application of South Kentucky Rural Electric Cooperative Corporation*  
9 *for a General Adjustment of Rates, Approval of Depreciation Study, and other*  
10 *General Relief*. The rates approved in that case were effective June 30, 2022.

11 **Q. WHAT IS SOUTH KENTUCKY'S RATE ADJUSTMENT REQUEST IN**  
12 **THIS CASE?**

13 In this case South Kentucky requests a 7.16% rate increase equating to a revenue  
14 increase of \$10,766,999. Please see the Application, Exhibit 9, Direct Testimony  
15 of Carrie Bessinger and the Application, Exhibit 10, Direct Testimony of John  
16 Wolfram for detailed information regarding the revenue increase. This increase  
17 will be accomplished by increasing the current \$17.50 per month customer charge  
18 to \$30.75 per month and a small increase in the kWh charge from \$.09816 to  
19 \$.09869. The average South Kentucky residential customer's monthly bill would  
20 be increased by 10.84% or \$13.78. The requested revenue increase equates to an  
21 OTIER of 1.85.

1 **Q. PLEASE DESCRIBE IN DETAIL IMPORTANT CHANGES THAT HAVE**  
2 **OCCURRED AT THE COOPERATIVE SINCE THE EFFECTIVE DATE**  
3 **OF ITS 2022 GENERAL BASE RATE ADJUSTMENT.**

4 A. Residential kWh sales have decreased since 2022. South Kentucky's 2022  
5 residential customer sales were 807,427,082 kWh. At the end of the test year,  
6 residential customer sales were 763,900,902 kWh. This is reflected in the  
7 Cooperative's energy sales during this time. Residential customer revenue results  
8 in approximately 65% of the Cooperative's total electric revenue on a yearly basis.  
9 Any negative or even flat load growth can significantly impact net margins since  
10 costs in all aspects of the business are continuously increasing.

11 Member growth has remained stagnant. Net and operating margins, as well  
12 as financial ratios, have declined. South Kentucky had 69,304 meters at the end of  
13 2020. As of May 31, 2024, that number had only increased to 71,013. Interest rates  
14 have steadily increased since 2020, placing increased financial pressure on the  
15 Cooperative.

16 After the last general adjustment of rates, management and the Board of  
17 Directors assessed the right-of-way ("ROW") program as requested in the  
18 Commission's order and implemented a six-year cycle for ROW cutting. South  
19 Kentucky's ROW budget had been so restricted for years that most of the budgeted  
20 dollars were spent chasing the worst problem areas. The new vegetative  
21 management plan, which began in 2023, is providing the results the cooperative  
22 needs and assures the approximately 800 miles of trimming per year required to be  
23 on a six-year cycle will be completed. Additionally, part of the new program



1 includes being more diligent to cut the full width of the rights-of-way in the  
2 vegetation management plan. The decision to keep up with a six-year cycle has  
3 increased the ROW budget by nearly \$6 million annually. This is a significant part  
4 of the need for this rate adjustment.

5 The last adjustment of rates granted approximately 2/3 of the revenue  
6 requested, and unfortunately this did not provide the relief needed to result in a  
7 TIER and OTIER that could be held above the minimum requirements in our loan  
8 covenants.

9 South Kentucky has been diligent in monitoring staffing levels to adapt to  
10 this economic reality while at the same time providing safe and reliable electrical  
11 service to our members. South Kentucky currently has 136 full-time employees,  
12 down from a historical high of 165 employees in 2008. Going forward,  
13 management will continue to evaluate any opportunities to gain efficiencies and  
14 reduce costs for staffing and in every other available category.

15 **Q. HAS SOUTH KENTUCKY ENACTED ANY COST-CONTAINMENT**  
16 **MEASURES SINCE ITS LAST RATE ADJUSTMENT TO AVOID FILING**  
17 **A RATE INCREASE?**

18 A. Yes. South Kentucky has budgeted and operated on an extremely lean budget for  
19 years. We reduced the Cooperative's portion of health insurance costs by  
20 increasing the employee and retiree share of the premium cost, reduced credit card  
21 payment processing fees through a change in software provider saving  
22 approximately \$100,000 annually, held cost of transportation maintenance steady  
23 in an inflationary environment through an effective in-house maintenance and

1 repair program, and held cost of postage and member communications steady  
2 during a time of increasing postage rates and increasing member accounts through  
3 utilization of technology tools in existing software programs. Even with all the  
4 efforts, South Kentucky has not met the RUS required minimums for OTIER in  
5 2023 or 2024. Without drastically cutting the ROW maintenance program, South  
6 Kentucky cannot make the OTIER requirement of 1.10.

7 **Q. DESPITE ITS EFFORTS, WHAT ARE THE PRINCIPAL REASONS THAT**  
8 **AN ADJUSTMENT OF SOUTH KENTUCKY'S RATES IS NECESSARY?**

9 A. Despite the cost control measures taken, stagnant customer and load growth,  
10 increased cost of purchased power, and increasing costs of business in all areas  
11 including ROW maintenance labor, has resulted in South Kentucky's need for an  
12 increase in rates. Without this increase South Kentucky will not be able to satisfy  
13 key financial metrics contained in loan covenants with its lenders.

14 **Q. PLEASE DESCRIBE THE PROCESS TAKEN BY SOUTH KENTUCKY'S**  
15 **BOARD OF DIRECTORS TO DETERMINE THAT A RATE**  
16 **ADJUSTMENT WAS NECESSARY?**

17 A. South Kentucky's management closely monitors the Cooperative's financial  
18 condition on a daily basis. Key financial metrics are provided to the Directors on  
19 a monthly basis and discussed at length. Management has engaged with the Board  
20 of Directors for the past two years on the trajectory of South Kentucky's financial  
21 condition. Both management and the Board of Directors realized the inevitability  
22 of another rate case based on this trajectory, but due to the turnover in the positions  
23 of CEO in 2023 and CFO in 2024, the filing has been delayed for more than a year.

1 The Board has attempted to structure this case to strike a balance between what the  
2 Cooperative needs to continue to provide safe and reliable service at reasonable  
3 cost to its consumer-members while also ensuring financial stability.

4 **Q. DID THE COOPERATIVE'S BOARD OF DIRECTORS APPROVE AND**  
5 **AUTHORIZE THE FILING OF THE APPLICATION IN THIS CASE?**

6 A. Yes. The Board of Directors signed a Resolution dated December 12, 2024,  
7 authorizing South Kentucky's management to file the Application in this  
8 proceeding and to request the relief contained in this Application. South  
9 Kentucky's Board of Directors relied on its review of information from South  
10 Kentucky's management and the expert guidance of its legal counsel and rate  
11 consultant.

12 **Q. PLEASE DESCRIBE ANY ADDITIONAL RELIEF SOUTH KENTUCKY IS**  
13 **REQUESTING IN THIS PROCEEDING?**

14 A. South Kentucky's Application requests the Commission approve a depreciation  
15 study, and the rates contained therein. The depreciation study, which was requested  
16 in the order from the last rate case, was completed by Mr. Wernert of The Prime  
17 Group, LLC utilizing accepted methodologies to determine proposed reasonable  
18 depreciation rates for each major South Kentucky plant account.

19 South Kentucky is requesting tariff changes related to updating several fees  
20 to reflect current costs to the Cooperative and the addition of two new fees which  
21 will recover costs for reconnection of service after disconnection where a remote  
22 meter is installed and a trip to the location is not necessary. The new fees are a

1 result of technological advancement provided through advanced metering  
2 infrastructure and are proposed to ensure proper cost recovery.

3 South Kentucky also requests recovery of reasonable rate case expenses in the  
4 Commission's approved rates amortized over a period of three (3) years, or such  
5 other period which the Commission finds reasonable.

6 **Q. ON WHAT BASIS DO YOU BELIEVE THE COMMISSION SHOULD**  
7 **GRANT SOUTH KENTUCKY'S RELIEF REQUESTED IN THIS**  
8 **PROCEEDING?**

9 A. South Kentucky's request will help ensure that its financial integrity is maintained  
10 in order to provide its member-owners with adequate, efficient and reliable power  
11 at a fair, just and reasonable cost. The requested increase in rates is supported by  
12 the cost-of-service study and South Kentucky has been careful to monitor the rate  
13 sufficiency to request an adjustment before the amount was too high for member-  
14 owners. Additionally, given that our system is overwhelmingly composed of  
15 residential customers, the move towards a more cost-based customer charge is  
16 measured and appropriate.

17 **Q. HAVE YOU REVIEWED THE ANSWERS PROVIDED IN THE FILED**  
18 **EXHIBITS WHICH ADDRESS SOUTH KENTUCKY'S COMPLIANCE**  
19 **WITH THE HISTORICAL PERIOD FILING REQUIREMENTS UNDER**  
20 **807 KAR 5:001 AND ITS VARIOUS SUBSECTIONS?**

21 A. Yes. I hereby incorporate and adopt those portions of exhibits for which I am  
22 identified as the sponsoring witness as part of this Direct Testimony.

23 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

1 A. Yes, it does.

# **ATTACHMENT KN-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE  
CORPORATION AUTHORIZING THE FILING OF A RATE  
APPLICATION WITH THE KENTUCKY PUBLIC SERVICE  
COMMISSION AND ALL OTHER NECESSARY FILINGS IN RELATION  
TO THE RATE APPLICATION**

---

A meeting of the Board of Directors (“Board”) of South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”) was held at the headquarters, located at 211 Electric Avenue, Somerset, Kentucky, in person, on December 12, 2024, after due and proper notice of such meeting was given, and after a quorum was declared, during which meeting the Board discussed and considered the fully allocated cost of service study (“COSS”) presented by its consultant, John Wolfram of Catalyst Consulting LLC.

Upon motion by Boris Haynes and seconded by William Allen, Jr., and duly carried, the following RESOLUTION was unanimously adopted:

**WHEREAS**, South Kentucky is owned by the members it serves, and its purpose is to provide safe, efficient, and reliable electric service at rates and terms that are fair, just and reasonable; and,

**WHEREAS**, the leadership and management of South Kentucky have thoroughly reviewed the Cooperative’s financial condition and it has become apparent to South Kentucky’s Board of Directors that it is the prudent decision to request an increase in its revenues through its rates by filing an Application with the Kentucky Public Service Commission for a general rate proceeding;

**WHEREAS**, the Board has retained the services of a respected rate consultant, John Wolfram of Catalyst Consulting, LLC, who has completed a COSS, which indicates that South Kentucky would need an annual revenue increase of approximately \$11,500,000, in order to maintain an adequate financial position for the company; and,

**WHEREAS**, South Kentucky intends to file a rate adjustment application with the Commission using a historical 12-month test period beginning on June 1, 2023 and ending on May 31, 2024; and

**NOW, THEREFORE BE IT RESOLVED** by the South Kentucky Board of Directors that the Board of Directors hereby grants approval for the management of South Kentucky to take all necessary and advisable actions in connection with the Application for a general adjustment to be filed with the Kentucky Public Service Commission.

**NOW, THEREFORE BE IT FURTHER RESOLVED** by the South Kentucky Board of Directors that the Board of Directors grants approval for the Application to be filed with the Kentucky Public Service Commission for a general adjustment of rates will be for an increase not to exceed \$11,500,000.

DATE:

Cathy Epperson  
CHAIRMAN OF THE BOARD

ATTEST:

Boris Haynes  
SECRETARY



## **ATTACHMENT KN-2**

**Commonwealth of Kentucky**  
**Michael G. Adams, Secretary of State**

Michael G. Adams  
Secretary of State  
P. O. Box 718  
Frankfort, KY 40602-0718  
(502) 564-3490  
<http://www.sos.ky.gov>

**Certificate of Existence**

Authentication number: 327678

Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is October 13, 1938 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 29<sup>th</sup> day of January, 2025, in the 233<sup>rd</sup> year of the Commonwealth.



*Michael G. Adams*

Michael G. Adams  
Secretary of State  
Commonwealth of Kentucky  
327678/0047666

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 9**

**807 KAR 5:001 Section 16(4)(b)**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.*

**Response:**

In support of its Application, South Kentucky is providing written testimony of Ms. Carrie Bessinger, South Kentucky's Chief Financial Officer. Ms. Bessinger's testimony is included with this Exhibit 9.

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIEF	)	

---

**DIRECT TESTIMONY OF CARRIE BESSINGER, CHIEF FINANCIAL OFFICER**  
**ON BEHALF OF SOUTH KENTUCKY**  
**RURAL ELECTRIC COOPERATIVE CORPORATION**

---

**Filed: February 3, 2025**

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIEF	)	

---

**VERIFICATION OF CARRIE BESSINGER**


---

COMMONWEALTH OF KENTUCKY    )  
  )  
COUNTY OF PULASKI             )

Carrie Bessinger, Chief Financial Officer of South Kentucky Rural Electric Cooperative Corporation, being duly sworn, states that she has supervised the preparation of her Direct Testimony in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_  
Carrie Bessinger

The foregoing Verification was signed, acknowledged and sworn to before me this 29th day of January, 2025, by Carrie Bessinger.

  
Commission expiration: Aug 31, 2025



1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A. My name is Carrie Bessinger and I serve as the Chief Financial Officer for South Kentucky  
3 Rural Electric Cooperative Corporation (“South Kentucky” or the “Cooperative). My  
4 business address is 200 Electric Avenue, Somerset, Kentucky 42501.

5 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND PROFESSIONAL**  
6 **EXPERIENCE.**

7 A. After completing high school, I worked as a bank teller while attending the Ohio State  
8 University where I completed my Bachelor of Science in Accounting degree. Upon  
9 graduating, I worked as an accountant in both the insurance and manufacturing industries  
10 until several years later when I was hired as the accountant at an Ohio electric cooperative.  
11 I worked in that role for 7 years before I was promoted to Accounting Manager. I worked  
12 in that role for 11 years until the spring of 2024 when I became the Chief Financial Officer  
13 at South Kentucky.

14 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AT THE COOPERATIVE.**

15 A. In my role as Chief Financial Officer, I am responsible for all finance, accounting, and  
16 warehouse functions for the Cooperative. This includes managing South Kentucky’s debt  
17 portfolio through regular communication with representatives of Rural Utilities Service  
18 (“RUS”), National Rural Utilities Cooperative Finance Corporation (“CFC”), CoBank, and  
19 Federal Financing Bank (“FFB”). I am also responsible for closely monitoring the  
20 Cooperative’s overall financial condition on a continuous basis to ensure that any financial  
21 concerns are identified early and followed. I regularly interact with South Kentucky’s  
22 President and Chief Executive Officer, Kevin Newton, and its seven-member Board of  
23 Directors to provide financial analysis and summaries in order that they might also stay

1           abreast of the Cooperative’s overall financial condition. This interaction includes almost  
2           daily discussions with Mr. Newton and at least monthly contact with the Board of  
3           Directors. Mr. Newton and the Board have also authorized me to consult with rate experts,  
4           accountants, auditors, attorneys, and other professionals as needed to assist with any  
5           important issues or questions I might have to ensure that South Kentucky remains  
6           financially sound and able to withstand unanticipated events which could present  
7           challenges to the Cooperative’s finances.

8   **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

9   A.    The purpose of my testimony is two-fold. First, I will provide a general overview of the  
10       Cooperative’s financial health including a discussion of notable financial metrics and detail  
11       certain important expense categories, as well as to describe its debt portfolio, labor  
12       expenses, depreciation practices and various other relevant matters. Second, I will  
13       summarize the necessity of the rate relief requested by the Cooperative in this proceeding.

14   **Q.    ARE YOU FAMILIAR WITH THE APPLICATION AND SUPPORTING**  
15       **EXHIBITS FILED BY SOUTH KENTUCKY IN THIS CASE?**

16   A.    Yes, I am familiar with the documents filed in support of the Application and have been  
17       closely involved in compiling and analyzing the necessary information with South  
18       Kentucky’s expert rate consultant, Mr. John Wolfram of Catalyst Consulting LLC, so that  
19       he could complete the fully allocated Cost of Service Study (“COSS”). I have also been  
20       closely involved in compiling the data required for completion of the Depreciation Study,  
21       upon which this rate case is based, by Mr. Jeff Wernert of The Prime Group, LLC.  
22       Examples of the types of information I have reviewed and provided to Mr. Wolfram include  
23       income and expense data for the test year, customer usage data for South Kentucky’s

1 different rate classes, and various categories of information utilized to prepare all pro forma  
2 adjustments and COSS reports and exhibits. Examples of the types of information I have  
3 reviewed and provided to Mr. Wernert include asset purchase and retirement history and  
4 salvage and removal cost history related to plant assets. I have also prepared numerous  
5 spreadsheets, summaries, and other reports necessary to comply with the filing  
6 requirements for this application. Specifically, I am designated as the Responsible Witness  
7 for Application Exhibits 2, 3, 4, 9, 16, 17, 18, 19, 20, 21, 22, 23, 24, 31 and 32. Along with  
8 Mr. Wolfram, I am also jointly the Responsible Witness for Application Exhibits 26, 27,  
9 28, and 29.

10 **Q. ARE YOU SPONSORING ANY ATTACHMENTS?**

11 A. Yes. Attached to my testimony and labeled as Attachment CB-1, which is the Depreciation  
12 Study that was completed at my request by Mr. Jeff Wernert of The Prime Group, LLC.

13 **Q. PLEASE GENERALLY DESCRIBE THE RELIEF SOUGHT BY SOUTH**  
14 **KENTUCKY IN THIS PROCEEDING.**

15 A. To address South Kentucky's current undesirable financial condition, the Board of  
16 Directors, in conjunction with its management, has determined that a general adjustment  
17 of rates is necessary to account for substantial cost increases, as well as cumulative  
18 inflationary pressures, to improve its overall financial condition, and to satisfy current and  
19 future loan covenants. Specifically, South Kentucky seeks approval to increase its annual  
20 revenue by \$10,766,999 or 7.16% to achieve an Operating Times Interest Earned Ratio of  
21 ("OTIER") of 1.85. Included in this request is an increase of the monthly residential  
22 customer charge in Schedule A – Residential, Farm and Non-Farm Service customer class  
23 ("Residential" or "Schedule A") from \$17.50 to \$30.75 and small increase in the energy



1 charge from \$0.098160 to \$0.098690. South Kentucky is requesting the allocation of  
2 revenue requirement in this way to more accurately reflect the cost to serve those  
3 customers. The Application requests that these rates become effective on March 5, 2025.  
4 The justification for these increases is principally based upon Mr. Wolfram’s COSS and is  
5 discussed in greater detail in his testimony which can be found at Application Exhibit 10.

6 **Q. IS SOUTH KENTUCKY’S APPLICATION SUPPORTED BY A HISTORICAL**  
7 **TEST YEAR?**

8 A. Yes, the test year in this case consists of the twelve (12) month period ending May 31,  
9 2024.

10 **Q. WHY WAS THE TWELVE-MONTH PERIOD ENDING MAY 31, 2024 CHOSEN**  
11 **AS THE HISTORICAL TEST YEAR?**

12 A. South Kentucky believes that its proposed test year reasonably reflects the performance of  
13 the Cooperative, as adjusted for appropriate known and measurable changes, and occurs  
14 after the completion of a major software conversion. Using a twelve-month period  
15 following the software conversion provides continuity of reports for data analysis and  
16 eliminates the expense adjustments that would be needed for non-recurring conversion  
17 costs.

18 **Q. PLEASE GENERALLY DESCRIBE THE LOAD SERVED BY SOUTH**  
19 **KENTUCKY.**

20 A. South Kentucky serves a retail load of approximately 458 Megawatts (“MW”), based upon  
21 a coincident peak during January 2024, in its 13-county service territory. The  
22 Cooperative’s customer base is primarily residential served under “Schedule A –  
23 Residential, Farm and Non-Farm Service.” As of the end of the test year, the residential

1 load comprised approximately 63% of South Kentucky’s total energy sales and represented  
2 approximately 66% of the Cooperative’s total revenue from energy sales. The Cooperative  
3 also serves a smaller number of commercial customer loads served under “Schedule B –  
4 Small Commercial Rate,” (representing approximately 6% of the Cooperative’s total  
5 energy sales and 7% of the Cooperative’s total energy revenue) and industrial customer  
6 loads over 50 KVA, (representing approximately 30% of the Cooperative’s total energy  
7 sales and 25% of its total revenue from energy sales). Mr. Wolfram includes a more  
8 detailed discussion of South Kentucky’s rate classes and the costs and revenues associated  
9 with each rate class in his testimony attached at Exhibit 10 of the Application.

10 **Q. PLEASE GENERALLY DESCRIBE HOW SOUTH KENTUCKY’S LOAD AND**  
11 **CUSTOMER BASE HAVE CHANGED IN RECENT YEARS.**

12 A. The structure of South Kentucky’s customer base has remained fairly consistent in recent  
13 years with residential customers representing 92% of the Cooperative’s customers and 63%  
14 of energy usage. Commercial and industrial customers made up approximately 8% of  
15 South Kentucky’s customers and 36% of its energy usage. However, South Kentucky has  
16 seen a reduction in energy sales across its residential and commercial revenue classes from  
17 the prior rate case test year of April 2019-March 2020 to this current test year. For the test  
18 year in this rate filing, kWh sales for residential accounts were just under 764 million. This  
19 is a 2% reduction from the test year in the last rate filing. Similarly, for the test year in this  
20 rate filing kWh sales for commercial accounts were a little more than 457 million. This is  
21 also a 2% reduction from the test year in the last rate filing. This decrease in sales has  
22 resulted in decreased revenues adversely affecting South Kentucky’s overall financial  
23 condition.

1 **Q. PLEASE GENERALLY DESCRIBE ANY NOTABLE TRENDS IN SOUTH**  
2 **KENTUCKY’S REVENUES AND MARGINS IN RECENT YEARS.**

3 A. Over the past several years kWh usage has been declining despite an increase in  
4 membership. The current number of residential accounts has increased by 4% to  
5 64,537 since the last general rate filing, however the total residential kWh sales  
6 declined by 2%. This declining sales trend over the same period is also evident in  
7 commercial accounts with an increase of 6% to 6,452 commercial accounts, but a  
8 decrease in total commercial kWh sales of 2%.

9 With a consistent decline in sales and ever-increasing expenses, margins have suffered  
10 causing the cooperative’s OTIER to drop from 1.63 in 2022 to 0.43 in 2023 to 0.17 for the  
11 test year and TIER to drop from 2.83 in 2022 to 1.25 in 2023 to 0.99 for the test year. With  
12 lender minimum requirements of 1.10 for OTIER and 1.25 for TIER, both 2023 and the  
13 test year fail to meet the OTIER lender debt covenant and fail to meet the TIER requirement  
14 for the test year.

15 **Q. PLEASE DESCRIBE SOUTH KENTUCKY’S OPERATIONAL EXPENSES IN**  
16 **RECENT YEARS, INCLUDING IF THESE EXPENSES HAVE INCREASED?**

17 A. Yes. Since the last general rate case the cost of doing business and providing safe and  
18 reliable electric service has significantly increased. For example, South Kentucky has  
19 experienced increases in most aspects of its business, with the most notable examples being  
20 right-of-way maintenance and the rising costs of materials. These increased expenses  
21 cause an increase in cash flow requirements when purchased and then an increase  
22 depreciation expense once placed into service. As a result of implementation of a 6-year

1 right-of-way trimming cycle, contractor right-of-way expenses grew from \$3 million in the  
2 previous test year to \$10.9 million in the current test year.

3 **Q. PLEASE GENERALLY DESCRIBE SOUTH KENTUCKY’S EXISTING DEBT**  
4 **PORTFOLIO AND ANY RECENT EFFORTS TO REDUCE INTEREST**  
5 **EXPENSE.**

6 A. South Kentucky’s lenders are Rural Utilities Service (“RUS”), Federal Financing Bank  
7 (“FFB”), National Rural Utilities Cooperative Finance Corporation (“CFC”), CoBank, and  
8 the City of Monticello, Kentucky. As of June 30, 2024, the total outstanding debt was  
9 \$171,006,047 with a weighted average interest rate of 3.13%. Of the outstanding debt total,  
10 94% is at fixed interest rates and 6% is at variable interest rates. For its short-term  
11 borrowing needs, South Kentucky has a \$15 million line of credit with CFC.

12 To reduce interest expenses, South Kentucky has used its RUS Cushion of Credit  
13 account to pay FFB debt payments in lieu of using general funds. This reduction in  
14 Cushion of Credit dollars from approximately \$31 million in December 2021 to \$14.7  
15 million in June 2024 provided cash flow in the general funds to allow for prudent rate  
16 planning to reduce and/or delay the incurrence of new debt during the higher interest rate  
17 environment that has been experienced in the past couple of years.

18 **Q. IS SOUTH KENTUCKY PROPOSING TO ADJUST ITS DEPRECIATION RATES**  
19 **AS PART OF THIS PROCEEDING?**

20 A. Yes. South Kentucky proposes adjusting its depreciation rates as part of this proceeding.  
21 South Kentucky’s existing depreciation rates were approved by the Commission in the last  
22 general rate case, Case No. 2021-00407, *Electronic Application of South Kentucky Rural*  
23 *Electric Cooperative Corporation for an Adjustment of Rates, Approval of Depreciation*

1           *Study, and Other General Relief.* In the Final Order in that case the Commission required  
2           South Kentucky to conduct a depreciation study in its next rate filing. Attached to my  
3           testimony is a depreciation study undertaken by Mr. Wernert, utilizing accepted  
4           methodologies to determine proposed reasonable depreciation rates for each major South  
5           Kentucky plant account. As part of its Application, South Kentucky is requesting the  
6           Commission to approve this depreciation study and allow implementation of the  
7           depreciation rates contained in it.

8   **Q. PLEASE GENERALLY DESCRIBE SOUTH KENTUCKY’S WORKFORCE.**

9   A. Currently, South Kentucky employs 136 full-time qualified and highly skilled employees.  
10       Of the 136 current employees, 64 recently became members of a collective bargaining unit  
11       and 72 remain as non-bargaining employees.

12   **Q. PLEASE EXPLAIN THE BENEFITS PROVIDED BY SOUTH KENTUCKY.**

13   A. South Kentucky offers its employees a competitive compensation package to attract and  
14       retain a qualified workforce. The primary benefits other than salary are insurance benefits.  
15       These include:

16           Medical Insurance – South Kentucky pays 80% of the premiums for active  
17           employees;

18           Dental Insurance – South Kentucky pays 50% of the premiums for active  
19           employees;

20           Vision Insurance – South Kentucky offers vision insurance, but pays 0% of the  
21           premiums for active employees;

22           Short-Term Disability – South Kentucky pays 100% of the premiums. After a  
23           seven-day elimination period, the plan pays 60% of the first \$4,167 of weekly pre-

1 disability earnings with a maximum weekly benefit of \$2500 and maximum benefit  
2 duration of 13 weeks;

3 Long-Term Disability – South Kentucky pays 100% of the premiums. After a 90-  
4 day elimination period, the plan pays 66 2/3% of the first \$15,000 of monthly pre-  
5 disability earnings with a maximum monthly benefit of \$10,000. The maximum  
6 benefit period is Social Security normal retirement age;

7 Business Travel Accident – South Kentucky pays 100% of the premium for  
8 employees with coverage up to \$100,000 per person;

9 Group Life Insurance and Accidental Death and Dismemberment – South Kentucky  
10 pays 100% of the premium with coverage up to 3 times annual salary;

11 Supplemental Life Insurance and Accidental Death and Dismemberment – South  
12 Kentucky does not pay any additional premiums if an employee selects this plan.

13 South Kentucky also provides retirement benefits. These benefits include the RS  
14 Pension Plan beginning the first day of the month following the one-year anniversary of  
15 hiring. Employees are eligible to participate in the NRECA 401(k) plan the first day of  
16 the month, after a one month waiting period. The Cooperative will match up to 2% of base  
17 salary beginning the first day of the month following the employee's one year anniversary  
18 date. For retirees, South Kentucky pays 80% of medical premiums for those employees  
19 that have retired that are not at Medicare eligible age. For those employees that have retired  
20 that are at Medicare eligible age South Kentucky will pay 100% of the premiums for the  
21 retired employee and 15% of the spouse's premium. South Kentucky does not pay any  
22 premiums for dental or life insurance for retirees, but they may participate in the plans at  
23 their own expense.

1 **Q. HOW DOES SOUTH KENTUCKY DETERMINE WHETHER AND WHEN**  
2 **WAGE INCREASES SHOULD BE AWARDED TO EMPLOYEES?**

3 A. Wage increases for non-bargaining employees are generally determined annually as of  
4 July 1st based on employee performance and wage ranges for each individual position.  
5 Since the ranges for employee wages have been developed and are updated annually in  
6 consultation with third-party wage and salary experts, South Kentucky is confident its  
7 evaluation and compensation standards have resulted in a fairly paid, but not overly-paid,  
8 and fully-competent workforce. Wage increases for bargaining employees are based on the  
9 current union contract and generally increase in December of each year. The current union  
10 contract expires December 11, 2027.

11 **Q. WHY IS IT IMPORTANT THAT SOUTH KENTUCKY MAINTAIN A STRONG**  
12 **FINANCIAL CONDITION?**

13 A. As the Commission is aware, South Kentucky is owned by the Members it serves. While  
14 it is always the Cooperative's goal to keep rates as low as possible, the expense of providing  
15 safe and reliable service must be recovered; additionally, prudent management and fairness  
16 demand better alignment of costs of the services provided to each rate class, which is what  
17 South Kentucky's proposed rates seek to accomplish.

18 **Q. PLEASE DESCRIBE THE REVISED RATES PROPOSED BY SOUTH**  
19 **KENTUCKY FOR ITS RESIDENTIAL CUSTOMERS.**

20 A. South Kentucky is proposing to increase the monthly customer charge from \$17.50 to  
21 \$30.75 per month, and the energy charge from \$0.098160 to \$0.098690. This will result  
22 in an increase of \$13.78 or 10.84%, on the monthly bill for South Kentucky's average

1 residential customer using 993 kWh per month. Specific data justifying the magnitude of  
2 this increase is discussed in Mr. Wolfram’s testimony.

3 **Q. IS SOUTH KENTUCKY PROPOSING AN INCREASE TO ANY RATE CLASSES**  
4 **BESIDES THE RESIDENTIAL CLASS?**

5 A. No.

6 **Q. DID SOUTH KENTUCKY CONSIDER ITS LOW-INCOME CUSTOMERS WHEN**  
7 **DESIGNING ITS PROPOSED RATES?**

8 A. Yes. Even though South Kentucky’s responsibility is to its membership as a whole, South  
9 Kentucky separately considered how this proposed rate increase could possibly impact its  
10 low-income members. South Kentucky concluded that the rate design proposed should  
11 seek to more accurately and appropriately recover the costs of operating its distribution  
12 system; as a result, all members (including low-income members) will benefit from a rate  
13 design that better aligns costs with the classes of service, avoids monthly bill volatility, and  
14 allows South Kentucky to operate under a more predictable and accurate budget.

15 **Q. IS SOUTH KENTUCKY PROPOSING ANY OTHER TARIFF REVISIONS**  
16 **OTHER THAN THE PROPOSED ADJUSTMENTS TO RATES?**

17 A. Yes. South Kentucky is proposing language and rate changes under “Rules and  
18 Regulations Section II – Service Procedures” as shown in Exhibits 3 and 4.

19 In *Section 2.50-Special Charges*, trip charge rates are being updated to reflect current costs  
20 for both during regular working hours and outside of regular working hours.

21 In *Section 2.60-Connect, Reconnect, Collection and Meter Reading Charges (a), (b) and*  
22 *(c)*, trip charge rates are being updated to reflect current costs.



1 In *Section 2.60-Connect, Reconnect, Collection and Meter Reading Charges (d)*, a new  
2 charge is being added to delineate a separate charge for reconnection of a service when less  
3 than or equal to 60 days inactive and a trip to the location is not necessary because a remote  
4 metering capability is already installed at the location.

5 In *Section 2.60-Connect, Reconnect, Collection and Meter Reading Charges (e)*, a new  
6 charge is being added to delineate a separate charge for reconnection of a service when  
7 more than 60 and less than 365 days of inactive service and a trip to the location is not  
8 necessary because remote metering capability is already installed at the location. The rate  
9 for this charge varies from the charge in *Section 2.60-Connect, Reconnect, Collection and*  
10 *Meter Reading Charges (d)* because of length of inactivity. The intention of the charge is  
11 to recover fixed costs during the extended time of disconnection.

12 In *Section 2.70-Return Payment Charge* and *Section 3.10-Meter Tests*, the rates are being  
13 updated to reflect current costs.

14 Each of these proposed tariff changes were included in South Kentucky's customer notice.

15 **Q. DID SOUTH KENTUCKY FIND IT NECESSARY TO MAKE PRO FORMA**  
16 **ADJUSTMENTS TO THE TEST YEAR IN ORDER TO MORE ACCURATELY**  
17 **REFLECT ITS INCOME AND EXPENSES?**

18 A. Yes. Notable adjustments were to increase depreciation expense resulting from the  
19 depreciation study recommendations from Mr. Wernert and to increase wage, benefit, and  
20 payroll tax expenses from the recent completion of our union contract. These adjustments  
21 are part of the COSS and can be found and discussed at length in Mr. Wolfram's testimony.  
22 Each of the adjustments proposed by South Kentucky as part of this proceeding are  
23 reasonable and reflect the known and measurable changes to South Kentucky's test year.

1 These adjustments are necessary to ensure that rates are based on the most accurate and  
2 appropriate data. Mr. Wolfram describes each of these adjustments in more detail in his  
3 testimony attached as Exhibit 10 of this Application.

4 **Q. ARE YOU AWARE THAT THE COMMISSION, IN THE FINAL ORDER DATED**  
5 **APRIL 13, 2016, IN CASE NO. 2012-00428, *CONSIDERATION OF THE***  
6 ***IMPLEMENTATION OF SMART GRID AND SMART METER TECHNOLOGIES***  
7 **(Summary of Findings, Paragraph 9), DIRECTED THAT EACH RATE CASE**  
8 **FILED BY A JURISDICTIONAL UTILITY SHOULD IDENTIFY SMART GRID**  
9 **INVESTMENTS?**

10 A. Yes.

11 **Q. PLEASE IDENTIFY ALL SMART GRID AND SMART METER INVESTMENTS**  
12 **WHICH SOUTH KENTUCKY HAS MADE TO DATE.**

13 A. South Kentucky completed its implementation of its AMI metering system in 2014  
14 utilizing Aclara's TWACS power line carrier technology. South Kentucky continues to  
15 use this system.

16 **Q. PLEASE EXPLAIN WHY THE COMMISSION SHOULD GRANT THE RELIEF**  
17 **REQUESTED BY SOUTH KENTUCKY IN THIS PROCEEDING.**

18 A. As discussed throughout this filing, the rate relief sought by South Kentucky in this case is  
19 crucial to maintain its financial ability to operate and to provide its members with reliable  
20 power at a reasonable retail cost. The requested rate increase has been specifically  
21 designed to account for South Kentucky's cost of service to the various member classes it  
22 serves. In the past few years, the costs of right-of-way clearing and essential tools and  
23 materials have increased tremendously to such a degree that South Kentucky's Board of

1 Directors and management realized the need to request a general adjustment in rates. The  
2 rates requested in this case are derived from the results of Mr. Wolfram's comprehensive  
3 COSS and are reasonable and necessary for the provision of safe and reliable service at  
4 fair, just and reasonable rates.

5 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

6 A. Yes.

**ATTACHMENT CB-1  
IS PROVIDED  
SEPARATELY DUE  
TO SIZE**

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 10**

**807 KAR 5:001 Section 16(4)(b)  
Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.*

**Response:**

In support of its Application, South Kentucky is providing the written testimony of Mr. John Wolfram, rate consultant and principal of Catalyst Consulting LLC. Mr. Wolfram's testimony is included with this Exhibit 10.

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIF	)	

---

**DIRECT TESTIMONY OF**  
**JOHN WOLFRAM**  
**PRINCIPAL, CATALYST CONSULTING LLC**  
**ON BEHALF OF SOUTH KENTUCKY RURAL ELECTRIC**  
**COOPERATIVE CORPORATION**

---

**Filed: February 3, 2025**

DIRECT TESTIMONY  
OF  
JOHN WOLFRAM

Table of Contents

	<u>Page</u>
I. INTRODUCTION.....	3
II. PURPOSE OF TESTIMONY .....	4
III. CLASSES OF SERVICE .....	5
IV. REVENUE REQUIREMENT.....	6
V. PRO FORMA ADJUSTMENTS.....	8
VI. COST OF SERVICE STUDY.....	14
VII. ALLOCATION OF THE PROPOSED INCREASE .....	22
VIII. PROPOSED RATES.....	23
IX. FILING REQUIREMENTS .....	26
X. CONCLUSION .....	27

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

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SOUTH KENTUCKY RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR A	)	CASE NO.
GENERAL ADJUSTMENT OF RATES	)	2024-00402
AND OTHER GENERAL RELIEF	)	

---

**VERIFICATION OF JOHN WOLFRAM**

---

COMMONWEALTH OF KENTUCKY    )  
  )  
COUNTY OF JEFFERSON            )

John Wolfram, Principal of Catalyst Consulting LLC, being duly sworn, states that he has supervised the preparation of his Direct Testimony 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 29<sup>th</sup> day of January, 2025, by John Wolfram.

  
\_\_\_\_\_  
Commission expiration: 8/2/27  
                                  # KYNP76727





**DIRECT TESTIMONY  
OF  
JOHN WOLFRAM**

**I. INTRODUCTION**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.**

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

4 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

5 A. I am testifying on behalf of South Kentucky Rural Electric Cooperative Corporation  
6 (“South Kentucky”)

7 **Q. BRIEFLY DESCRIBE YOUR EDUCATION AND WORK EXPERIENCE.**

8 A. I received a Bachelor of Science degree in Electrical Engineering from the  
9 University of Notre Dame in 1990 and a Master of Science degree in Electrical  
10 Engineering from Drexel University in 1997. I founded Catalyst Consulting LLC  
11 in June 2012. I have developed cost of service studies and rates for numerous  
12 electric and gas utilities, including electric distribution cooperatives, generation and  
13 transmission cooperatives, municipal utilities, and investor-owned utilities. I have  
14 performed economic analyses, rate mechanism reviews, special rate designs, and  
15 wholesale formula rate reviews. From March 2010 through May 2012, I was a  
16 Senior Consultant with The Prime Group, LLC. I have also been employed by the  
17 parent companies of Louisville Gas and Electric Company ("LG&E") and  
18 Kentucky Utilities Company ("KU"), by the PJM Interconnection, and by the  
19 Cincinnati Gas & Electric Company. A more detailed description of my  
20 qualifications is included in Exhibit JW-1.

1 **Q. HAVE YOU EVER TESTIFIED BEFORE THE KENTUCKY PUBLIC**  
2 **SERVICE COMMISSION (“COMMISSION”)?**

3 **A.** Yes. I have testified in numerous regulatory proceedings before this Commission  
4 and have been involved in Commission matters nearly continuously since 1999. A  
5 listing of my testimony in other proceedings is included in Exhibit JW-1.  
6

7 **II. PURPOSE OF TESTIMONY**

8 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

9 **A.** The purpose of my testimony is to: (i) describe South Kentucky’s rate classes, (ii)  
10 describe the calculation of South Kentucky’s revenue requirement; (iii) explain the  
11 pro forma adjustments to the test period results; (iv) describe the Cost of Service  
12 Study (“COSS”) process and results; (v) present the proposed allocation of the  
13 revenue increase to the rate classes; (vi) describe the rate design, proposed rates,  
14 and estimated billing impact by rate class, and (vii) support certain filing  
15 requirements from 807 KAR 5:001.

16 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

17 **A.** Yes. I have prepared the following exhibits to support my testimony:

18 Exhibit JW-1 – Qualifications of John Wolfram

19 Exhibit JW-2 – Revenue Requirements & Pro Forma Adjustments

20 Exhibit JW-3 – COSS: Summary of Results

21 Exhibit JW-4 – COSS: Functionalization & Classification

22 Exhibit JW-5 – COSS: Allocation to Rate Classes & Returns

23 Exhibit JW-6 – COSS: Billing Determinants

1 Exhibit JW-7 – COSS: Purchased Power, Meters, & Services

2 Exhibit JW-8 – COSS: Zero Intercept Analysis

3 Exhibit JW-9 – Present & Proposed Rates

4 **III. CLASSES OF SERVICE**

5 **Q. PLEASE DESCRIBE THE CUSTOMER CLASSES SERVED BY SOUTH**  
6 **KENTUCKY.**

7 A. South Kentucky currently has members taking service pursuant to several major  
8 rate classifications. These include residential, small commercial, large power,  
9 optional power service, all electric schools, and lighting. South Kentucky’s  
10 residential members comprise almost 63% of test year energy usage and almost  
11 66% of test year revenues from energy sales, on an unadjusted basis, as shown in  
12 Table 1.

13 **Table 1. Rate Class Data (June 2023 – May 2024)**

<b>Rate Class</b>	<b>Members</b>	<b>kWh</b>	<b>%</b>	<b>Revenue</b>	<b>%</b>
Residential, Farm and Non-Farm Service	65,129	766,561,470	62.73%	\$98,317,803	65.69%
Small Commercial Rate	4,875	69,966,370	5.73%	\$10,181,476	6.80%
Large Power Rate (Excess of 50 kVA)	446	183,071,000	14.98%	\$19,913,480	13.31%
Large Power Rate (500 KW to 4,999 KW)	1	9,835,173	0.80%	\$851,696	0.57%
Large Power Rate (5,000 KW to 9,999 KW)	2	75,495,061	6.18%	\$6,421,394	4.29%
Large Power Rate (500 KW to 2,999 KW)	9	81,411,983	6.66%	\$6,850,008	4.58%
Optional Power Service	142	11,928,714	0.98%	\$1,666,788	1.11%
All Electric Schools	17	10,463,040	0.86%	\$1,119,040	0.75%
Lighting	23	13,231,343	1.08%	\$4,346,340	2.90%
<b>TOTAL</b>	<b>70,644</b>	<b>1,221,964,154</b>	<b>100.00%</b>	<b>\$149,668,025</b>	<b>100.00%</b>

1 **IV. REVENUE REQUIREMENT**

2 **Q. PLEASE DESCRIBE HOW SOUTH KENTUCKY’S PROPOSED**  
3 **REVENUE INCREASE WAS DETERMINED.**

4 A. South Kentucky is proposing a general adjustment in rates using a historical test  
5 period. The proposed revenue increase was determined first by analyzing the  
6 revenue deficiency based on financial results for the test period after the application  
7 of certain pro forma adjustments described herein. The revenue deficiency was  
8 determined to be the difference between (i) South Kentucky’s net margins for the  
9 test period without reflecting a general adjustment in rates and (ii) the margins  
10 required to achieve an OTIER of 1.85. Based on the adjusted test year, revenue  
11 deficiency is \$10,768,623. Due to rate rounding, South Kentucky’s request is for  
12 an increase of \$10,766,999.

13 **Q. WHAT IS THE HISTORICAL TEST PERIOD FOR THE RATE CASE**  
14 **APPLICATION?**

15 A. The historical test period for the filing is the 12 months ended May 31, 2024.

16 **Q. HAVE YOU PREPARED AN EXHIBIT THAT SHOWS HOW SOUTH**  
17 **KENTUCKY’S REVENUE DEFICIENCY IS CALCULATED?**

18 A. Yes. Exhibit JW-2 shows the calculation of South Kentucky’s revenue deficiency.

19 **Q. PLEASE EXPLAIN THE REVENUE DEFICIENCY CALCULATION IN**  
20 **EXHIBIT JW-2 IN DETAIL.**

21 A. The purpose of Exhibit JW-2 is to calculate the difference between South Kentucky’s  
22 net margin for the adjusted test year and the margin necessary for South Kentucky to  
23 achieve a 1.85 OTIER. Page 1 of the exhibit presents revenues and expenses for South

1 Kentucky for the actual test year, the pro forma adjustments, the adjusted test year at  
2 present rates, and the adjusted test year at proposed rates. The revenues include total  
3 sales of electric energy and other electric revenue.

4 Expenses are tabulated next. The Total Cost of Electric Service is shown on  
5 line 22. Total Cost of Electric Service includes operation expenses, maintenance  
6 expenses, depreciation and amortization expenses, taxes, interest expenses on long-  
7 term debt, other interest expenses, and other deductions. Utility Operating Margins  
8 are calculated by subtracting Total Cost of Electric Service from Total Operating  
9 Revenue. Non-operating margins and capital credits are added to Utility Operating  
10 Margins to determine South Kentucky's Net Margins.

11 The TIER, OTIER, Margins at Target OTIER, and Revenue Deficiency  
12 amounts are calculated at the bottom of page 1 of Exhibit JW-2.

13 **Q. WHAT IS THE OTIER FOR SOUTH KENTUCKY FOR THE**  
14 **UNADJUSTED TEST YEAR AND THE ADJUSTED TEST YEAR?**

15 A. Exhibit JW-2 shows on Line 35 that the OTIER for the unadjusted test year is 0.17  
16 and for the adjusted test year is (0.13), both of which are well below the target  
17 OTIER of 1.85.

18 **Q. DID SOUTH KENTUCKY CALCULATE THE REVENUE DEFICIENCY**  
19 **USING OTIER?**

20 A. Yes. South Kentucky calculated target margins at an OTIER of 1.85 because the  
21 Commission has authorized rates based on that level in its recently promulgated  
22 regulation for "streamlined" rate filings and because South Kentucky considers this  
23 metric to be a more meaningful measure of the financial condition of the

1 cooperative's electric operations. South Kentucky accordingly considers the  
2 OTIER threshold to be a reasonable minimum (even though this proceeding is not  
3 a streamlined case filed pursuant to that regulation). The Commission has approved  
4 an OTIER of 1.85 in other recent distribution cooperative rate filings.

5 **Q. WHAT IS THE REVENUE DEFICIENCY CALCULATED IN EXHIBIT**  
6 **JW-2?**

7 A. Based on an OTIER of 1.85, South Kentucky has a net margin requirement of  
8 \$7,017,969. Because the adjusted net margin before applying the OTIER is  
9 (\$3,750,654), South Kentucky's total revenue deficiency is the sum of these two  
10 amounts, or \$10,768,623. This amount is used in the COSS and in the design of  
11 new rates that I describe later in my testimony.

12  
13 **V. PRO FORMA ADJUSTMENTS**

14 **Q. PLEASE BROADLY DESCRIBE THE NATURE OF THE PRO FORMA**  
15 **ADJUSTMENTS MADE TO SOUTH KENTUCKY'S ELECTRIC**  
16 **OPERATIONS FOR THE TEST YEAR SHOWN IN EXHIBIT JW-2.**

17 A. South Kentucky made adjustments which remove revenues and expenses that are  
18 addressed in other rate mechanisms, are ordinarily excluded from rates, or are non-  
19 recurring on a prospective basis, consistent with standard Commission practices.  
20 The pro forma adjustments are included in Exhibit JW-2. The pro forma  
21 adjustments are summarized below for convenience.

1

**Table 2. Pro Forma Adjustments**

<b>Reference Schedule</b>	<b>Pro Forma Adjustment Item</b>
1.01	Fuel Adjustment Clause
1.02	Environmental Surcharge
1.03	Rate Case Expenses
1.04	Year-End Customer Normalization
1.05	Depreciation Expense Normalization
1.06	Donations, Advertising, Dues, & Other
1.07	FEMA
1.08	Directors Expense
1.09	Retirement Plan Contributions
1.10	Wages & Salaries
1.11	Professional Services
1.12	G&T Capital Credits
1.13	Payroll Tax
1.14	Interest
1.15	Life Insurance Premiums
1.16	Health Insurance Premiums
1.17	Meter Test Charge
1.18	Trip Charge
1.19	Remote Reconnect-60 days or less
1.20	Remote Reconnect-61 through 365 days
1.21	Returned Check Charge

2

3 **Q. DID YOU PREPARE A DETAILED INCOME STATEMENT AND**  
4 **BALANCE SHEET REFLECTING THE IMPACT OF ALL PROPOSED**  
5 **ADJUSTMENTS?**

6 A. Yes. These are included in Exhibit JW-2 pages 3 and 4.

7 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
8 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.01.**

9 A. This adjustment accounts for the fuel cost expenses and revenues included in the  
10 Fuel Adjustment Clause (“FAC”) for the test period. Consistent with Commission  
11 practice, FAC expenses and revenues included in the test year have been  
12 eliminated.

1 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
2 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.02.**

3 A. This adjustment removes Environmental Surcharge ("ES") revenues and expenses  
4 because these are addressed by a separate rate mechanism. This is consistent with  
5 the Commission's practice of eliminating the revenues and expenses associated with  
6 full-recovery cost trackers.

7 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
8 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.03.**

9 A. This adjustment estimates the rate case costs amortized over a 3-year period for  
10 inclusion in the revenue requirement, consistent with standard Commission  
11 practice.

12 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
13 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.04.**

14 A. This adjustment adjusts the test year expenses and revenues to reflect the number  
15 of customers at the end of the test year. The numbers of customers served at the end  
16 of the test period for some rate classes differed from the average number of  
17 customers for the test year. The change in revenue is calculated by applying the  
18 average revenue per kWh for each rate class to the difference between average  
19 customer count and test-year-end customer count (at average kWh/customer) for  
20 each class. The change in operating expenses was calculated by applying an  
21 operating ratio to the revenue adjustment, consistent with the approach accepted by  
22 the Commission for other utilities in rate proceedings (e.g., Case Nos. 2019-00053,



1 2012-00221 & 2012-00222, 2017-00374, and every distribution cooperative rate  
2 filing since that time to my knowledge).

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
4 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.05.**

5 A. This adjustment normalizes depreciation expenses by replacing test year actual  
6 expenses with test year-end balances (less any fully depreciated items) at approved  
7 and/or proposed depreciation rates, consistent with typical Commission practice.

8 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
9 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.06.**

10 A. This adjustment eliminates donations, promotional advertising, and dues expenses  
11 pursuant to 807 KAR 5:016, consistent with Commission practice.

12 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
13 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.07.**

14 A. This adjustment removes from expenses any FEMA declared storm costs and  
15 reimbursements, which are non-recurring.

16 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
17 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.08.**

18 A. This adjustment removes certain Director expenses, including costs for directors  
19 attending EKPC / KAEC / NRECA annual meeting(s), training, or tours when the  
20 director is not the South Kentucky representative for the respective organization.  
21 Expenses that may not be fully removed for rate-making purposes include the costs  
22 of attending NRECA director training/education seminars (especially for new

1 directors). These seminars help directors to meet their fiduciary duties to the  
2 membership by educating them on industry issues.

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
4 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.09.**

5 A. This adjustment normalizes test year utility contributions to NRECA Retirement &  
6 Security Program and NRECA Savings Plan 401(k) based on most recent  
7 contribution rates.

8 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
9 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.10.**

10 A. This adjustment normalizes South Kentucky's employee wages and salaries to  
11 account for changes due to wage increases, departures, or new hires for a standard  
12 year of 2,080 hours. The exhibit shows adjustment data for employees based on  
13 regular time, overtime, and other/vacation payout time adjusted from test year  
14 2023.

15 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
16 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.11.**

17 A. This adjustment removes certain outside professional services costs from the test  
18 period, consistent with Commission practice.

19 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
20 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.12.**

21 A. This adjustment removes the G&T Capital Credits from the test period, consistent  
22 with standard Commission practice.

1 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
2 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.13.**

3 A. This adjustment normalizes test year payroll taxes for FICA, Medicare, FUTA and  
4 SUTA based on most recent effective rates.

5 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
6 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.14.**

7 A. This adjustment normalizes the interest on Long-Term Debt. Test year cost of debt  
8 is normalized to annualized cost rate (by multiplying the test year end debt amounts  
9 by the interest rate in effect at the end of the test year for each loan).

10 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
11 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.15.**

12 A. This adjustment removes life insurance premiums for coverage above the lesser of  
13 an employee's annual salary or \$50,000 from the test period.

14 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
15 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.16.**

16 A. This adjustment adjusts contributions to employee premiums for medical and dental  
17 insurance to reflect the recent change in health care plans.

18 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
19 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.17.**

20 A. This adjustment accounts for the revenue change stemming from proposed  
21 revisions to the meter test charge.

22 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
23 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.18.**

1 A. This adjustment accounts for the revenue change stemming from proposed  
2 revisions to the trip charge.

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
4 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.19.**

5 A. This adjustment accounts for the revenue change stemming from proposed  
6 revisions to the charge for remote reconnect – 60 days or less.

7 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
8 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.20.**

9 A. This adjustment accounts for the revenue change stemming from proposed  
10 revisions to the charge for remote reconnect – 61 through 365 days.

11 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**  
12 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.21.**

13 A. This adjustment accounts for the revenue change stemming from proposed  
14 revisions to the returned check charge.

15

16 **VI. COST OF SERVICE STUDY**

17 **Q. DID YOU PREPARE A COSS FOR SOUTH KENTUCKY BASED ON**  
18 **FINANCIAL AND OPERATING RESULTS FOR THE TEST YEAR?**

19 A. Yes. I prepared a fully allocated, embedded COSS based on pro forma operating  
20 results for the test year. The objective in performing the COSS is to assess South  
21 Kentucky’s overall rate of return on rate base and to determine the relative rates of  
22 return that South Kentucky is earning from each rate class. Additionally, the COSS

1 provides an indication of whether each class is contributing its appropriate share  
2 towards South Kentucky's cost of providing service.

3 **Q. WHAT PROCEDURE WAS USED IN PERFORMING THE COSS?**

4 A. The three traditional steps of an embedded COSS – functionalization, classification,  
5 and allocation – were utilized. The COSS was prepared using the following  
6 procedure: (1) costs were functionalized to the major functional groups; (2) costs  
7 were classified as energy-related, demand-related, or customer-related; and then (3)  
8 costs were allocated to the rate classes.

9 **Q. IS THIS A STANDARD APPROACH USED IN THE ELECTRIC UTILITY  
10 INDUSTRY AND ACCEPTED BY THIS COMMISSION?**

11 A. Yes. The same approach has been employed and accepted in several cases filed by  
12 other utilities in Kentucky, including rate cases noted in Exhibit JW-1.

13 **Q. HOW ARE COSTS FUNCTIONALIZED AND CLASSIFIED IN THE COST  
14 OF SERVICE MODEL?**

15 A. South Kentucky's test-year costs are functionalized and classified according to the  
16 practices specified in *The Electric Utility Cost Allocation Manual* published by the  
17 National Association of Regulatory Utility Commissioners ("NARUC") dated  
18 January 1992. Costs are functionalized to the categories of power supply,  
19 transmission, station equipment, primary and secondary distribution plant,  
20 customer services, meters, lighting, meter reading and billing, and load  
21 management.

22 **Q. IS THE COSS UNBUNDLED?**

23 A. Yes. This unbundling distinguishes between the functionalized costs components,

1 i.e., purchased power demand, purchased power energy, distribution demand, and  
2 distribution customer – which allows the development of rates based on these  
3 separate cost components.

4 **Q. HOW WERE COSTS CLASSIFIED AS ENERGY-RELATED, DEMAND-**  
5 **RELATED OR CUSTOMER-RELATED?**

6 A. Costs are classified in connection with how they vary. Costs classified as *energy-*  
7 *related* vary with the number of kilowatt-hours consumed. Costs classified as  
8 *demand-related* vary with the capacity needs of customers, such as the amount of  
9 transmission or distribution equipment necessary to meet a customer’s needs, or  
10 other elements that are related to facility size. Transmission lines and distribution  
11 substation transformers are examples of costs typically classified as demand costs.  
12 Costs classified as *customer-related* include costs incurred to serve customers  
13 regardless of the quantity of electric energy purchased or the peak requirements of  
14 the customers and vary with the number of customers. A meter is one example of  
15 a customer-related cost. Customer-related costs also include the cost of the  
16 minimum system necessary to provide a customer with access to the electric grid.  
17 Distribution costs related to overhead conductor, underground conductor, and line  
18 transformers were split between demand-related and customer-related using the  
19 “zero-intercept” method, which I explain further below. Customer Services,  
20 Meters, Lighting, Meter Reading, Billing, Customer Account Service, and Load  
21 Management costs were classified as customer related.

22 **Q. PLEASE EXPLAIN THE APPLICATION OF THE ZERO INTERCEPT**  
23 **METHOD TO THE CLASSIFICATION OF CERTAIN DISTRIBUTION**

1           **COSTS.**

2    A.    In preparing this study, the zero-intercept method was used to determine the  
3           customer components of overhead conductor, underground conductor, and line  
4           transformers. The zero-intercept method uses linear regression to determine the  
5           theoretical cost for connecting a customer of zero size to the grid. This method is  
6           less subjective than other approaches and is preferred when the necessary data are  
7           available. With the zero-intercept method, a zero-size conductor or line transformer  
8           is the absolute minimum system. The zero-intercept analysis is included in Exhibit  
9           JW-8.

10 **Q.    IS THE ZERO-INTERCEPT METHOD A STANDARD APPROACH**  
11 **GENERALLY ACCEPTED WITHIN THE ELECTRIC UTILITY**  
12 **INDUSTRY?**

13    A.    Yes. The NARUC *Electric Utility Cost Allocation Manual* identifies the zero-  
14           intercept (or “minimum intercept”) as one of two standard methodologies for  
15           classifying distribution fixed costs. The manual states on page 92 that the zero-  
16           intercept method “requires considerably more data and calculation than the  
17           minimum-size method. In most instances, it is more accurate, although the  
18           differences may be relatively small.” The Commission has accepted the zero-  
19           intercept method in many rate filings for many years. The Commission should do  
20           so in this case also, because the zero intercept calculations shown in Exhibit JW-8  
21           are reasonable.

1 **Q. HAVE YOU PREPARED AN EXHIBIT SHOWING THE RESULTS OF**  
2 **THE FUNCTIONALIZATION AND CLASSIFICATION STEPS OF THE**  
3 **COSS?**

4 A. Yes. Exhibit JW-4 shows the results of the first two steps of the COSS –  
5 functionalization and classification.

6 **Q. IN THE COST OF SERVICE MODEL, ONCE COSTS ARE**  
7 **FUNCTIONALIZED AND CLASSIFIED, HOW ARE THESE COSTS**  
8 **ALLOCATED TO THE CUSTOMER CLASSES?**

9 A. Once costs for all of the major accounts are functionalized and classified, the  
10 resultant cost matrix for the major groupings (e.g., Plant in Service, Rate Base,  
11 Operation and Maintenance Expenses) is then transposed and allocated to the  
12 customer classes using allocation vectors. The results of the class allocation step of  
13 the COSS are included in Exhibit JW-5.

14 **Q. HOW ARE ENERGY-RELATED, CUSTOMER-RELATED AND**  
15 **DEMAND-RELATED COSTS ALLOCATED TO THE RATE CLASSES IN**  
16 **THE COSS?**

17 A. Power supply energy-related costs are allocated on the basis of total test year kWh  
18 sales to each customer class. Power supply and transmission demand-related costs  
19 are allocated using a 12CP methodology, to mirror the basis of cost allocation used  
20 in the applicable EKPC wholesale tariff. With the 12CP methodology, these  
21 demand-related costs are allocated on the basis of the demand for each rate class at  
22 the time of the wholesale system peak (also known as “Coincident Peak” or “CP”)  
23 for each of the twelve months. Customer-related costs are allocated on the basis of



1 the average number of customers served in each rate class during the test year.  
2 Distribution demand-related costs are allocated on the basis of the relative demand  
3 levels of each rate class. Specifically, the demand cost component is allocated by  
4 the maximum class demands for primary and secondary voltage and by the sum of  
5 individual customer demands for secondary voltage. The customer cost component  
6 of customer services is allocated on the basis of the average number of customers  
7 for the test year. Meter costs were specifically assigned by relating the costs  
8 associated with various types of meters to the class of customers for whom these  
9 meters were installed. The demand analysis is provided in Exhibit JW-6. The  
10 purchased power, meter, and service analyses are provided in Exhibit JW-7.

11 **Q. HOW IS THE TARGET MARGIN INCORPORATED INTO THE COSS?**

12 A. The COSS first determines results on an actual or unadjusted basis. The COSS then  
13 takes into account the pro forma adjustments and a target margin. The target margin  
14 is based on the rate of return on rate base that will yield the target revenue from  
15 electric rates. In this case a rate of return on rate base of six percent yields a total  
16 revenue requirement equivalent to the target Total Sales of Electric Energy plus the  
17 Other Electric Revenue noted on Page 1 of Exhibit JW-2, lines 1-4 in the Proposed  
18 Rates column.

19 **Q. PLEASE SUMMARIZE THE RESULTS OF THE COSS.**

20 A. The results of the COSS are provided in Exhibit JW-3 on page 1. The following  
21 table summarizes the rates of return for each customer class in the study. The Pro  
22 Forma Rate of Return on Rate Base was calculated by dividing the net utility  
23 operating margin (including the pro forma adjustments) by the net cost rate base

1 for each customer class. The Unitized Pro Forma Return on Rate Base is the  
 2 previous column normalized to a total return on rate base equal to one (1.00). Any  
 3 negative values for pro forma rate of return on rate base indicate that expenses  
 4 exceed revenues. Also, any rate class for which the rate of return is greater than the  
 5 total system rate of return is providing a subsidy to the other rate classes; any class  
 6 with a rate of return that is less than the total system rate of return (i.e. any class  
 7 with a unitized rate of return less than 1.00) is receiving a subsidy.

8 **Table 3. COSS Results: Rates of Return**

#	Rate	Code	Pro Forma Return on Rate Base	Unitized Pro Forma Return on Rate Base
1	Residential, Farm and Non-Farm Service	A	-4.57%	-22.57
2	Small Commercial Rate	B	16.87%	83.39
3	Large Power Rate (Excess of 50 kVA)	LP	24.59%	121.52
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	45.96%	227.15
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	10.52%	52.01
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	9.95%	49.20
7	Optional Power Service	OPS	32.55%	160.90
8	All Electric Schools	AES	9.53%	47.09
9	Lighting	Lights	17.41%	86.05
10	TOTAL		0.20%	1.00

9  
 10 **Q. DOES THE COSS PROVIDE INFORMATION CONCERNING THE UNIT**  
 11 **COSTS INCURRED BY SOUTH KENTUCKY TO PROVIDE SERVICE**  
 12 **UNDER EACH RATE SCHEDULE?**

1 A. Yes. Customer-related, demand-related, and energy-related costs for each rate class  
2 are shown in Exhibit JW-3 page 2 and at the end of Exhibit JW-5. Customer-related  
3 costs are stated as a cost per member per month. Energy-related costs are stated as  
4 a cost per kWh. For rate classes with a demand charge, demand-related costs are  
5 stated as a cost per kW per month. For rate classes without a demand charge, the  
6 demand-related costs are incorporated into the per kWh charge.

7 **Q. BASED ON THE COSS, DO SOUTH KENTUCKY'S EXISTING RATES**  
8 **APPROPRIATELY REFLECT THE COST OF PROVIDING SERVICE TO**  
9 **EACH RATE CLASS?**

10 A. No. The wide range of rates of return for the rate classes indicates that existing rates  
11 maintain a degree of subsidization between the rate classes. The unbundled costs  
12 within each rate class indicate an imbalance within the current rate structure  
13 between the recovery of fixed costs and variable costs, particularly within the  
14 residential class. This is relatively common among electric utilities, at least to a  
15 certain degree.

16 **Q. WHAT GUIDANCE DOES THE COSS PROVIDE FOR RATE DESIGN?**

17 A. First, the COSS indicates that rates for the residential class are insufficient and  
18 should be increased. The need to increase rates is limited to the residential rate  
19 schedule because it is the only rate class being subsidized by the collective other  
20 rate classes. The magnitude of the shortfall is significant; margins on the residential  
21 class are approximately *negative* \$8 million.

22 Second, the COSS supports a fixed monthly charge of \$30.91 for the  
23 residential class. This is shown on Exhibit JW-3, page 2. Since the current charge

1 is \$17.50 per month, the fixed customer charge should be increased. This is a  
2 significant issue for South Kentucky because the current charge is well below cost-  
3 based rates. This means that the current rate structure places too little recovery of  
4 fixed costs in the fixed charge, which results in significant under-recovery of fixed  
5 costs, particularly when members embrace conservation or energy efficiency or  
6 otherwise reduce overall consumption. At bottom, this is a fundamental challenge  
7 facing South Kentucky from a cost recovery standpoint, particularly because  
8 residential members make up the vast majority of South Kentucky's membership,  
9 and it is essential for South Kentucky's financial well-being to address this issue.

10  
11 **VII. ALLOCATION OF THE PROPOSED INCREASE**

12 **Q. PLEASE SUMMARIZE HOW SOUTH KENTUCKY PROPOSES TO**  
13 **ALLOCATE THE REVENUE INCREASE TO THE CLASSES OF**  
14 **SERVICE.**

15 A. South Kentucky relied on the results of the COSS as a guide to determine the  
16 allocation of the proposed revenue increase to the classes of service. Generally,  
17 South Kentucky is proposing to allocate the revenue increase in greater proportion  
18 to the rate classes whose returns are more negative and in less proportion to those  
19 classes whose returns are less negative. Because the Residential class is the only  
20 class with a negative margin and a rate of return less than that of the overall system,  
21 the revenue allocation is limited to this class.

22 **Q. WHAT IS THE PROPOSED BASE RATE REVENUE INCREASE FOR**  
23 **EACH RATE CLASS?**

1 A. South Kentucky is proposing the base rate revenue increases in the following  
2 table.

3 **Table 4. Proposed Base Rate Increases**

Rate Class	Code	Increase	
		Dollars	Percent
Residential, Farm and Non-Farm Service	A	\$10,766,999	10.84%
Small Commercial Rate	B	\$0	0.00%
Large Power Rate (Excess of 50 kVA)	LP	\$0	0.00%
Large Power Rate (500 KW to 4,999 KW)	LP-1	\$0	0.00%
Large Power Rate (5,000 KW to 9,999 KW)	LP-2	\$0	0.00%
Large Power Rate (500 KW to 2,999 KW)	LP-3	\$0	0.00%
Optional Power Service	OPS	\$0	0.00%
All Electric Schools	AES	\$0	0.00%
Lighting	Lights	\$0	0.00%
TOTAL		\$10,766,999	7.16%

4

5 **VIII. PROPOSED RATES**

6

6 **Q. HAVE YOU PREPARED AN EXHIBIT SHOWING THE**  
7 **RECONSTRUCTION OF SOUTH KENTUCKY’S TEST-YEAR BILLING**  
8 **DETERMINANTS?**

8

9 A. Yes. The reconstruction of South Kentucky’s billing determinants is shown on  
10 Exhibit JW-9.

10

11 **Q. DO THE BILLING DETERMINANTS TAKE INTO ACCOUNT THE**  
12 **RECENT FAC ROLL-IN APPROVED BY THE COMMISSION IN CASE**  
13 **NO. 2023-00014?**

13

14 A. Yes. The roll-in is revenue neutral but the changes to base energy charges and FAC  
15 annual totals is accounted for in the “Present Rates” and “Present Revenue” portion  
16 of the analysis.

16

1 **Q. WHAT ARE THE PROPOSED CHARGES FOR SOUTH KENTUCKY'S**  
2 **RESIDENTIAL RATE CLASS?**

3 A. South Kentucky is proposing to increase the Residential Rate A customer charge  
4 from \$17.50 to \$30.75 per month, and to increase the energy charge from \$0.09816  
5 to \$0.09869 per kWh. These revisions move residential rates much closer to cost-  
6 based rates.

7 **Q. HOW WERE THE PROPOSED RATES CALCULATED?**

8 A. The rates were calculated such that two constraints were met. The first constraint  
9 was that the total incremental revenue resulting from the proposed rates must equal  
10 the revenue deficiency (as close as possible with rounding). The second was that  
11 the combination of revisions to the customer charge and the energy charge must  
12 achieve a reasonable overall revenue increase for the class, consistent with the  
13 guidance from the COSS and with the principle of gradualism.

14 **Q. HOW WAS THE PROPOSED RESIDENTIAL CUSTOMER CHARGE**  
15 **DETERMINED?**

16 A. First, the residential customer charge was set to a rounded value supported by the  
17 Board of Directors that was relatively close to but less than the cost-based customer  
18 charge from the COSS. Then the residential energy charge was adjusted until the  
19 overall target revenue increase was achieved (as close as possible with rate  
20 rounding). The Board of Directors supported a significant movement toward cost-  
21 based rates.

22 **Q. DO THE PROPOSED RATES OVERALL GENERATE THE EXACT**  
23 **TARGET REVENUE INCREASE OF \$10,767,835?**

1 A. No, but it is extremely close. Due to rate rounding, the proposed rates generate  
 2 \$10,766,999 which varies by \$836 or 0.01% percent from the exact revenue  
 3 deficiency for the test period, based on test year consumption.

4 **Q. WHAT IS THE PROPOSED AVERAGE BILLING INCREASE FOR EACH**  
 5 **RATE CLASS?**

6 A. South Kentucky is proposing the average billing increases in the following table.

7 **Table 5. Proposed Average Billing Increases**

Rate Class	Code	Average Usage (kWh)	Increase	
			Dollars	Percent
Residential, Farm and Non-Farm Service	A	993	\$13.78	10.84%
Small Commercial Rate	B	1,228	\$0	0.00%
Large Power Rate (Excess of 50 kVA)	LP	34,325	\$0	0.00%
Large Power Rate (500 KW to 4,999 KW)	LP-1	819,598	\$0	0.00%
Large Power Rate (5,000 KW to 9,999 KW)	LP-2	3,145,628	\$0	0.00%
Large Power Rate (500 KW to 2,999 KW)	LP-3	753,956	\$0	0.00%
Optional Power Service	OPS	7,089	\$0	0.00%
All Electric Schools	AES	51,336	\$0	0.00%
Lighting	Lights	NA	\$0	0.00%
TOTAL		NA	NA	7.16%

8

9 **Q. WILL THE RATES PROPOSED BY SOUTH KENTUCKY IN THIS**  
 10 **PROCEEDING ELIMINATE ALL INTER-CLASS SUBSIDIZATION?**

11 A. No. The proposed rates move South Kentucky's rate structures in the direction of  
 12 cost-based rates without fully adopting those rates. See Exhibit JW-3, page 1 of 2  
 13 and Table 6 below. This is consistent with the ratemaking principle of gradualism  
 14 and will allow the avoidance of rate shock while still making some movement to  
 15 improve the price signal to members consistent with how South Kentucky actually  
 16 incurs costs.

17

1

2

**Table 6. Rates of Return – Present and Proposed**

#	Rate	Code	Present Return on Rate Base	Proposed Return on Rate Base
1	Residential, Farm and Non-Farm Service	A	-4.57%	1.52%
2	Small Commercial Rate	B	16.87%	16.87%
3	Large Power Rate (Excess of 50 kVA)	LP	24.59%	24.59%
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	45.96%	45.96%
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	10.52%	10.52%
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	9.95%	9.95%
7	Optional Power Service	OPS	32.55%	32.55%
8	All Electric Schools	AES	9.53%	9.53%
9	Lighting	Lights	17.41%	17.41%
10	TOTAL		0.20%	5.03%

3

4

5

**IX. FILING REQUIREMENTS**

6

**Q. HAVE YOU REVIEWED THE ANSWERS PROVIDED IN THE FILED EXHIBITS WHICH ADDRESS SOUTH KENTUCKY’S COMPLIANCE WITH THE HISTORICAL PERIOD FILING REQUIREMENTS UNDER 807 KAR 5:001 AND ITS VARIOUS SUBSECTIONS?**

7

8

9

10

**A. Yes. I hereby incorporate and adopt those portions of exhibits for which I am identified as the sponsoring witness as part of this Direct Testimony.**

11

12



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21

**X. CONCLUSION**

**Q. DO YOU HAVE ANY CLOSING COMMENTS?**

A. Yes. South Kentucky's rates of return in the COSS clearly demonstrate that the proposed increase in base rates is necessary for South Kentucky's financial health. South Kentucky's revenue deficiency, based on a target OTIER of 1.85, is \$10,767,835; with rate rounding, South Kentucky is requesting an increase of \$10,766,999. This increase is necessary to meet the financial obligations described in the company witness testimony. The proposed rates are designed to produce revenues that achieve the revenue requirement. In particular, the increase in customer charges is needed to keep moving the rate structure towards cost-based rates, in order to reduce the revenue erosion that results from having too great a portion of utility fixed cost recovery embedded in the variable charge. The Commission has recognized in recent orders that for an electric cooperative that is strictly a distribution utility, there is a need for a means to guard against the revenue erosion that often occurs due to the decrease in sales volumes that accompanies poor regional economics, changes in weather patterns, and the implementation or expansion of demand-side management and energy-efficiency programs. For South Kentucky at this juncture, this is the case. The proposed rates are just and reasonable and should be approved as filed.

**Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

A. Yes, it does.

## JOHN WOLFRAM

### Summary of Qualifications

Provides consulting services to electric utilities regarding utility rate and regulatory filings, cost of service studies, wholesale and retail rate designs, tariffs and special contracts, formula rates, energy policy, and other matters.

### Employment

CATALYST CONSULTING LLC  
Principal

June 2012 – Present

THE PRIME GROUP, LLC  
Senior Consultant

March 2010 – May 2012

LG&E and KU, Louisville, KY

1997 - 2010

(Louisville Gas & Electric Company and Kentucky Utilities Company)  
Director, Customer Service & Marketing (2006 - 2010)  
Manager, Regulatory Affairs (2001 - 2006)  
Lead Planning Engineer, Generation Planning (1998 - 2001)  
Power Trader, LG&E Energy Marketing (1997 - 1998)

PJM INTERCONNECTION, LLC, Norristown, PA  
Project Lead – PJM OASIS Project  
Chair, Data Management Working Group

1990 - 1993; 1994 - 1997

CINCINNATI GAS & ELECTRIC COMPANY, Cincinnati, OH  
Electrical Engineer - Energy Management System

1993 - 1994

### Education

Bachelor of Science Degree in Electrical Engineering, University of Notre Dame, 1990  
Master of Science Degree in Electrical Engineering, Drexel University, 1997  
Leadership Louisville, 2006

### Associations

Senior Member, Institute of Electrical and Electronics Engineers (“IEEE”) & Power Engineering Society

### Articles

“FERC Formula Rate Resurgence” *Public Utilities Fortnightly*, Vol. 158, No. 9, July 2020, 34-37.

“Economic Development Rates: Public Service or Piracy?” *IAEE Energy Forum*, International Association for Energy Economics, 2016 Q1 (January 2016), 17-20.

### Presentations

“Evolving Rate Structures: Adapting Co-op Rate Pricing Models for the Modern Grid” presented to CFC Independent Borrowers Executive Summit, Nov. 2024

“Aligning Rates with the Modern Grid” presented to APPA Business & Financial Conference, Sep 2024.

“Cooperative Rate Cases” presented to Kentucky Electric Cooperatives Fall Managers’ Meeting, Oct. 2023.

“New Developments in Kentucky Rate Filings” presented to Electric Cooperatives Accountants’ Association Summer Meeting, Jun. 2022.

“Avoiding Shock: Communicating Rate Changes” presented to APPA Business & Financial Conference, Sep. 2020.

“Revisiting Rate Design Strategies” presented to APPA Public Power Forward Summit, Nov. 2019.

“Utility Rates at the Crossroads” presented to APPA Business & Financial Conference, Sep. 2019.

“New Developments in Kentucky Rate Filings” presented to Electric Cooperatives Accountants’ Association Summer Meeting, Jun. 2019.

“Electric Rates: New Approaches to Ratemaking” presented to CFC Statewide Workshop for Directors, Jan. 2019.

“The Great Rate Debate: Residential Demand Rates” presented to CFC Forum, Jun. 2018.

“Benefits of Cost of Service Studies” presented to Tri-State Electric Cooperatives Accountants’ Association Spring Meeting, Apr. 2017.

“Proper Design of Utility Rate Incentives” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2017.

“Utility Hot Topics and Economic Development” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2017.

“Emerging Rate Designs” presented to CFC Independent Borrowers Executive Summit, Nov. 2016.

“Optimizing Economic Development” presented to Grand River Dam Authority Municipal Customer Annual Meeting, Sept. 2016.

“Tomorrow’s Electric Rate Designs, Today” presented to CFC Forum, Jun. 2016.

“Reviewing Rate Class Composition to Support Sound Rate Design” presented to EEI Rate and Regulatory Analysts Group Meeting, May 2016.

“Taking Public Power Economic Development to the Next Level” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2016.

“Ratemaking for Environmental Compliance Plans” presented to NARUC Staff Subcommittee on Accounting and Finance Fall Conference, Sep. 2015.

“Top Utility Strategies for Successful Attraction, Retention & Expansion” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2015.

“Economic Development and Load Retention Rates” presented to NARUC Staff Subcommittee on Accounting and Finance Fall Conference, Sep. 2013.

## **Expert Witness Testimony & Proceedings**

### FERC

Submitted testimony for Evergy Missouri, Inc., Evergy Metro, Inc., and Evergy Kansas Central, Inc. in FERC Docket Nos. ER25-206, ER25-207, and ER25-208 regarding proposed Wholesale Distribution Access Service rates.

Submitted direct testimony for Black Hills Colorado Electric, LLC in FERC Docket No. ER22-2185 regarding a proposed Transmission Formula Rate.

Submitted testimony for Evergy Kansas Central, Inc. and Evergy Generating, Inc. in FERC Docket Nos. ER22-1974-000, ER22-1975-000 and ER22-1976-000 regarding revised capital structures under transmission and generation formula rates.

Submitted affidavit for Constellation Mystic Power, LLC in FERC Docket No. ER18-1639-000 in response to arguments raised in formal challenges to an informational filing required for a cost-of-service rate for the operation of power plants in ISO New England.

Submitted direct testimony for El Paso Electric Company in FERC Docket No. ER22-282 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for TransCanyon Western Development, LLC in FERC Docket No. ER21-1065 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Cleco Power LLC in FERC Docket No. ER21-370 regarding a proposed rate schedule for Blackstart Service under Schedule 33 of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.

Submitted direct testimony for Constellation Mystic Power, LLC in FERC Docket No. ER18-1639-005 supporting a compliance filing for a cost-of-service rate for compensation for the continued operation of power plants in ISO New England.

Submitted direct testimony for DATC Path 15, LLC in FERC Docket No. ER20-1006 regarding a proposed wholesale transmission rate.

Submitted direct testimony for Tucson Electric Power Company in FERC Docket No. ER19-2019 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Cheyenne Light, Fuel & Power Company in FERC Docket No. ER19-697 regarding a proposed Transmission Formula Rate.

Supported Kansas City Power & Light in FERC Docket No. ER19-1861-000 regarding revisions to fixed depreciation rates in the KCP&L SPP Transmission Formula Rate.

Supported Westar Energy and Kansas Gas & Electric Company in FERC Docket No. ER19-269-000 regarding revisions to fixed depreciation rates in the Westar SPP Transmission Formula Rate.

Submitted direct testimony for Midwest Power Transmission Arkansas, LLC in FERC Docket No. ER15-2236 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Kanstar Transmission, LLC in FERC Docket No. ER15-2237 regarding a proposed Transmission Formula Rate.

Supported Westar Energy and Kansas Gas & Electric Company in FERC Docket Nos. FA15-9-000 and FA15-15-000 regarding an Audit of Compliance with Rates, Terms and Conditions of Westar's Open Access Transmission Tariff and Formula Rates, Accounting Requirements of the Uniform System of Accounts, and Reporting Requirements of the FERC Form No. 1.

Submitted direct testimony for Westar Energy in FERC Docket Nos. ER14-804 and ER14-805 regarding proposed revisions to a Generation Formula Rate.

Supported Intermountain Rural Electric Association and Tri-State G&T in FERC Docket No. ER12-1589 regarding revisions to Public Service of Colorado's Transmission Formula Rate.

Supported Intermountain Rural Electric Association in FERC Docket No. ER11-2853 regarding revisions to Public Service of Colorado's Production Formula Rate.

Supported Kansas Gas & Electric Company in FERC Docket No. FA14-3-000 regarding an Audit of Compliance with Nuclear Plant Decommissioning Trust Fund Regulations and Accounting Practices.

Supported LG&E Energy LLC in FERC Docket No. PA05-9-000 regarding an Audit of Code of Conduct, Standards of Conduct, Market-Based Rate Tariff, and MISO's Open Access Transmission Tariff at LG&E Energy LLC.

Submitted remarks and served on expert panel in FERC Docket No. RM01-10-000 on May 21, 2002 in Standards of Conduct for Transmission Providers staff conference, regarding proposed rulemaking on the functional separation of wholesale transmission and bundled sales functions for electric utilities.

### Kansas

Submitted direct and rebuttal testimony for Evergy Metro, Inc. in Docket No. 23-EKCE-775-RTS regarding a jurisdictional cost allocation in a retail rate case.

Submitted report for Westar Energy, Inc. in Docket No. 21-WCNE-103-GIE regarding plans and options for funding the decommissioning trust fund, depreciation expenses, and overall cost recovery in the event of premature closing of the Wolf Creek nuclear plant.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 18-WSEE-328-RTS regarding overall rate design, prior rate case settlement commitments, lighting tariffs, an Electric Transit rate schedule, Electric Vehicle charging tariffs, and tariff general terms and conditions.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 18-KG&E-303-CON regarding the Evaluation, Measurement and Verification ("EM&V") of an energy efficiency demand response program offered pursuant to a large industrial customer special contract.

Submitted report for Westar Energy, Inc. in Docket No. 18-WCNE-107-GIE regarding plans and options for funding the decommissioning trust fund, depreciation expenses, and overall cost recovery in the event of premature closing of the Wolf Creek nuclear plant.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 15-WSEE-115-RTS regarding rate designs for large customer classes, establishment of a balancing account related to new

rate options, establishment of a tracking mechanism for costs related to compliance with mandated cyber and physical security standards, other rate design issues, and revenue allocation.

### Kentucky

Submitted direct testimony and responses to data requests on behalf of Shelby Energy Cooperative in Case No. 2024-00351 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony on behalf of Jackson Energy Cooperative in Case No. 2024-00324 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2024-00149 regarding the Fuel Adjustment Clause.

Submitted direct testimony and responses to data requests on behalf of Big Sandy R.E.C.C. in Case No. 2024-00287 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony and responses to data requests on behalf of Licking Valley R.E.C.C. in Case No. 2024-00211 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Jackson Purchase Energy Corporation in Case No. 2024-00085 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Adopted direct testimony on behalf of Kentucky Power Company in Case No. 2023-00159 regarding the zero intercept analysis in a base rate case.

Submitted responses to data requests on behalf of Big Rivers Electric Corporation and Kenergy Corp. in Case No. 2023-00312 regarding a Large Industrial Customer Standby Service Tariff.

Submitted direct testimony on behalf of Big Sandy R.E.C.C. in Case No. 2023-00285 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Kenergy Corp. in Case No. 2023-00276 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Fleming-Mason Energy Corporation in Case No. 2023-00223 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony and responses to data requests on behalf of Shelby Energy Cooperative in Case No. 2023-00213 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony and responses to data requests on behalf of Farmers RECC in Case No. 2023-00158 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Taylor County RECC in Case No. 2023-00147 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted tariff worksheets and responses to data requests on behalf of sixteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case No. 2023-00135 regarding rate design for the pass-through of an approved wholesale earning mechanism bill credit.

Submitted direct testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2023-00102 regarding a Qualifying Facilities tariff.

Submitted direct testimony on behalf of Big Rivers Electric Corporation and Kenergy Corp. in Case No. 2023-00045 regarding a marginal cost of service study in support of an economic development rate for a special contract.

Submitted direct and rebuttal testimony and responses to data requests on behalf of Jackson Purchase Energy Corporation in Case No. 2021-00358 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct and rebuttal testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2021-00289 regarding a Large Industrial Customer Standby Service Tariff.

Submitted direct testimony on behalf of Big Rivers Electric Corporation and Jackson Purchase Energy Corporation in Case No. 2021-00282 regarding a marginal cost of service study in support of an economic development rate for a special contract.

Submitted direct testimony, responses to data requests, and rebuttal testimony on behalf of sixteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case Nos. 2021-00104 through 2021-00119 regarding rate design for the pass-through of a proposed wholesale rate revision.

Submitted direct testimony and responses to data requests on behalf of Kenergy Corp. in Case No. 2021-00066 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony on behalf of Big Rivers Electric Corporation in Case No. 2021-00061 regarding two cost of service studies in a review of the Member Rate Stability Mechanism Charge for calendar year 2020.

Submitted direct testimony and responses to data requests on behalf of Licking Valley R.E.C.C. in Case No. 2020-00338 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Cumberland Valley Electric in Case No. 2020-00264 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Taylor County R.E.C.C. in Case No. 2020-00278 regarding the cost support and tariff changes for the implementation of a Prepay Metering Program.

Submitted direct testimony and responses to data requests on behalf of Meade County R.E.C.C. in Case No. 2020-00131 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Clark Energy Cooperative in Case No. 2020-00104 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2019-00435 regarding an Environmental Compliance Plan and Environmental Surcharge rate mechanism.

Submitted direct testimony and responses to data requests on behalf of Jackson Energy Cooperative in Case No. 2019-00066 regarding revenue requirements, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Jackson Purchase Energy Corporation in Case No. 2019-00053 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and data request responses on behalf of Big Rivers Electric Corporation in Case No. 2018-00146 regarding ratemaking issues associated with the anticipated termination of contracts regarding the operation of an electric generating plant owned by the City of Henderson, Kentucky.

Submitted direct testimony on behalf of fifteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case No. 2018-00050 regarding the economic evaluation of and potential cost shift resulting from a proposed member purchased power agreement.

Submitted direct testimony on behalf of Big Sandy R.E.C.C. in Case No. 2017-00374 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony on behalf of Progress Metal Reclamation Company in Kentucky Power Company Case No. 2017-00179 regarding the potential implementation of a Load Retention Rate or revisions to an Economic Development Rate.

Submitted direct testimony on behalf of Kenergy Corp. and Big Rivers Electric Corporation in Case No. 2016-00117 regarding a marginal cost of service study in support of an economic development rate for a special contracts customer.

Submitted rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2014-00134 regarding ratemaking treatment of revenues associated with proposed wholesale market-based-rate purchased power agreements with entities in Nebraska.

Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2013-00199 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.

Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2012-00535 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.



Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2012-00063 regarding an Environmental Compliance Plan and Environmental Surcharge rate mechanism.

Submitted direct, rebuttal, and rehearing direct testimony on behalf of Big Rivers Electric Corporation in Case No. 2011-00036 regarding revenue requirements and pro forma adjustments in a base rate case.

Submitted direct testimony for Louisville Gas & Electric Company in Case No. 2009-00549 and for Kentucky Utilities Company in Case No. 2009-00548 for adjustment of electric and gas base rates, in support of a new service offering for Low Emission Vehicles, revised special charges, and company offerings aimed at assisting customers.

Submitted discovery responses for Kentucky Utilities and/or Louisville Gas & Electric Company in various customer inquiry matters, including Case Nos. 2009-00421, 2009-00312, and 2009-00364.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2008-00148 regarding the 2008 Joint Integrated Resource Plan.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Administrative Case No. 2007-00477 regarding an investigation of the energy and regulatory issues in Kentucky's 2007 Energy Act.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2007-00319 for the review, modification, and continuation of Energy Efficiency Programs and DSM Cost Recovery Mechanisms.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2007-00067 for approval of a proposed Green Energy program and associated tariff riders.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2005-00467 and 2005-00472 regarding a Certificate of Public Convenience and Necessity for the construction of transmission facilities.

Submitted discovery responses for Kentucky Utilities in Case No. 2005-00405 regarding the transfer of a utility hydroelectric power plant to a private developer.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2005-00162 for the 2005 Joint Integrated Resource Plan.

Presented company position for Louisville Gas & Electric Company and Kentucky Utilities Company at public meetings held in Case Nos. 2005-00142 and 2005-00154 regarding routes for proposed transmission lines.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in a Focused Management Audit of Fuel Procurement practices by Liberty Consulting in 2004.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in an Investigation into their Membership in the Midwest Independent Transmission System Operator, Inc. ("MISO") in Case No. 2003-00266.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in a Focused Management Audit of its Earning Sharing Mechanism by Barrington-Wellesley Group in 2002-2003.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2002-00381 regarding a Certificate of Public Convenience and Necessity for the acquisition of four combustion turbines.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2002-00029 regarding a Certificate of Public Convenience and Necessity for the acquisition of two combustion turbines.

Missouri

Submitted direct, rebuttal and surrebuttal testimony for Evergy Metro, Inc. in Case No. ER-2022-0130 regarding a jurisdictional cost allocation analysis in a retail rate case.

Virginia

Submitted direct testimony for Kentucky Utilities Company d/b/a Old Dominion Power in Case No. PUE-2002-00570 regarding a Certificate of Public Convenience and Necessity for the acquisition of four combustion turbines.

**SOUTH KENTUCKY R.E.C.C.**  
**Statement of Operations & Revenue Requirement**  
**For the 12 Months Ended May 2024**

Line #	Description (1)	Actual Test Year (2)	Pro Forma Adjustments (3)	Pro Forma Test Yr (4)	At Proposed Rates (5)
1	<u>Operating Revenues</u>				
2	Total Sales of Electric Energy	148,689,284	(26,119,855)	122,569,428	133,338,051
3	Other Electric Revenue	4,236,134	201,300	4,437,434	4,437,434
4	Total Operating Revenue	152,925,418	(25,918,555)	127,006,863	137,775,486
5					
6	<u>Operating Expenses:</u>				
7	Purchased Power	109,041,205	(25,821,032)	83,220,173	83,220,173
8	Distribution Operations	4,535,671		4,535,671	4,535,671
9	Distribution Maintenance	16,904,789	996,188	17,900,977	17,900,977
10	Customer Accounts	4,330,008		4,330,008	4,330,008
11	Customer Service	602,572		602,572	602,572
12	Sales Expense	32,568		32,568	32,568
13	A&G	5,676,616	(286,418)	5,390,198	5,390,198
14	Total O&M Expense	141,123,429	(25,111,262)	116,012,167	116,012,167
15					
16	Depreciation	10,543,106	810,903	11,354,009	11,354,009
17	Taxes - Other	116,630		116,630	116,630
18	Interest on LTD	5,370,206	66,155	5,436,361	5,436,361
19	Interest - Other	212,265		212,265	212,265
20	Other Deductions	29,159		29,159	29,159
21					
22	Total Cost of Electric Service	157,394,794	(24,234,204)	133,160,590	133,160,590
23					
24	Utility Operating Margins	(4,469,376)	(1,684,351)	(6,153,727)	4,614,896
25					
26	Non-Operating Margins - Interest	1,695,485		1,695,485	1,695,485
27	Income(Loss) from Equity Investments	-		-	-
28	Non-Operating Margins - Other	280,191		280,191	280,191
29	G&T Capital Credits	2,018,096	(2,018,096)	-	-
30	Other Capital Credits	427,397		427,397	427,397
31					
32	Net Margins	(48,207)	(3,702,448)	(3,750,654)	7,017,969
33					
34	Cash Receipts from Lenders	6,011	-	6,011	6,011
35	OTIER	0.17		(0.13)	1.85
36	TIER	0.99		0.31	2.29
37	TIER excluding GTCC	0.62		0.31	2.29
38					
39	Target OTIER	1.85		1.85	1.85
40	Margins at Target OTIER	8,979,834		7,017,969	7,017,969
41	Revenue Requirement	166,374,628		140,178,559	140,178,559
42	Revenue Deficiency (Excess)	9,028,040		10,768,623	-
43					
44	Increase \$			10,768,623	10,768,623

7.24%

**SOUTH KENTUCKY R.E.C.C.**  
**Summary of Pro Forma Adjustments**

Reference Schedule #	Item (1)	Revenue (2)	Expense (3)	Non- Operating Income (4)	Net Margin (5)
1.01	Fuel Adjustment Clause	(11,874,072)	(11,241,462)	-	(632,610)
1.02	Environmental Surcharge	(15,673,494)	(15,508,843)	-	(164,651)
1.03	Rate Case Expenses		53,333		(53,333)
1.04	Year-End Customer Normalization	1,427,711	929,273		498,438
1.05	Depreciation Expense Normalization		810,903		(810,903)
1.06	Donations, Advertising, Dues, & Other		(668,129)		668,129
1.07	FEMA		996,188		(996,188)
1.08	Directors Expense		(2,461)		2,461
1.09	Retirement Plan Contributions		360,833		(360,833)
1.10	Wages & Salaries		404,318		(404,318)
1.11	Professional Services		(578,100)		578,100
1.12	G&T Capital Credits			(2,018,096)	(2,018,096)
1.13	Payroll Tax		60,775		(60,775)
1.14	Interest		66,155		(66,155)
1.15	Life Insurance Premiums		(23,886)		23,886
1.16	Health Insurance Premiums		106,899		(106,899)
1.17	Meter Test Charge	\$ 1,854.30			1,854
1.18	Trip Charge	\$ 173,061.67			173,062
1.19	Remote Reconnect-60 days or less	\$ 14,000.00			14,000
1.20	Remote Reconnect-61 through 365 days	\$ 6,000.00			6,000
1.21	Returned Check Charge		6,384		6,384
	<b>Total</b>	<b>(25,918,555)</b>	<b>(24,234,204)</b>	<b>(2,018,096)</b>	<b>(3,702,448)</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Summary of Adjustments to Test Year Balance Sheet**

Line #	Description (1)	Actual Test Yr (2)	Pro Forma Adjs (3)	Pro Forma Test Yr (4)
1	<b>Assets and Other Debits</b>			
2	Total Utility Plant in Service	324,470,284	-	324,470,284
3	Construction Work in Progress	5,730,573	-	5,730,573
4	Total Utility Plant	330,200,857	-	330,200,857
5	Accum Provision for Depr and Amort	(107,536,387)	-	(107,536,387)
6	Net Utility Plant	222,664,470	-	222,664,470
7	Non-Utility Property - Net	24,793	-	24,793
8	Investment in Assoc Org - Patr Capital	90,102,318	-	90,102,318
9	Investment in Assoc Org - Other Gen Fnd	1,513,076	-	1,513,076
10	Investment in Assoc Org - Non Gen Fnd	-	-	-
11	Other Investment	2,954,898	-	2,954,898
12	Total Other Prop & Investments	94,595,086	-	94,595,086
13		-	-	-
14	Cash - General Funds	4,728,835	-	4,728,835
15	Cash - Construction Fund Trust	-	-	-
16	Special Deposits	-	-	-
17	Temporary Investments	6,865,746	-	6,865,746
18	Accts Receivable - Sales Energy (Net)	4,315,784	-	4,315,784
19	Accts Receivable - Other (Net)	371,447	-	371,447
20	Renewable Energy Credits	-	-	-
21	Material & Supplies - Elec & Other	3,089,698	-	3,089,698
22	Prepayments	610,203	-	610,203
23	Other Current & Accr Assets	9,452,520	-	9,452,520
24	Total Current & Accr Assets	29,434,232	-	29,434,232
25		-	-	-
26	Other Regulatory Assets	1,460,381	-	1,460,381
27	Other Deferred Debits	495,771	-	495,771
28		-	-	-
29	<b>Total Assets &amp; Other Debits</b>	<b>348,649,940</b>	<b>-</b>	<b>348,649,940</b>
30		-	-	-
31	<b>Liabilities &amp; Other Credits</b>			
32	Memberships	1,231,406	-	1,231,406
33	Patronage Capital	152,996,187	-	152,996,187
	Operating Margins - Prior Years	4,840,043	-	4,840,043
34	Operating Margins - Current Year	(1,250,289)	-	(1,250,289)
35	Non-Operating Margins	2,514,656	-	2,514,656
36	Other Margins & Equities	8,091,273	-	8,091,273
37	Total Margins & Equities	168,423,276	-	168,423,276
38		-	-	-
39	Long Term Debt - RUS (Net)	2,152,633	-	2,152,633
40	Long Term Debt - FFB - RUS GUAR	118,579,188	-	118,579,188
41	Long Term Debt - Other - RUS GUAR	-	-	-
42	Long Term Debt - Other (Net)	37,256,303	-	37,256,303
42	Long Term Debt - RUS -Econ Dev - Net	3,211,833	-	3,211,833
43	Payments - Unapplied	(14,648,361)	-	(14,648,361)
44	Total Long Term Debt	146,551,597	-	146,551,597
45		-	-	-
46	Accum Operating Provisions	7,285,094	-	7,285,094
47		-	-	-
48	Notes Payable	-	-	-
49	Accounts Payable	10,928,811	-	10,928,811
50	Consumer Deposits	2,608,694	-	2,608,694
51	Current Maturities Long-Term Debt	8,017,919	-	8,017,919
52	Current Maturities Long-Term Debt-Econ Dev	208,333	-	208,333
53	Other Current & Accr Liabilities	4,182,889	-	4,182,889
54	Total Current & Accr Liabilities	25,946,647	-	25,946,647
55		-	-	-
56	Regulatory Liabilities	-	-	-
57	Other Deferred Credits	443,327	-	443,327
58	<b>Total Liabilities &amp; Other Credits</b>	<b>348,649,940</b>	<b>-</b>	<b>348,649,940</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Summary of Adjustments to Test Year Statement of Operations**

Reference Schedule >	1.01	1.02	1.03	1.04	1.05	1.06	1.07	1.08	1.09	1.10	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18	1.19	1.20	1.21	
Item >	Fuel Adjustment Clause	Environmental Surcharge	Rate Case Expenses	Year-End Customer Normalization	Depreciation Expense Normalization	Donations, Advertising, Dues, & Other	FEMA	Directors Expense	Retirement Plan Contributions	Wages & Salaries	Professional Services	G&T Capital Credits	Payroll Tax	Interest	Life Insurance Premiums	Health Insurance Premiums	Meter Test Charge	Trip Charge	Remote Reconnect-60 days or less	Remote Reconnect-61 through 365 days	Returned Check Charge	TOTAL
1																						
2	<b>Operating Revenues:</b>																					
3				1,427,711																		1,427,711
4	(11,874,072)	(15,673,494)																				(27,547,566)
5																	1,854	173,062	14,000	6,000	6,384	201,300
6	(11,874,072)	(15,673,494)	0	1,427,711	0	0	0	0	0	0	0	0	0	0	0	0	1,854	173,062	14,000	6,000	6,384	(25,918,555)
7																						
8	<b>Operating Expenses:</b>																					
9				929,273																		0
10																						929,273
11	(11,241,462)	(15,508,843)																				(26,750,305)
12																						0
13																						0
14																						0
15																						0
16																						0
17			53,333			(668,129)	996,188	(2,461)	360,833	404,318	(578,100)				(23,886)	106,899						648,995
18	(11,241,462)	(15,508,843)	53,333	929,273	0	(668,129)	996,188	(2,461)	360,833	404,318	(578,100)	0	0	0	(23,886)	106,899	0	0	0	0	0	(25,172,037)
19					810,903																	810,903
20																						0
21													60,775									60,775
22														66,155								66,155
23																						0
24																						0
25	(11,241,462)	(15,508,843)	53,333	929,273	810,903	(668,129)	996,188	(2,461)	360,833	404,318	(578,100)	0	60,775	66,155	(23,886)	106,899	0	0	0	0	0	(24,234,204)
26																						0
27	(632,610)	(164,651)	(53,333)	498,438	(810,903)	668,129	(996,188)	2,461	(360,833)	(404,318)	578,100	0	(60,775)	(66,155)	23,886	(106,899)	1,854	173,062	14,000	6,000	6,384	(1,684,351)
28																						0
29																						0
29a																						0
30																						0
31												(2,018,096)										(2,018,096)
32																						0
33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,018,096)
34																						0
35	(632,610)	(164,651)	(53,333)	498,438	(810,903)	668,129	(996,188)	2,461	(360,833)	(404,318)	578,100	(2,018,096)	(60,775)	(66,155)	23,886	(106,899)	1,854	173,062	14,000	6,000	6,384	(3,702,448)

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Fuel Adjustment Clause**

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1	2024	Jan	\$ 1,047,764	\$ 1,459,952
2	2024	Feb	\$ 523,287	\$ 1,692,954
3	2024	Mar	\$ 755,650	\$ 1,077,099
4	2024	Apr	\$ 1,375,045	\$ 213,924
5	2024	May	\$ 1,227,108	\$ 768,552
6	2023	Jun	\$ 935,662	\$ 426,371
7	2023	Jul	\$ 1,535,851	\$ 783,838
8	2023	Aug	\$ 418,024	\$ 1,233,070
9	2023	Sep	\$ 551,481	\$ 945,281
10	2023	Oct	\$ 906,615	\$ 985,847
11	2023	Nov	\$ 1,014,198	\$ 855,148
12	2023	Dec	\$ 1,583,387	\$ 799,426
13		TOTAL	\$ 11,874,072	\$ 11,241,462
14				
15		Test Year Amount	\$ 11,874,072	\$ 11,241,462
16				
17		Pro Forma Year Amount	\$ -	\$ -
18				
19		Adjustment	\$ (11,874,072)	\$ (11,241,462)

This adjustment removes the FAC revenues and expenses from the test period.

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Environmental Surcharge**

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1	2024	Jan	\$ 1,795,498	\$ 2,060,911
2	2024	Feb	\$ 1,572,656	\$ 1,402,458
3	2024	Mar	\$ 1,171,886	\$ 816,532
4	2024	Apr	\$ 822,408	\$ 832,802
5	<u>2024</u>	<u>May</u>	\$ 1,104,882	\$ 1,130,702
6	2023	Jun	\$ 1,136,314	\$ 1,170,831
7	2023	Jul	\$ 1,523,757	\$ 1,548,373
8	2023	Aug	\$ 1,530,214	\$ 1,597,519
9	2023	Sep	\$ 1,453,232	\$ 1,042,433
10	2023	Oct	\$ 1,004,824	\$ 959,036
11	2023	Nov	\$ 1,051,350	\$ 1,383,341
12	2023	Dec	\$ 1,506,473	\$ 1,563,905
13		TOTAL	\$ 15,673,494	\$ 15,508,843
14				
15		Test Year Amount	\$ 15,673,494	\$ 15,508,843
16				
17		Pro Forma Year Amount	\$ -	\$ -
18				
19		<u>Adjustment</u>	<u>\$ (15,673,494)</u>	<u>\$ (15,508,843)</u>

This adjustment removes the Environmental Surcharge revenues and expenses from the test period.



**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Rate Case Expenses**

Line #	Item (1)	Amount (2)
1	Legal - Honaker Law Office	\$ 115,000
2	Consulting - Catalyst Consulting LLC	\$ 45,000
3	Other	\$ -
4	Advertising	\$ -
5	Supplies / Misc	\$ -
6	Subtotal	\$ 160,000
7		
8	Total Amount	\$ 160,000
9	Amortization Period (Years)	\$ 3
10	Annual Amortization Amount	\$ 53,333
11		
12	Test Year Amount	\$ -
13		
14	Pro Forma Year Amount	\$ 53,333
15		
16	Adjustment	\$ 53,333

This adjustment estimates the rate case costs amortized over a 3 year period, consistent with standard Commission practice.

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

Year-End Customers

Line #	Year (1)	Month (2)	Rate 1 A (3)	Rate 2 B (4)	Rate 3 LP (5)	Rate 4 OPS (6)	Rate 5 AES (7)	Total (8)
1	2024	Jan	65,156	4,810	486	157	17	
2	2024	Feb	65,238	4,802	484	157	17	
3	2024	Mar	65,337	5,032	341	90	17	
4	2024	Apr	65,349	5,042	341	89	17	
5	2024	May	65,479	5,047	345	89	17	
6	2023	Jun	64,841	4,801	474	160	17	
7	2023	Jul	64,922	4,827	477	160	17	
8	2023	Aug	65,002	4,844	479	160	17	
9	2023	Sep	65,067	4,843	478	160	17	
10	2023	Oct	65,051	4,822	480	160	17	
11	2023	Nov	65,007	4,818	482	160	17	
12	2023	Dec	65,097	4,815	481	159	17	
13	Average		65,129	4,875	446	142	17	
14	End of Period Increase over Avg		(32)	(60)	35	17	-	
15	Total kWh		766,561,470	69,966,370	183,071,000	11,928,714	10,463,040	
16	Average kWh		11,770	14,352	410,473	84,005	615,473	
17	Year-End kWh Adjustment		(376,637)	(861,125)	14,366,558	1,428,085	-	14,556,883
18	<b>Revenue Adjustment</b>							
19	Current Base Rate Revenue		\$ 89,892,672	\$ 9,470,064	\$ 17,924,680	\$ 1,518,457	\$ 1,024,083	
20	Average Revenue per kWh		\$ 0.11727	\$ 0.13535	\$ 0.09791	\$ 0.12729	\$ 0.09788	
21	Year End Revenue Adj		\$ (44,167)	\$ (116,555)	\$ 1,406,645	\$ 181,787	\$ -	1,427,711
22	<b>Expense Adjustment</b>							
23	Avg Adj Purchase Exp per kWh		0.06384	0.06384	0.06384	0.06384	0.06384	
24	Year End Expense Adj		\$ (24,043)	\$ (54,972)	\$ 917,123	\$ 91,165	\$ -	929,273
25								
26								
27								
28								
29								
30								
31								
32	Test Year Amount		\$ -	\$ -				\$ -
33	Pro Forma Year Amount		\$ 1,427,711	\$ 929,273				\$ 498,438
34	Adjustment		\$ 1,427,711	\$ 929,273				\$ 498,438
35								
36								
37								
38								
39	<b>For Expense Adjustment:</b>							
40	Total Purchased Power Expense			\$ 109,041,205				
41	Less Fuel Adjustment Clause			\$ (11,241,462)				
42	Less Environmental Surcharge			\$ (15,508,843)				
43	Less Other Rate Mechanisms			\$ -				
44	Adjusted Purchased Power Expense			\$ 82,290,900				
45	Total Purchased Power kWh			1,289,071,575				

This adjustment adjusts the test year expenses and revenues to reflect the number of customers at the end of the test year.

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Depreciation**

Line #	Acct # (1)	Description (2)	Test Yr Ending Bal (3)	Fully Depr Items (4)	Proposed Rate (5)	Normalized Expense (6)	Test Year Expense (7)	Pro Forma Adj (8)
1		<u>Distribution Plant</u>						
2								
3	360.00	Land	52,264			-		\$ -
4	361.00	Structures & Improvements	17,824		2.975%	530	530	\$ (0)
5	362.00	Station equipment	944,144	-	3.367%	31,789	29,781	\$ 2,008
6	364.00	Poles, towers & fixtures	75,150,799	-	3.667%	2,755,780	2,713,680	\$ 42,100
7	365.00	Overhead conductors & devices	75,885,927	-	2.607%	1,978,346	1,959,834	\$ 18,512
8	366.00	Underground conduit	679,016		2.041%	13,859	13,931	\$ (73)
9	367.00	Underground conductor & devices	11,933,348	-	3.382%	403,586	335,619	\$ 67,966
10	368.00	Line transformers	51,244,175	-	3.075%	1,575,758	1,495,727	\$ 80,031
11	369.00	Services	34,705,198	-	3.422%	1,187,612	1,196,029	\$ (8,417)
12	370.00	Meters	14,578,251	-	7.769%	1,132,584	713,534	\$ 419,051
13	370.00	Meters - Solid State	1,031,147		7.769%	80,110	49,921	\$ 30,189
14	371.00	Installations on customer premises	13,785,996	-	6.389%	880,787	786,744	\$ 94,043
15	373.00	Street Lighting & Signal Systems	1,435,007		6.389%	91,683	76,352	\$ 15,330
16		Subtotal	281,443,096	-		10,132,424	9,371,683	\$ 760,741
17								
18		<u>General Plant</u>						
19	389	Land	2,878,536					
20	390	Structures and improvements	20,763,732	28,030	2.00%	415,543	414,898	\$ 646
21	391	Office furn and eqt	668,448	58,400	6.00%	36,603	36,885	\$ (282)
22	391.1	Computer Processing & Equip	2,866,644	858,070	15.00%	301,286	284,389	\$ 16,897
23	393	Stores Equipment	349,676	159,238	6.00%	11,426	14,209	\$ (2,783)
24	394	Tools, shop and garage	504,513	72,256	6.00%	25,935	25,983	\$ (48)
25	395	Laboratory	199,322	111,748	6.00%	5,254	5,242	\$ 13
26	396	Power operated	63,108	51,963	12.00%	1,337	1,116	\$ 222
27	397	Communications	2,310,045	53,629	6.00%	135,385	136,274	\$ (889)
28	398	Miscellaneous	1,188,032	102,117	6.00%	65,155	66,006	\$ (851)
29								
30		Subtotal	31,792,054	1,495,451		997,926	985,001.86	\$ 12,924
31	A	Distribution & General Subtotal	313,235,150	1,495,451		11,130,350	10,356,685	\$ 773,665
32								
33		<u>Transportation Charged to Clearing</u>						
34	392	Transportation	11,223,341	4,359,447	15.00%	1,029,584	967,706	\$ 61,878
35	B	Allocation of Clearing to O&M						\$ 37,238
36								
37	A+B	TOTAL	324,458,491	5,854,898		12,159,934	11,324,392	\$ 810,903

38 This adjustment normalizes depreciation expenses by replacing test year actual expenses with test year end balances, less any fully depreciated items, at approved depreciation rates.

Allocation of Clearing to O&M	Alloc	Depr \$
43 580-589 Operations	9.3%	\$ 5,730
44 590-598 Maintenance	47.3%	\$ 29,250
45 901-905 Consumer Accounts	0.0%	\$ -
46 907-912 Customer Service	1.2%	\$ 767
47 920-935 Administrative & General	2.4%	\$ 1,491
48 Subtotal	60.18%	\$ 37,238
49		
50 Capital Balance Sheet Accounts	39.8%	\$ 24,640
51 Subtotal	39.8%	\$ 24,640
52		
53 Total	100.0%	\$ 61,878

SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024

Donations, Promotional Advertising, Dues & Other

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
1	930.1	GENERAL ADVERTISING EXPENSE	0 - Unassigned Activity	8/16/2023		\$ (200.00)	Cash Register	\$ (200.00)
2	930.1	GENERAL ADVERTISING EXPENSE	0 - Unassigned Activity	8/16/2023		\$ 200.00	CASH REGISTER	\$ 200.00
3	930.1	GENERAL ADVERTISING EXPENSE	2130 - TAX- SALES & USE TAX	7/31/2023		\$ 11.56	SALES & USE TAX	\$ 11.56
4	930.1	GENERAL ADVERTISING EXPENSE	2130 - TAX- SALES & USE TAX	5/31/2024		\$ 43.68	SALES & USE TAX	\$ 43.68
5	930.1	GENERAL ADVERTISING EXPENSE	2130 - TAX- SALES & USE TAX	2/29/2024		\$ 43.68	SALES & USE TAX	\$ 43.68
6	930.1	GENERAL ADVERTISING EXPENSE	2130 - TAX- SALES & USE TAX	12/31/2023		\$ 57.03	SALES & USE TAX	\$ 57.03
7	930.11	GEN ADVERTISING (FAIRS & PARADE)	2130 - TAX- SALES & USE TAX	1/31/2024		\$ 45.60	SALES & USE TAX	\$ 45.60
8	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	4/30/2024		\$ 1.08	SALES & USE TAX	\$ 1.08
9	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	4/30/2024		\$ 3.23	SALES & USE TAX	\$ 3.23
10	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	3/31/2024		\$ 3.23	SALES & USE TAX	\$ 3.23
11	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	1/31/2024		\$ 3.71	SALES & USE TAX	\$ 3.71
12	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	1/31/2024		\$ 10.77	SALES & USE TAX	\$ 10.77
13	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	7/31/2023		\$ 11.51	SALES & USE TAX	\$ 11.51
14	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	5/31/2024		\$ 11.85	SALES & USE TAX	\$ 11.85
15	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	4/30/2024		\$ 11.85	SALES & USE TAX	\$ 11.85
16	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	2/29/2024		\$ 11.85	SALES & USE TAX	\$ 11.85
17	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	7/31/2023		\$ 11.85	SALES & USE TAX	\$ 11.85
18	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	11/30/2023		\$ 14.90	SALES & USE TAX	\$ 14.90
19	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	6/30/2023		\$ 21.54	SALES & USE TAX	\$ 21.54
20	930.2	MISCELLANEOUS GENERAL EXPENSES	2130 - TAX- SALES & USE TAX	12/31/2023		\$ 78.63	SALES & USE TAX	\$ 78.63
21	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	2130 - TAX- SALES & USE TAX	10/31/2023		\$ 11.10	SALES & USE TAX	\$ 11.10
22	426.3	PENALTIES	2175 - PENALTIES	1/31/2024		\$ 21.64	COM OF KY-WITHHOLDING TAX PEN	\$ 21.64
23	930.2	MISCELLANEOUS GENERAL EXPENSES	7000 - OFFICE SUPPLIES & MISC EXP	12/31/2023		\$ 7,958.87	BALANCE ADJUSTMENTS DUE TO CONVERSION	\$ 7,958.87
24	930.2	MISCELLANEOUS GENERAL EXPENSES	7090 - OFFICE SUPPLIES AND MISC	10/10/2023	PHOTOGRAPHY BY TOMMY WILSC	\$ 715.50	BOARD OF DIRECTORS PHOTOS	\$ 715.50
25	930.2	MISCELLANEOUS GENERAL EXPENSES	7090 - OFFICE SUPPLIES AND MISC	9/25/2023		\$ 532.95	JE#48455-CORRECTING ENTRY-WRONG ACCT	\$ 532.95
26	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7110 - POSTAGE/SHIPPING	10/9/2023	GOSS, MARK D	\$ 8.58	POSTAGE/SHIPPING	\$ 8.58
27	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7110 - POSTAGE/SHIPPING	7/24/2023	GOSS, MARK D	\$ 7.92	POSTAGE/SHIPPING	\$ 7.92
28	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7110 - POSTAGE/SHIPPING	10/11/2023	GOSS, MARK D	\$ 66.00	POSTAGE/SHIPPING	\$ 66.00
29	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7130 - MAG/NEWSPAPER SUBSCRIPTIONS	9/19/2023	N R E C A	\$ 185.00	MAGAZINE/NEWSPAPER SUBSCRIPTIONS	\$ 185.00
30	426.4	EXP FOR CER CIVIC,POL & REL ACT	7140 - DUES & SUBSCRIPTIONS	3/6/2024	KEC INC	\$ 893.14	KY CHAMBER OF COMMERCE DUES	\$ 893.14
31	426.4	EXP FOR CER CIVIC,POL & REL ACT	7140 - DUES & SUBSCRIPTIONS	2/14/2024	ALBANY CLINTON CO CHAMBER	\$ 500	CLINTON CO CHAMBER OF COMMERCE DUES	\$ 500.00
32	426.4	EXP FOR CER CIVIC,POL & REL ACT	7140 - DUES & SUBSCRIPTIONS	1/10/2024	MONTICELLO-WAYNE CO C OF C	\$ 500	MONT/WAYNE CHAMBER DUES	\$ 500.00
33	426.4	EXP FOR CER CIVIC,POL & REL ACT	7140 - DUES & SUBSCRIPTIONS	1/20/2024	LIBERTY CASEY CO CHAMBER	\$ 315	LIBERTY CHAMBER DUES	\$ 315.00
34	426.4	EXP FOR CER CIVIC,POL & REL ACT	7140 - DUES & SUBSCRIPTIONS	1/2/2024	RUSSELL CHAMBER OF COMMERCE	\$ 390	RUSSELL CHAMBER DUES	\$ 390.00
35	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7140 - DUES & SUBSCRIPTIONS	7/29/2023	GOSS, MARK D	\$ 337.75	MEMBERSHIP FEE-KY BAR ASSOC.	\$ 337.75
36	930.11	GEN ADVERTISING (FAIRS & PARADE)	7150 - FEES/LICENSES/SVS CHGS	11/16/2023	COFFEY, TIMOTHY A	\$ 25.00	RUSSELL COUNTY CHRISTMAS PARADE	\$ 25.00
37	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7150 - FEES/LICENSES/SVS CHGS	12/1/2023	GOSS, MARK D	\$ 5.00	FEES/SVC CHR/LICENCE	\$ 5.00
38	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	7150 - FEES/LICENSES/SVS CHGS	11/27/2023	GOSS, MARK D	\$ 5.00	FEES/SVC CHR/LICENCE	\$ 5.00
39	426.4	EXP FOR CER CIVIC,POL & REL ACT	7250 - ADVERTISING-LEGAL/PSC	9/5/2023	MONTICELLO-WAYNE CO C OF C	\$ 250	MONT-WAYNE COC 2024 LUNCHEON SPONSOR	\$ 250.00
40	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	11/1/2023	MORRIS PROMO	\$ 432.73	MONTHLY PLANNERS	\$ 432.73
41	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	11/1/2023	MORRIS PROMO	\$ 3,468.32	KWIK STICK CALENDARS	\$ 3,468.32
42	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	10/31/2023	WMKZ	\$ 100.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 100.00
43	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	10/30/2023	LOGO STORE USA	\$ 950.50	(150) HATS FOR GIVEAWAYS	\$ 950.50
44	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	9/21/2023	EAST KENTUCKY POWER COOP	\$ 27.36	ADVERTISING HANDOUTS	\$ 27.36
45	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	8/23/2023	WMKZ	\$ 200.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 200.00
46	930.1	GENERAL ADVERTISING EXPENSE	7250 - ADVERTISING-LEGAL/PSC	6/26/2023	LOGO STORE USA	\$ 192.59	(150) BACKPACKS FOR GIVEAWAYS	\$ 192.59
47	930.2	MISCELLANEOUS GENERAL EXPENSES	7250 - ADVERTISING-LEGAL/PSC	5/31/2024	WMKZ	\$ (100.00)	GRADUATION	\$ (100.00)
48	930.2	MISCELLANEOUS GENERAL EXPENSES	7250 - ADVERTISING-LEGAL/PSC	5/31/2024	WMKZ	\$ 100.00	GRADUATION	\$ 100.00
49	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	5/1/2024	PROFESSIONAL PARTNERSHIP GF	\$ 728.00	READING SERVICE-PULASKI/MCCREARY	\$ 728.00
50	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	4/1/2024	PROFESSIONAL PARTNERSHIP GF	\$ 728.00	READING SERVICE-CLINTONWAYNE	\$ 728.00
51	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/29/2024	CLINTON HIGH SCHOOL BASEBALL	\$ 100.00	CLINTON CO BASEBALL SIGN RENEWAL	\$ 100.00
52	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/29/2024	WAYNE CO SOFTBALL BOOSTERS	\$ 120.00	WAYNE CO SOFTBALL SIGN RENEWAL	\$ 120.00
53	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/29/2024	SWHS BASEBALL BOOSTERS	\$ 100.00	SWHS BASEBALL SIGN RENEWAL	\$ 100.00
54	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/3/2024	NEWS ENTERPRISE, KY STAND	\$ 145.00	FFA WEEK AD	\$ 145.00
55	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/29/2024	MCCREARY COUNTY VOICE	\$ 181.13	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 181.13
56	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/7/2024	P C HIGH SCHOOL ATHLETICS	\$ 100.00	PCHS-REGION BASKETBALL SPONSORSHIP	\$ 100.00
57	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/15/2024	MONT-WAYNE PARKS/RECREATIO	\$ 200.00	MONT WAYNE PARKS-3 SIGNS	\$ 200.00
58	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/5/2024	DUCKS UNLIMITED	\$ 1,000.00	GOLD SPONSOR-DUCKS UNLIMITED	\$ 1,000.00
59	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/1/2024	NORTHERN MIDDLE SOFTBALL	\$ 175.00	NMS SOFTBALL-SIGN	\$ 175.00
60	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/1/2024	SOUTHERN MIDDLE BASEBALL	\$ 100.00	SOUTHERN MIDDLE BASEBALL-BRONZE SPONSOR	\$ 100.00
61	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/1/2024	MCCREARY CENTRAL BASEBALL	\$ 100.00	MCCREARY CENTRAL BASEBALL-SIGN RENEWAL	\$ 100.00
62	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	12/31/2023	MCCREARY COUNTY VOICE	\$ 86.25	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 86.25
63	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	12/31/2023	NEWS ENTERPRISE, KY STAND	\$ 495.00	WINTER SPORTS & LETTERS TO SANTA AD	\$ 495.00
64	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	1/18/2024	P C MAROONS HOMERUN CLUB	\$ 100.00	PCHS BASEBALL SIGN RENEWAL	\$ 100.00
65	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	12/31/2023	JOBE PUBLISHING INC	\$ 72.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 72.00
66	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	1/1/2024	PROFESSIONAL PARTNERSHIP GF	\$ 728.00	READING SERVICE-BURNSIDE/CASEY	\$ 728.00
67	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	11/30/2023	MCCREARY COUNTY VOICE	\$ 86.25	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 86.25

SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024

Donations, Promotional Advertising, Dues & Other

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
68	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	11/1/2023	MCCREARY COUNTY VOICE	\$ 221.25	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 221.25
69	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/31/2023	JOBE PUBLISHING INC	\$ 72.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 72.00
70	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/25/2023	WAYNE CO HS CHEER BOOSTERS	\$ 250.00	WAYNE CO CHEER BOOSTERS SPONSORSHIP	\$ 250.00
71	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/1/2023	MCCREARY COUNTY VOICE	\$ 86.25	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 86.25
72	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/1/2023	MCCREARY COUNTY VOICE	\$ 86.25	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 86.25
73	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	9/30/2023	JOBE PUBLISHING INC	\$ 65.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 65.00
74	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/5/2023	SOMERSET HIGH SCHOOL BOYS E	\$ 150.00	SHS BANNER SPONSORSHIP	\$ 150.00
75	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/5/2023	RUSSELL CO SHERIFF OFFICE	\$ 100.00	RUSSELL CO SHERIFF CALENDAR AD	\$ 100.00
76	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	10/5/2023	RUSSELL COUNTY HIGH SCHOOL	\$ 50.00	RCHS YEARBOOK AD	\$ 50.00
77	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	9/1/2023	CLINTON CO NEWS	\$ 120.00	FALL SPORTS AD	\$ 120.00
78	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/24/2023	SWHS FOOTBALL BOOSTER CLUB	\$ 250.00	SWHS FOOTBALL-SIGN RENEWAL	\$ 250.00
79	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/23/2023	LAKE CUMB CHILDREN'S THEATRE	\$ 500.00	LCCT-GOLD SPONSOR	\$ 500.00
80	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/23/2023	MAROONS BOYS SOCCER BOOST	\$ 150.00	PCHS BOYS SOCCER-SIGN RENEWAL	\$ 150.00
81	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/8/2023	THE CENTER FOR RURAL DEVELC	\$ 200.00	YOUTH INSIDER MAGAZINE-PAID LOGO	\$ 200.00
82	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/23/2023	WAYNE COUNTY HIGH SCHOOL	\$ 200.00	WCHS SOCCER-SIGN SPONSORSHIP	\$ 200.00
83	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/23/2023	RUSSELL CHAMBER OF COMMERCE	\$ 100.00	RUSSELL CHAMBER OF COMMERCE-GOLF SCRAMBL	\$ 100.00
84	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/10/2023	SOUTHWESTERN HIGH SCHOOL	\$ (250.00)	CHK#206119-SWHS-NEVER RECEIVED PAYMENT	\$ (250.00)
85	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/3/2023	SOUTHWESTERN HIGH SCHOOL	\$ 250.00	SWHS FOOTBALL - SIGN RENEWAL	\$ 250.00
86	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/27/2023	SWHS SOCCER BOOSTER CLUB	\$ 200.00	SWHS SOCCER-BRONZE SPONSORSHIP	\$ 200.00
87	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/27/2023	RUSSELL CO SOCCER BOOSTERS	\$ 100.00	RCHS BOYS SOCCER-SILVER SPONSORSHIP	\$ 100.00
88	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/27/2023	P C BOYS GOLF BOOSTER	\$ 100.00	PCHS BOYS GOLF-INDIVIDUAL SPONSORSHIP	\$ 100.00
89	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/27/2023	NORTHERN GIRLS BASKETBALL	\$ 250.00	NMS GIRLS BASKETBALL-BRONZE SPONSORSHIP	\$ 250.00
90	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/2/2023	SOMERSET HIGH ATHLETICS	\$ 75.00	SMS ATHLETIC PROGRAM 1/4 PG AD	\$ 75.00
91	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	6/27/2023	SOMERSET PARKS & RECREATIO	\$ 200.00	ROCKY HOLLOW 3X3 GYM SIGN	\$ 200.00
92	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	7/20/2023	WAYNE COUNTY HIGH SCHOOL	\$ 50.00	WAYNE CO BASKETBALL PROGRAM	\$ 50.00
93	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	6/22/2023	CASEY APPLE FESTIVAL & FAIR	\$ 400.00	CASEY CO APP FEST-1/2 PAGE AD	\$ 400.00
94	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	6/14/2023	P C MAROON FOOTBALL CLUB	\$ 100.00	FENCE SIGN RENEWAL	\$ 100.00
95	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	6/14/2023	P C HIGH SCHOOL CHEERLEADER	\$ 150.00	ELECTRONIC MESSAGE BOARD	\$ 150.00
96	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	3/31/2024	COMMONWEALTH JOURNAL	\$ 129.00	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 129.00
97	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	2/29/2024	COMMONWEALTH JOURNAL	\$ 199.00	ADVERTISING-CHAMBER MAGAZINE	\$ 199.00
98	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	12/15/2023	KEC INC	\$ 578.31	ADVT-RADIO/TV/NWSPAPER/PAMPHLT/DIRECTORY	\$ 578.31
99	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	12/13/2023		\$ (1,079.00)	Cash Register	\$ (1,079.00)
100	930.1	GENERAL ADVERTISING EXPENSE	7260 - ADVERTISING	8/16/2023		\$ (200.00)	EKPC-APPLE FESTIVAL SPONSOR	\$ (200.00)
101	426.4	EXP FOR CER CIVIC, POL & REL ACT	7300 - PUBLIC RELATIONS/GOODWILL	3/22/2024	SOM PUL CHAMBER OF COMMERCE	\$ 2,000.00	RE: OPERATION BEAUTIFICATION	\$ 2,000.00
102	426.4	EXP FOR CER CIVIC, POL & REL ACT	7300 - PUBLIC RELATIONS/GOODWILL	2/28/2024	SOM PUL CHAMBER OF COMMERCE	\$ 1,000.00	YOUNG ENTREPRENEURS ACADEMY	\$ 1,000.00
103	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	5/20/2024	LAKE CUMBERLAND AIR SHOW IN	\$ 1,000.00	LAKE CUMB AIR SHOW SPONSORSHIP	\$ 1,000.00
104	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	5/7/2024	RUSSELL CO LAKER BASEBALL	\$ 100.00	HOLE SPONSOR-RUSS CO BASEBALL	\$ 100.00
105	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	4/25/2024	HABITAT FOR HUMANITY PULASKI	\$ 625.00	HABITAT FOR HUMANITY GOLF SCRAMBLE	\$ 625.00
106	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	4/12/2024	ALZHEIMERS ASSOCIATION	\$ 1,500.00	WALK TO END ALZHEIMER'S-SILVER SPONSOR	\$ 1,500.00
107	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/21/2024	SOM PUL CHAMBER OF COMMERCE	\$ 5,000.00	PC CHAMBER WORLD CLASS SPONSOR	\$ 5,000.00
108	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/5/2024	MASTER MUSICIANS FESTIVAL	\$ 1,000.00	MASTER MUSICIANS FESTIVAL	\$ 1,000.00
109	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/8/2024	SHOPVILLE ELEMENTARY SCHO	\$ 100.00	SHOPVILLE ELEMENTARY-HOLE SPONSOR	\$ 100.00
110	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/1/2024	NORTHERN MIDDLE VOLLEYBALL	\$ 100.00	NMS VOLLEYBALL-SPONSORSHIP	\$ 100.00
111	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/1/2024	SOMERNITES CRUISE INC	\$ 500.00	EAST KENTUCKY-SOMERNITES CRUISE	\$ 500.00
112	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/1/2024	SOMERNITES CRUISE INC	\$ 500.00	SOMERNITES CRUISE	\$ 500.00
113	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	12/31/2023	BURNSIDE TOURISM	\$ 500.00	CHRISTMAS ISLAND	\$ 500.00
114	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	1/1/2024	AMBASSADOR COMPANY	\$ 300.00	AMBASSADOR COMPANY	\$ 300.00
115	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	10/31/2023	MCCREARY CO MUSEUM	\$ 200.00	MCCREARY CO MUSEUM-DONATION	\$ 200.00
116	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	10/12/2023	MWC TOURISM COMMISSION	\$ 500.00	MWC-SILVER SPONSORSHIP	\$ 500.00
117	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	10/5/2023	SOUTHERN MIDDLE SCHOOL-GOL	\$ 100.00	SMS-HOLE SPONSORSHIP	\$ 100.00
118	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	10/5/2023	CLINTON COUNTY GOLF BOOSTER	\$ 100.00	CCHS HOLE SPONSORSHIP	\$ 100.00
119	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	9/7/2023	MCCREARY CO HERITAGE	\$ 100.00	OVC CHARITY GOLF-HOLE SPONSORSHIP	\$ 100.00
120	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	8/23/2023	KRUS	\$ 100.00	KRUS GOLF HOLE SPONSOR	\$ 100.00
121	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	7/24/2023	COBB-VANTRESS	\$ 450.00	KENTUCKY POULTRY FESTIVAL	\$ 450.00
122	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	7/20/2023	SOMERSET HIGH BOYS GOLF TEA	\$ 100.00	SHS BOYS GOLF-HOLE SPONSORSHIP	\$ 100.00
123	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	7/17/2023	LAKE CUMB BLUEGRASS FESTIVA	\$ 200.00	BLUEGRASS FESTIVAL - GOLD SPONSORHIP	\$ 200.00
124	930.1	GENERAL ADVERTISING EXPENSE	7300 - PUBLIC RELATIONS/GOODWILL	2/1/2024		\$ (500.00)	MR Invoice	\$ (500.00)
125	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/17/2023	LUMBER KING INC - WC	\$ 49.81	CHRISTMAS PARADE	\$ 49.81
126	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/20/2023	LUMBER KING INC - WC	\$ 86.51	CHRISTMAS PARADE	\$ 86.51
127	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/30/2023	H T HACKNEY COMPANY	\$ 243.81	CANDY-H T HACKNEY	\$ 243.81
128	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/20/2023	H T HACKNEY COMPANY	\$ 265.98	CANDY-H T HACKNEY	\$ 265.98
129	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	12/6/2023	COFFEY, TIMOTHY A	\$ 689.15	CHRISTMAS PARADE	\$ 689.15
130	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	12/6/2023	HUTTON, DOUGLAS EDWARD	\$ 760.00	PUBLIC RELATIONS	\$ 760.00
131	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/30/2023	H T HACKNEY COMPANY	\$ (230.01)	CANDY-H T HACKNEY	\$ (230.01)
132	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/30/2023	H T HACKNEY COMPANY	\$ (20.91)	CANDY-H T HACKNEY	\$ (20.91)
133	930.11	GEN ADVERTISING (FAIRS & PARADE)	7300 - PUBLIC RELATIONS/GOODWILL	11/30/2023	H T HACKNEY COMPANY	\$ 230.01	CANDY-H T HACKNEY	\$ 230.01
134	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	1/25/2024	EAST KENTUCKY POWER COOP	\$ 2,000.00	HNR FLGHT/SPEC OLMPCS/RON MCDON HOUSE	\$ 2,000.00

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**Donations, Promotional Advertising, Dues & Other**

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
135	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	3/29/2024	CARTER, DAKOTA	\$ 41.31	DAKOTA CARTER-SUCKERS REIMBURSEMENT	\$ 41.31
136	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	3/26/2024	JOHNSON, MELISSA	\$ 38.00	CAREER DAY-SOUTHERN MIDDLE	\$ 38.00
137	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	11/6/2023	WILSON, MARK P	\$ 27.54	PUBLIC RELATIONS EXPENSE	\$ 27.54
138	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	11/6/2023	HUTTON, DOUGLAS EDWARD	\$ 1,310.50	PUBLIC RELATIONS	\$ 1,310.50
139	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	10/6/2023	HUTTON, DOUGLAS EDWARD	\$ 1,165.44	PUBLIC RELATIONS EXP	\$ 1,165.44
140	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	10/6/2023	COFFEY, TIMOTHY A	\$ 849.76	PUBLIC RELATIONS EXP	\$ 849.76
141	930.2	MISCELLANEOUS GENERAL EXPENSES	7300 - PUBLIC RELATIONS/GOODWILL	6/6/2023	TURPIN, JOYCE	\$ 675.70	LEADERSHIP LAKE CUMBERLAND	\$ 675.70
142	426.4	EXP FOR CER CIVIC,POL & REL ACT	7305 - CIVIC CLUBS MEALS & EXPENSE	5/17/2024	SOMERSET ROTARY CLUB	\$ 200	ROTARY CLUB-ELECTION PANCAKE BREAKFAST	\$ 200.00
143	426.4	EXP FOR CER CIVIC,POL & REL ACT	7305 - CIVIC CLUBS MEALS & EXPENSE	2/8/2024	ROTARY INTERNATIONAL DINNER	\$ 1,000.00	ROTARY CLUB-INTERNATIONAL DINNER	\$ 1,000.00
144	426.4	EXP FOR CER CIVIC,POL & REL ACT	7305 - CIVIC CLUBS MEALS & EXPENSE	12/27/2023	SOM PUL CHAMBER OF COMMERCE	\$ 500	SOM PUL CHAMBER OF COMM AWARDS BANQUET	\$ 500.00
145	426.4	EXP FOR CER CIVIC,POL & REL ACT	7305 - CIVIC CLUBS MEALS & EXPENSE	10/18/2023	RUSSELL CHAMBER OF COMMERCE	\$ 60	RUSSELL CHAMBER OF COMMERCE BANQUET	\$ 60.00
146	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	5/13/2024	HUTTON, DOUGLAS EDWARD	\$ 104.94	DONATIONS	\$ 104.94
147	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	4/8/2024	BLEVINS, MORGHAN D	\$ 135.53	DONATIONS	\$ 135.53
148	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	4/18/2024	MARCH OF DIMES	\$ 500	MARCH OF DIMES SPONSOR	\$ 500.00
149	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	3/7/2024	BURNSIDE ELEMENTARY	\$ 50	BURNSIDE ELEMENTARY SCHOOL-ROBOTICS TEAM	\$ 50.00
150	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	4/11/2024	PULASKI COUNTY PUBLIC LIBRAR	\$ 150	PULASKI COUNTY IMAGINATION LIBRARY	\$ 150.00
151	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	3/25/2024	THE CENTER FOR RURAL DEVELOP	\$ 2,500.00	ROGERS SCHOLARS PROGRAM	\$ 2,500.00
152	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	3/26/2024	YOUNG PROFESSIONAL LAKE CUM	\$ 600	GOLF SCRAMBLE-DOUBLE TEE PACKAGE	\$ 600.00
153	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	3/4/2024	SOMERSET HIGH SCHOOL	\$ 25	SOMERSET HIGH SCHOOL-SCIENCE PRIZE	\$ 25.00
154	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	2/29/2024	SOMERSET HIGH SCHOOL DRAMA	\$ 100	SHS DRAMA-THE LITTLE MERMAID	\$ 100.00
155	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	2/13/2024	FRIENDS OF WOLF CREEK NFH	\$ 500	FRIENDS OF WOLF CREEK-FISHING DERBY	\$ 500.00
156	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	2/8/2024	SHOPVILLE ELEMENTARY SCHOO	\$ 240	SHOPVILLE ELEMENTARY-GOLF SCRAMBLE	\$ 240.00
157	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/18/2024	WAYNE CO HS CHEER BOOSTERS	\$ 20	WAYNE CO VARSITY CHEER-DONATION	\$ 20.00
158	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/18/2024	AMERICAN CANCER SOCIETY	\$ 1,000.00	AMERICAN CANCER-RELAY FOR LIFE	\$ 1,000.00
159	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/8/2024	HUTTON, DOUGLAS EDWARD	\$ 97.94	DONATIONS-OLLIE'S	\$ 97.94
160	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/8/2024	HUTTON, DOUGLAS EDWARD	\$ 366.59	DONATIONS-TJ MAXX	\$ 366.59
161	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/8/2024	BLEVINS, MORGHAN D	\$ 71.68	DONATIONS	\$ 71.68
162	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	1/10/2024	PULASKI COUNTY DANCE TEAM	\$ 50	PULASKI COUNTY DANCE TEAM	\$ 50.00
163	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	12/6/2023	BLEVINS, MORGHAN D	\$ 691.02	DONATIONS	\$ 691.02
164	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	12/8/2023	BRANSNUM, TERRY	\$ 250	HOMELESS CHRISTMAS DINNERS	\$ 250.00
165	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	11/16/2023	THINKING OF YOU LLC	\$ 185.50	CHAMBER OF COMMERCE-AUCTION	\$ 185.50
166	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	11/6/2023	BLEVINS, MORGHAN D	\$ 63.58	DONATIONS	\$ 63.58
167	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	11/30/2023		\$ 124.27	Miscellaneous Charges	\$ 124.27
168	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	11/6/2023	TURPIN, JOYCE	\$ 27.52	KEC CONFERENCE BASKET	\$ 27.52
169	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	11/6/2023	TURPIN, JOYCE	\$ 12.48	KEC CONFERENCE BASKET	\$ 12.48
170	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	10/6/2023	BLEVINS, MORGHAN D	\$ 210.98	DONATIONS	\$ 210.98
171	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	10/11/2023	THE CENTER FOR RURAL DEVELOP	\$ 2,500.00	ROGERS SCHOLARS PROGRAM	\$ 2,500.00
172	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	10/12/2023	OAK HILL ELEMENTARY SCHOOL	\$ 200	OAK HILL ELEMENTARY PTO	\$ 200.00
173	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	9/30/2023		\$ 1,000.00	CFC-INTEGRITY FUND CONTRIBUTION	\$ 1,000.00
174	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	8/23/2023	FRIENDS OF WOLF CREEK NFH	\$ 500	FRIENDS OF WOLF CREEK-FISHING DERBIES	\$ 500.00
175	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	8/23/2023	WHITLEY CITY ELEMENTARY	\$ 50	WHITLEY CITY ELEMENTARY FOOTBALL	\$ 50.00
176	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	8/23/2023	RUSSELL CO BAND BOOSTERS	\$ 100	RUSSELL CO BAND	\$ 100.00
177	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	8/23/2023	KRUS	\$ 400	KRUS GOLF SCRAMBLE	\$ 400.00
178	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	8/7/2023	TURPIN, JOYCE	\$ 122.96	KEC WIRE AUCTION GIFT	\$ 122.96
179	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	7/17/2023	BLEVINS, MORGHAN D	\$ 31.76	DONATIONS	\$ 31.76
180	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	7/16/2023	AMERICAN CANCER SOCIETY	\$ 400	DENIM & DIAMONDS TABLE	\$ 400.00
181	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	7/6/2023	UNITED WAY OF SO CENTRAL KY	\$ 300	UNITED WAY-GOLF SCRAMBLE TEAM	\$ 300.00
182	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	6/23/2023	ALBANY CLINTON CO CHAMBER	\$ 250	CLINTON CHAMBER FIREWORKS	\$ 250.00
183	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	6/14/2023	BLUE GRASS COUNCIL, BSA	\$ 500	BSA-HAL ROGERS DINNER	\$ 500.00
184	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	7310 - DONATIONS	6/6/2023	TURPIN, JOYCE	\$ 58.28	CHAMBER GOLF PRIZE	\$ 58.28
185	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	5/8/2024	KEC INC	\$ 38,405.20	KENTUCKY LIVING	\$ 38,405.20
186	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	4/10/2024	KEC INC	\$ 27,557.86	KENTUCKY LIVING	\$ 27,557.86
187	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	3/6/2024	KEC INC	\$ 27,649.66	KENTUCKY LIVING	\$ 27,649.66
188	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	2/13/2024	KEC INC	\$ 27,799.18	KENTUCKY LIVING	\$ 27,799.18
189	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	1/29/2024	KEC INC	\$ 27,886.91	KENTUCKY LIVING	\$ 27,886.91
190	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	12/8/2023	KEC INC	\$ 28,024.88	KENTUCKY LIVING	\$ 28,024.88
191	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	11/16/2023	KEC INC	\$ 28,177.29	KENTUCKY LIVING	\$ 28,177.29
192	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	10/6/2023	KEC INC	\$ 28,603.91	KENTUCKY LIVING	\$ 28,603.91
193	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	9/14/2023	KEC INC	\$ 28,673.19	KENTUCKY LIVING	\$ 28,673.19
194	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	8/3/2023	KEC INC	\$ 28,667.42	KENTUCKY LIVING	\$ 28,667.42
195	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	7/7/2023	KEC INC	\$ 28,951.43	KENTUCKY LIVING	\$ 28,951.43
196	930.2	MISCELLANEOUS GENERAL EXPENSES	7320 - KENTUCKY LIVING	6/6/2023	KEC INC	\$ 28,144.17	KENTUCKY LIVING	\$ 28,144.17
197	930.2	MISCELLANEOUS GENERAL EXPENSES	0 - Unassigned Activity	6/27/2023		\$ (11,900.00)	Cash Register	\$ (11,900.00)
198	930.2	MISCELLANEOUS GENERAL EXPENSES	0 - Unassigned Activity	6/27/2023		\$ 11,900.00	EKPC LED REIMBURSEMENT	\$ 11,900.00
199	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	4/29/2024	NEW HORIZON GRAPHICS	\$ 15.90	VINYL COVER UP-MEMBER APPRECIATION DAY	\$ 15.90
200	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/5/2023	NEW HORIZON GRAPHICS	\$ 687.41	(54) SIGNS-MEMBER APPRECIATION DAY	\$ 687.41
201	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/24/2024	MAGIC MONOGRAMS INC	\$ 1,418.17	(182)SHIRTS-MEMBERSHIP DAY	\$ 1,418.17

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

Donations, Promotional Advertising, Dues & Other

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
202	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	3/7/2024	KEC INC	\$ 33,507.02	MEMBER APPRECIATION-BUCKETS AND BULBS	
203	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/27/2023		\$ (11,900.00)	EKPC LED REIMBURSEMENT	
204	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	9/1/2023	VERIZON	\$ (176.76)	TABLETS-MEM APP DAY	
205	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	8/1/2023	VERIZON	\$ 248.28	TABLETS-MEM APP DAY	
206	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/1/2023	VERIZON	\$ 285.20	TABLETS-MEM APP DAY	
207	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/2/2023	WHITAKER ARTS LLC	\$ 550.00	LIVE STREAM-ANNUAL MEETING	
208	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/1/2023	VERIZON	\$ 222.77	TABLETS-MEMBER APP DAY	
209	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/7/2023	HUNTERS BAR-B-Q	\$ 228.66	ALBANY MEMBER APP DAY MEALS	
210	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/31/2024	TUTTLE, TRE	\$ 64.37	MEMBERSHIP DAY	
211	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/31/2024	TUTTLE, TRE	\$ 69.40	MEMBER APPRECIATION DAY	
212	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/13/2024	HUTTON, DOUGLAS EDWARD	\$ 2,531.28	ANNUAL MEETING PRIZE	\$ 2,531.28
213	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/6/2024	SMITH, JACKSON	\$ 37.29	ANNUAL MEETING	
214	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/6/2024	COFFEY, TIMOTHY A	\$ 1,852.43	ANNUAL MEETING PRIZE	\$ 1,852.43
215	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/6/2023	TUTTLE, TRE	\$ 9.91	ANNUAL MEETING/MEMBER APP DAY	
216	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/6/2023	COFFEY, TIMOTHY A	\$ 30.74	ANNUAL MEETING	
217	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/6/2023	NEWTON, KEVIN	\$ 164.35	ANNUAL MEETING	
218	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/6/2023	WOOD, REGINA	\$ 444.38	ANNUAL MEETING	
219	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	7/6/2023	ERISMAN, GREGORY S	\$ 63.44	BREAKFAST-MONTICELLO ANN MEETING/MEM APP	
220	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/7/2023	HONEYCUTT, SHANA L	\$ 298.66	MEMBER APPRECIATION DAY-MEAL	
221	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	TAYLOR, STANLEY B	\$ 22.95	MEMBER APPRECIATION DAY-WHITLEY	
222	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	TAYLOR, STANLEY B	\$ 135.33	ANNUAL MEETING/MEMBER APP DAY	
223	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	TUTTLE, TRE	\$ 333.54	TABLET POWER BANKS	
224	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	BUTTE, MELISA	\$ 191.88	ANNUAL MEETING/MEM APP DAY	
225	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/7/2023	JOHNSON, MELISSA	\$ 72.45	ANNUAL MEETING/MEMBER APP DAY	
226	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	COFFEY, TIMOTHY A	\$ 233.23	ANNUAL MEETING/MEMBER APP DAY	
227	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/5/2023	TAYLOR, STANLEY B	\$ 92.02	ANNUAL MEETING/MEMBER APP DAY	
228	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	6/6/2023	SHADOAN, TONI	\$ 137.29	ANNUAL MEETING/MEMBER APP DAY	
229	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/31/2024	WMKZ	\$ (36.75)	AD-MEMB APP DAYS	
230	930.2	MISCELLANEOUS GENERAL EXPENSES	7330 - ANNUAL MEETING/MEMBERSHIP DAY	5/31/2024	WMKZ	\$ 36.75	AD-MEMB APP DAYS	
231	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	10/13/2023	SOMERSET COMMUNITY COLLEGE	\$ 1,000.00	SCHOLARSHIP-PATRICK MEYER	\$ 1,000.00
232	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	8/14/2023	SOMERSET COMMUNITY COLLEGE	\$ 1,000.00	SCHOLARSHIP-ELIZABETH HOSKINS	\$ 1,000.00
233	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	8/9/2023	UNIVERSITY OF LOUISVILLE	\$ 1,000.00	SCHOLARSHIP-CHARLES MCGUIRE	\$ 1,000.00
234	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	8/4/2023	SOMERSET COMMUNITY COLLEGE	\$ 1,000.00	SCHOLARSHIP-ADDISON LANGFORD	\$ 1,000.00
235	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	7/20/2023	SOMERSET COMMUNITY COLLEGE	\$ 1,000.00	SCHOLARSHIP-CHLOE ELAINE MOORE	\$ 1,000.00
236	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	6/27/2023	MURRAY STATE UNIVERSITY	\$ 1,000.00	SCHOLARSHIP-ETHAN MEGGS	\$ 1,000.00
237	930.23	ANNUAL MEETING EXPENSE	7340 - SCHOLARSHIPS-YOUTH	6/21/2023	UNIVERSITY OF CUMBERLANDS	\$ 1,000.00	SCHOLARSHIP-EMILY BURNS	\$ 1,000.00
238	930.2	MISCELLANEOUS GENERAL EXPENSES	7365 - EMPLOYEE EXP-OUTING/PARTY	10/11/2023	BEAR WALLOW FARM	\$ 4,290.88	BEAR WALLOW FARM-EMPLOYEE PICNIC	\$ 4,290.88
239	930.2	MISCELLANEOUS GENERAL EXPENSES	7365 - EMPLOYEE EXP-OUTING/PARTY	10/6/2023	HUTTON, DOUGLAS EDWARD	\$ 205.35	EMPLOYEE OUTING EXP	\$ 205.35
240	930.11	GEN ADVERTISING (FAIRS & PARADE)	8100 - TRANSPORTATION	12/31/2023		\$ 109.57	TRANSPORTATION DISTRIBUTION	
241	930.11	GEN ADVERTISING (FAIRS & PARADE)	8100 - TRANSPORTATION	11/30/2023		\$ 370.82	TRANSPORTATION DISTRIBUTION	
242	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	7/31/2023		\$ (156.25)	CORRECT 48528-TRK#426 SLAVEY	
243	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	11/30/2023		\$ 154.51	TRANSPORTATION DISTRIBUTION	
244	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	7/31/2023		\$ 156.25	CORRECT 48528-TRK#426 SLAVEY	
245	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	7/31/2023		\$ 156.25	TRANSPORTATION DISTRIBUTION	
246	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 193.79	TRANSPORTATION DISTRIBUTION	
247	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 206.75	TRANSPORTATION DISTRIBUTION	
248	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 221.46	TRANSPORTATION DISTRIBUTION	
249	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 232.80	TRANSPORTATION DISTRIBUTION	
250	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 412.17	TRANSPORTATION DISTRIBUTION	
251	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 493.85	TRANSPORTATION DISTRIBUTION	
252	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 807.33	TRANSPORTATION DISTRIBUTION	
253	930.2	MISCELLANEOUS GENERAL EXPENSES	8100 - TRANSPORTATION	6/30/2023		\$ 1,879.32	TRANSPORTATION DISTRIBUTION	
254	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	5/31/2024		\$ 4,181.86	AMORTIZE NRECA DUES	\$ 4,181.86
255	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	4/30/2024		\$ 4,181.86	AMORTIZE NRECA DUES	\$ 4,181.86
256	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	3/31/2024		\$ 4,181.86	AMORTIZE NRECA DUES	\$ 4,181.86
257	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	2/29/2024		\$ 4,181.86	AMORTIZE NRECA DUES	\$ 4,181.86
258	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	1/31/2024		\$ 4,181.86	AMORTIZE NRECA DUES	\$ 4,181.86
259	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	12/31/2023		\$ 5,227.33	AMORTIZE NRECA DUES	\$ 5,227.33
260	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	12/31/2023		\$ 5,227.33	AMORTIZE NRECA DUES	\$ 5,227.33
261	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	11/30/2023		\$ 5,227.33	AMORTIZE NRECA DUES	\$ 5,227.33
262	930.22	DUES & EXPENSE - ASSOC COMPANIES	8519 - AMORTIZE NRECA DUES	12/31/2023		\$ 5,227.37	BALANCE ADJUSTMENTS DUE TO CONVERSION	\$ 5,227.37
263	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	12/31/2023		\$ (11,282.33)	AMORTIZE KEC DUES	\$ (11,282.33)
264	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	8/31/2023		\$ 14,391.66	AMORTIZE KEC DUES	\$ 14,391.66
265	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	7/31/2023		\$ 14,391.66	AMORTIZE KEC DUES	\$ 14,391.66
266	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	6/30/2023		\$ 14,391.66	AMORTIZE KEC DUES	\$ 14,391.66
267	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	11/30/2023		\$ 14,391.69	AMORTIZE KEC DUES	\$ 14,391.69
268	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	10/31/2023		\$ 14,391.69	AMORTIZE KEC DUES	\$ 14,391.69

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Donations, Promotional Advertising, Dues & Other**

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
269	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	9/30/2023		\$ 14,391.69	AMORTIZE KEC DUES	\$ 14,391.69
270	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	5/31/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
271	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	5/31/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
272	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	4/30/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
273	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	3/31/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
274	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	2/29/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
275	930.22	DUES & EXPENSE - ASSOC COMPANIES	8520 - AMORTIZE KEC DUES	1/31/2024		\$ 14,524.00	AMORTIZE KEC DUES	\$ 14,524.00
276	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	3/20/2024	SOUTH KY RECC - WHITLEY CITY	\$ 1.06	CARD-JUSTIN WATTERS-GRANDMOTHER	\$ 1.06
277	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	3/20/2024	SOUTH KY RECC - WHITLEY CITY	\$ 1.06	CARD-NANCY DUNCAN	\$ 1.06
278	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	9/1/2023	THINKING OF YOU LLC	\$ 195.48	JAMES VANHOOK (JEANNIE WOOD)	\$ 195.48
279	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	8/30/2023	SIMPLY THE BEST	\$ 62.99	SYMPATHY-JEANNIE WOOD	\$ 62.99
280	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	4/10/2024	WOOD, REGINA	\$ 150.00	FLOWERS, GIFTS, ETC.	\$ 150.00
281	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	2/29/2024	WOOD, REGINA	\$ 244.83	FLOWERS, GIFTS, ETC.	\$ 244.83
282	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	1/8/2024	WOOD, REGINA	\$ 175.00	FLOWERS, GIFTS, ETC.	\$ 175.00
283	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	1/8/2024	BLEVINS, MORGHAN D	\$ 150.00	EMPLOYEE CONTEST GIFT CARDS	\$ 150.00
284	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	12/13/2023	JOHNSON, MELISSA	\$ 137.19	FLOWERS, GIFTS, ETC.	\$ 137.19
285	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	12/13/2023	JOHNSON, MELISSA	\$ 80.19	FLOWERS, GIFTS, ETC.	\$ 80.19
286	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	12/6/2023	WOOD, REGINA	\$ 68.90	FLOWERS, GIFTS, ETC.	\$ 68.90
287	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	12/6/2023	BLEVINS, MORGHAN D	\$ 262.33	FLOWERS, GIFTS, ETC.	\$ 262.33
288	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	10/6/2023	TYREE, TOMMY D	\$ 16.38	FLOWERS, GIFTS, ETC.	\$ 16.38
289	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	10/6/2023	TURPIN, JOYCE	\$ 42.96	FLOWERS, GIFTS, ETC.	\$ 42.96
290	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	10/6/2023	PENDERGRASS, ROBIN	\$ 447.86	FLOWERS, GIFTS, ETC.	\$ 447.86
291	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	10/6/2023	WOOD, REGINA	\$ 68.90	FLOWERS, GIFTS, ETC.	\$ 68.90
292	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	9/8/2023	SIMMONS, KENNETH E	\$ 54.62	RETIREMENT-PARKEY/TRIMBLE	\$ 54.62
293	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	9/7/2023	NEWTON, KEVIN	\$ 200.00	FLOWERS, GIFTS, ETC.	\$ 200.00
294	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	9/6/2023	WOOD, REGINA	\$ 162.60	FLOWERS, GIFTS, ETC.	\$ 162.60
295	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	8/16/2023	JOHNSON, MELISSA	\$ 150.00	FLOWERS, GIFTS, ETC.	\$ 150.00
296	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	8/4/2023	CAUDILL, AMY	\$ 25.00	FLOWERS, GIFTS, ETC.	\$ 25.00
297	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	7/15/2023	JOHNSON, MELISSA	\$ 115.99	FLOWERS, GIFTS, ETC.	\$ 115.99
298	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	7/21/2023	JOHNSON, MELISSA	\$ 89.49	FLOWERS, GIFTS, ETC.	\$ 89.49
299	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	7/6/2023	NEWTON, KEVIN	\$ 117.15	FLOWERS, GIFTS, ETC.	\$ 117.15
300	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	7/6/2023	TURPIN, JOYCE	\$ 287.20	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 287.20
301	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	6/23/2023	JOHNSON, MELISSA	\$ 78.89	FLOWERS, GIFTS, ETC.	\$ 78.89
302	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	6/6/2023	BLEVINS, MORGHAN D	\$ 120.00	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 120.00
303	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	6/2/2023	JOHNSON, MELISSA	\$ 79.95	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 79.95
304	930.2	MISCELLANEOUS GENERAL EXPENSES	9200 - EMPLOYEE BENEFITS	6/5/2023	JOHNSON, MELISSA	\$ 21.70	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 21.70
305	930.2	MISCELLANEOUS GENERAL EXPENSES	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	2/26/2024	MODERN DISTRIBUTORS INC	\$ 665.31	02/22 MODERN DISTRIBUTORS	\$ 665.31
306	930.2	MISCELLANEOUS GENERAL EXPENSES	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	12/11/2023	MODERN DISTRIBUTORS INC	\$ 444.88	12/08/23 MANAGER'S CHRISTMAS MEETING	\$ 444.88
307	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	4/8/2024	GOSS, MARK D	\$ 83.08	MILEAGE-UNION NEGOTIATIONS	\$ 83.08
308	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	1/18/2024	GOSS, MARK D	\$ 166.16	MILEAGE	\$ 166.16
309	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	4/1/2024	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
310	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	3/1/2024	GOSS, MARK D	\$ 1,060.00	TRAVEL EXPENSE	\$ 1,060.00
311	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	3/1/2024	GOSS, MARK D	\$ 569.72	TRAVEL EXPENSE	\$ 569.72
312	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	3/1/2024	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
313	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	2/6/2024	NEWTON, KEVIN	\$ 49.47	EDUCATIONAL/TRAINING EXPENSE	\$ 49.47
314	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	1/17/2024	GOSS, MARK D	\$ 40.36	TRAVEL EXPENSE	\$ 40.36
315	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	2/1/2024	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
316	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	1/8/2024	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
317	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	1/10/2024	GOSS, MARK D	\$ 47.67	TRAVEL EXPENSE	\$ 47.67
318	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	12/13/2023	GOSS, MARK D	\$ 48.12	TRAVEL EXPENSE	\$ 48.12
319	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	12/4/2023	GOSS, MARK D	\$ 15.86	TRAVEL EXPENSE	\$ 15.86
320	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	11/21/2023	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
321	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	10/11/2023	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
322	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	9/17/2023	GOSS, MARK D	\$ 10.00	LEGAL COUNSEL EXPENSE	\$ 10.00
323	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	9/2/2023	GOSS, MARK D	\$ 10.00	LEGAL COUNSEL EXPENSE	\$ 10.00
324	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	7/29/2023	GOSS, MARK D	\$ 5.00	LEGAL COUNSEL EXPENSE	\$ 5.00
325	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	7/19/2023	GOSS, MARK D	\$ 13.84	TRAVEL EXPENSE	\$ 13.84
326	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	9610 - EMPLOYEE TRAVEL/MTG/MEAL EXP	6/2/2023	GOSS, MARK D	\$ 5.00	STAFF LEGAL COUNSEL EXPENSE	\$ 5.00
327	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	4/18/2024	CHOICE DIGITAL CORP	\$ 1,875.00	(75) GIFT CARDS-EMPLOYEE APPRECIATION	\$ 1,875.00
328	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/10/2024	SWEETS BY SHANDI	\$ (75.00)	VOID CHK#207540-SWEETS BY SHANDI	\$ (75.00)
329	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/2/2024	SWEETS BY SHANDI	\$ 75.00	RETIREMENT CAKE (MELISA BUTTE)	\$ 75.00
330	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/7/2024	CHOICE DIGITAL CORP	\$ 1,275.00	(51) GIFT CARDS-LINEMEN APPRECIATION	\$ 1,275.00
331	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/14/2024	BERSOK, ROBERT	\$ 259.80	FLOWERS, GIFTS, ETC.	\$ 259.80
332	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/29/2023	RAMSEY, MICHAEL	\$ 110.20	MIKE RAMSEY-JAMES EASTHAM RETIREMENT	\$ 110.20
333	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	5/6/2024	BLEVINS, MORGHAN D	\$ 105.00	ARBOR DAY TRIVIA GIFT CARDS	\$ 105.00
334	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	5/6/2024	TURPIN, JOYCE	\$ 341.05	FLOWERS, GIFTS, ETC.	\$ 341.05
335	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	4/10/2024	WOOD, REGINA	\$ 115.85	FLOWERS, GIFTS, ETC.	\$ 115.85



SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024

Donations, Promotional Advertising, Dues & Other

Line	Account	Account Desc	Activity	Date	Vendor Name	Amount	Reference	REMOVE
336	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	4/8/2024	BAKER, KENDRA	\$ 240.54	FLOWERS, GIFTS, ETC.	\$ 240.54
337	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	4/8/2024	TURPIN, JOYCE	\$ 197.45	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 197.45
338	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	HENDERLIGHT, MARY LOU	\$ 35.53	SHELLEY FAREWELL PARTY	\$ 35.53
339	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	BLEVINS, MORGHAN D	\$ 75.35	FLOWERS, GIFTS, ETC.	\$ 75.35
340	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/29/2024	WOOD, REGINA	\$ 41.99	FLOWERS, GIFTS, ETC.	\$ 41.99
341	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/29/2024	WOOD, REGINA	\$ 99.94	FLOWERS, GIFTS, ETC.	\$ 99.94
342	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	NEWTON, KEVIN	\$ 233.95	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 233.95
343	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	TURPIN, JOYCE	\$ 8.96	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 8.96
344	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	TURPIN, JOYCE	\$ 49.95	FAREWELL-SHELLEY YOUNG	\$ 49.95
345	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	TURPIN, JOYCE	\$ 215.40	FLOWERS, GIFTS, ETC	\$ 215.40
346	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	TURPIN, JOYCE	\$ 700.00	RETIREE LUNCHEON	\$ 700.00
347	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	3/6/2024	HUTTON, DOUGLAS EDWARD	\$ 228.89	RETIREE LUNCHEON	\$ 228.89
348	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/7/2024	WOOD, REGINA	\$ 95.94	MELISA BUTTE-RETIREMENT CAKE	\$ 95.94
349	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/6/2024	BLEVINS, MORGHAN D	\$ 90.00	FLOWERS, GIFTS, ETC.	\$ 90.00
350	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	2/6/2024	TURPIN, JOYCE	\$ 53.85	FLOWERS, GIFTS, ETC	\$ 53.85
351	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	WOOD, REGINA	\$ 53.00	FLOWERS, GIFTS, ETC.	\$ 53.00
352	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	WOOD, REGINA	\$ 23.28	FLOWERS, GIFTS, ETC.	\$ 23.28
353	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	WESLEY, BRANDON	\$ 29.13	RETIREMENT PARTY-EASTHAM	\$ 29.13
354	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	CHUMBLEY, ERIC	\$ 277.79	RETIREMENT BREAKFAST-EASTHAM	\$ 277.79
355	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	TURPIN, JOYCE	\$ 21.95	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 21.95
356	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	TURPIN, JOYCE	\$ 197.45	FLOWERS, GIFTS, ETC	\$ 197.45
357	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	1/8/2024	FLETCHER, RICKY W	\$ 99.71	EMPLOYEE CHRISTMAS BREAKFAST	\$ 99.71
358	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/16/2023	GOSS, MARK D	\$ 1,453.70	EXECUTIVE TEAM CHRISTMAS DINNER	\$ 1,453.70
359	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/6/2023	PENDERGRASS, ROBIN	\$ 229.61	RETIREE BREAKFAST	\$ 229.61
360	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/6/2023	TURPIN, JOYCE	\$ 241.40	FLOWERS, GIFTS, ETC.	\$ 241.40
361	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/6/2023	TURPIN, JOYCE	\$ 650.00	RETIREE BREAKFAST	\$ 650.00
362	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	12/6/2023	HUTTON, DOUGLAS EDWARD	\$ 189.83	RETIREE BREAKFAST	\$ 189.83
363	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	11/6/2023	TURPIN, JOYCE	\$ 143.60	FLOWERS, GIFTS, ETC.	\$ 143.60
364	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	10/6/2023	TURPIN, JOYCE	\$ 197.45	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 197.45
365	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	9/6/2023	TURPIN, JOYCE	\$ 179.50	FLOWERS, GIFTS, ETC.	\$ 179.50
366	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	8/7/2023	TURPIN, JOYCE	\$ (125.65)	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ (125.65)
367	930.2	MISCELLANEOUS GENERAL EXPENSES	9620 - EMPLOYEE APPRECIATION/WELLNESS	8/7/2023	TURPIN, JOYCE	\$ 197.45	EMP APPRECIATION EXP-FLOWERS, GIFTS, ETC	\$ 197.45
368	930.2	MISCELLANEOUS GENERAL EXPENSES	9630 - EMPLOYEE MISC EXPENSE	5/29/2024	HEMOCOURT MOVING CO.	\$ 10,790.80	CARRIE BESSINGER-MOVING EXPENSES	\$ 10,790.80
369	930.2	MISCELLANEOUS GENERAL EXPENSES	9630 - EMPLOYEE MISC EXPENSE	11/16/2023	TAYLOR, STANLEY B	\$ 200.34	EMPLOYEE MISC EXPENSE	\$ 200.34
370	930.2	MISCELLANEOUS GENERAL EXPENSES	9630 - EMPLOYEE MISC EXPENSE	12/6/2023	HUTTON, DOUGLAS EDWARD	\$ 63.60	EMPLOYEE MISC EXPENSE	\$ 63.60
371	930.2	MISCELLANEOUS GENERAL EXPENSES	9630 - EMPLOYEE MISC EXPENSE	12/1/2023	SHADOAN, TONI	\$ 169.60	EMPLOYEE MISC EXPENSE	\$ 169.60
372	930.2	MISCELLANEOUS GENERAL EXPENSES	9630 - EMPLOYEE MISC EXPENSE	6/6/2023	TURPIN, JOYCE	\$ 197.45	DONATIONS	\$ 197.45
373	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	5/31/2024	WFLW-WKYM	\$ 174.00	DIRECTOR ELECTION-ADS FOR MEMBERSHIP DAY	
374	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	5/31/2024	WMKZ	\$ 178.75	AD-DIRECTOR ELECTION	
375	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	3/1/2024	HANCOCK, JAMES M	\$ 350.00	ELECTIONS/CREDENTIALS COMMITTEE	
376	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	3/1/2024	JONES II, JOHN PAUL	\$ 550.00	ELECTIONS/CREDENTIALS COMMITTEE	
377	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	3/1/2024	ELMORE, GEORGE JAMES	\$ 417.00	ELECTIONS/CREDENTIALS COMMITTEE	
378	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	10/25/2023	ELECTIONSOURCE	\$ 248.39	DIRECTOR ELECTION-BALLOT BOXES	
379	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	8/3/2023	HANCOCK, JAMES M	\$ 1,700.00	ELECTIONS/CREDENTIALS COMMITTEE	
380	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	8/3/2023	JONES II, JOHN PAUL	\$ 1,900.00	ELECTIONS/CREDENTIALS COMMITTEE	
381	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	8/3/2023	ELMORE, GEORGE JAMES	\$ 1,831.00	ELECTIONS/CREDENTIALS COMMITTEE	
382	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	7/3/2023	TLO BROADCASTING	\$ 559.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
383	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/30/2023	WFLW-WKYM	\$ 310.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
384	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/29/2023	WJRS	\$ 280.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
385	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/13/2023	IHEARTMEDIA	\$ 2,058.00	AD-MEM APP DAY/DIRECTOR ELECTION	
386	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/1/2023	TLO BROADCASTING	\$ 731.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
387	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/1/2023	WJRS	\$ 95.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
388	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/1/2023	WJRS	\$ 225.00	DIRECTOR ELECTION-ADS FOR MEM APP DAY	
389	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/10/2023	ALBANY BROADCASTING COMPAN	\$ 225.00	AD-MEM APP DAY/DIRECTOR ELECTION	
390	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/8/2023	HARP ENTERPRISES, INC.	\$ 6,700.00	DIRECTOR EXP-DIRECTOR ELECTION	
391	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/31/2024	HIRERIGHT LLC	\$ 317.53	2024 DIRECTOR ELECTION-BACKGROUND CHECKS	
392	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/2/2024	SURVEY & BALLOT SYSTEMS INC	\$ 10,917.00	SURVEY & BALLOT-2024 DIRECTOR ELECTION	
393	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	10/1/2023	STAPLES ADVANTAGE	\$ 27.79	DIRECTOR ELECTION-CLIPBOARD/PADLOCK	
394	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/1/2023	GOSS, MARK D	\$ 149.34	MILEAGE REIMBURSEMENT	\$ 149.34
395	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/8/2023	GOSS, MARK D	\$ 14.95	DIRECTOR ELECTIONS EXPENSE	\$ 14.95
396	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/9/2023	GOSS, MARK D	\$ 110.23	DIRECTOR ELECTIONS EXPENSE	\$ 110.23
397	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/9/2023	WOOD, REGINA	\$ 542.85	ANNUAL MEETING/MEMBER APP DAY	
398	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/7/2023	GOSS, MARK D	\$ 330.69	DIRECTOR ELECTIONS EXPENSE	\$ 330.69
399	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	6/7/2023	GOSS, MARK D	\$ 40.70	DIRECTOR ELECTIONS EXPENSE	\$ 40.70
400	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/19/2024		\$ (60.00)	Cash Register	
401	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/19/2024		\$ (60.00)	Cash Register	
402	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/19/2024		\$ (60.00)	Cash Register	

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Donations, Promotional Advertising, Dues & Other**

<u>Line</u>	<u>Account</u>	<u>Account Desc</u>	<u>Activity</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Reference</u>	<u>REMOVE</u>
403	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	1/19/2024		\$ (60.00)	Cash Register	
404	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	5/31/2024	WMKZ	\$ (42.00)	AD-DIRECTOR ELECTION	
405	930.2	MISCELLANEOUS GENERAL EXPENSES	9740 - DIRECTOR EXP - DIRECTOR ELECTION	5/31/2024	WMKZ	\$ 42.00	AD-DIRECTOR ELECTION	
406	930.2	MISCELLANEOUS GENERAL EXPENSES	9750 - DIRECTOR EXP-MISC	1/11/2024	HOMESTEAD ADVISERS CORP	\$ 250.00	457(B) PLAN-DIRECTORS	\$ 250.00
407	930.2	MISCELLANEOUS GENERAL EXPENSES	9750 - DIRECTOR EXP-MISC	4/8/2024	TURPIN, JOYCE	\$ 100.00	BORIS HAYNES-APPRECIATION	\$ 100.00
408	426.5	OTHER DEDUCTIONS	9755 - DIRECTOR EXP - SPOUSE EXPENSE	1/19/2024	KEC INC		807 DIRECTOR SPOUSE EXPENSE-KAEC	\$ 807.00
						\$ 729,584		\$ 668,129
							Adjustment	\$ (668,129)

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**FEMA Costs and Reimbursements**

#	Item		Cost
1	Test Year FEMA storm expenses	\$	420,685
2	Test Year FEMA storm reimbursements	\$	1,416,873
3	Adjustment	\$	<b>996,188</b>

*This adjustment removes from expenses any FEMA declared storm costs and reimbursements.*

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Directors Expenses**

#	Item	Halloran	Hurd	Haynes	Tackett	Epperson	Hansford	Redmon	Nelson	General Board Expenses	TOTAL
1	Fees for Regular and Committee Meetings	\$ 1,350	\$ 4,050	\$ 19,350	\$ 19,350	\$ 21,750	\$ 18,000	\$ 19,350	\$ 19,350		\$ 122,550
2	Travel Expenses Related to Regular and Committee Meetings	\$ 16	\$ 110	\$ 832	\$ 427		\$ 145	\$ 791	\$ 715		\$ 3,035
3	Fees for KEC and Other Association Meetings			\$ 4,200	\$ 2,800	\$ 6,800	\$ 3,500		\$ 1,050	\$ 1,422	\$ 19,772
4	Winter School					\$ 690	\$ 690		\$ 1,500		\$ 2,880
5	Other Training					\$ 2,875	\$ 715				\$ 3,590
6	Travel Expenses Related to Training and Other Meetings	\$ 167		\$ 2,570	\$ 1,496	\$ 4,524	\$ 2,324		\$ 1,025		\$ 12,106
7	NRECA Regional Meeting Training			\$ 549		\$ 549	\$ 690				\$ 1,788
8	NRECA Regional Meeting Travel Expenses			\$ 533		\$ 597	\$ 265				\$ 1,395
9	Health Insurance for Spouses of Deceased Directors *									\$ 6,070	\$ 6,070
10	Meeting Supplies									\$ 723	\$ 723
11	Attorney Misc Costs									\$ 11	\$ 11
12	Background Check									\$ 61	\$ 61
13	RE Magazine Subscription									\$ 301	\$ 301
14	Business Travel Insurance									\$ 228	\$ 228
15	Director's Liability Insurance									\$ 15,955	\$ 15,955
16	Technology Services									\$ 3,475	\$ 3,475
17		\$ 1,533	\$ 4,160	\$ 28,034	\$ 24,072	\$ 37,785	\$ 26,329	\$ 20,141	\$ 23,640	\$ 28,245	\$ 193,940
18											
19											
20											
21	<b>Items to be removed:</b>	<b>Amount</b>									
22	KEC and Other Associating Meeting Attendance for non-officers	8,772									
23	Health Insurance Paid by Directors	6,070									
24											
25	<b>Total to be removed:</b>	<b>\$ 14,842</b>									
26											
27	<b>Items to be added:</b>	<b>Amount</b>									
28	Missing Months of Fees and Travel for 1 Board Member	\$ 12,381 was short 1 Director for 9 months									
29											
30	<b>Total to be added:</b>	<b>\$ 12,380.88</b>									

<b>Test Year Amount</b>	<b>\$ 193,940</b>
<b>Pro Forma Amount</b>	<b>\$ 191,479</b>
<b>Adjustment</b>	<b>\$ (2,461)</b>

\* no longer an available benefit

This adjustment removes certain Director expenses consistent with recent Commission orders and standard Commission practices.

SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024

Retirement Plan & 401(k)

R&S Rate: 28.86%  
401(k) Match: 2%

Line #	Employee			Retirement Cost						
	Count (1)	ID (2)	Note (3)	Test Year Regular Wages (4)	Test Year R & S Pension Cost (5)	Test Year 401(k) Match Cost (6)	Normalized Wages (7)	Retirement Cost Rate (8)	Retirement Cost Accrual (9)	
<b>Salary Employees</b>										
1	1	S01	A	34,119	-	596	-	28.86%	-	
2	1	S02		144,767	-	2,895	155,000	2.00%	3,100.00	
3	1	S03		125,562	-	2,511	130,697	2.00%	2,613.94	
4	1	S04		115,618	-	2,312	130,697	2.00%	2,613.94	
5	1	S05		240,121	62,806	4,802	325,000	2.00%	6,500.00	
6	1	S06		97,802	27,418	1,956	109,862	28.86%	31,706.17	
7	1	S07		84,849	25,486	1,697	106,403	28.86%	30,707.91	
8	1	S08		93,908	25,796	1,878	120,870	28.86%	34,883.08	
9	1	S09		117,874	33,819	2,357	117,874	28.86%	34,018.44	
10	1	S10		88,119	24,615	1,762	94,726	28.86%	27,337.92	
11	1	S11		88,099	23,648	1,762	109,862	28.86%	31,706.17	
12	1	S12		119,032	28,762	2,381	130,697	28.86%	37,719.15	
13	1	S13		95,546	25,773	1,911	97,500	28.86%	28,138.50	
14	1	S14		115,516	32,291	2,310	130,697	28.86%	37,719.15	
15	1	S15		98,560	26,215	1,971	118,603	28.86%	34,228.83	
16	1	S16		148,964	41,540	2,979	177,000	28.86%	51,082.20	
17	1	S17		141,559	37,807	2,831	155,875	28.86%	44,985.53	
18	1	S18	A	144,394	38,302	2,888	-	28.86%	-	
19	1	S19	C	91,878	24,750	1,838	133,000	28.86%	38,383.80	
20	1	S20	C	48,168	-	-	109,862	28.86%	31,706.17	
21	1	S21	C	63,462	-	-	139,600	28.86%	40,288.56	
22	1	S22	C	6,227	-	-	124,870	28.86%	36,037.48	
23	1	S23	C	-	-	-	190,000	28.86%	54,834.00	
24	23	Subtotal		2,304,144	479,028	43,639	2,908,695		640,311	
25										
26	<b>Hourly Employees</b>									
27	1	H01	A	-	-	-	0	28.86%	-	
28	1	H02		93,928	-	1,879	100,714	2.00%	2,014	
29	1	H03	A	113,166	-	2,263	0	28.86%	-	
30	1	H04	A	67,388	14,078	1,348	0	28.86%	-	
31	1	H05		59,869	16,944	1,197	61,568	28.86%	17,769	
32	1	H06	A	18,398	4,720	362	0	28.86%	-	
33	1	H07		93,928	26,582	1,879	100,714	28.86%	29,066	
34	1	H08		8,943	12,365	137	0	28.86%	-	
35	1	H09		123,351	34,909	2,467	91,749	28.86%	26,479	
36	1	H10		59,869	16,944	1,197	62,774	28.86%	18,117	
37	1	H11		59,999	15,916	1,200	71,490	28.86%	20,632	
38	1	H12		90,666	26,582	1,813	100,714	28.86%	29,066	
39	1	H13		89,098	25,216	1,782	96,242	28.86%	27,775	
40	1	H14		76,162	21,554	1,523	80,704	28.86%	23,291	
41	1	H15		86,692	25,216	1,734	96,242	28.86%	27,775	
42	1	H16		89,098	25,216	1,782	96,242	28.86%	27,775	
43	1	H17		89,098	25,216	1,782	96,242	28.86%	27,775	
44	1	H18		76,162	21,554	1,523	80,704	28.86%	23,291	
45	1	H19		93,928	26,582	1,879	100,714	28.86%	29,066	
46	1	H20	A	82,595	22,361	1,652	0	28.86%	-	
47	1	H21		75,282	20,823	1,506	80,704	28.86%	23,291	
48	1	H22	A	4,280	1,766	86	0	28.86%	-	
49	1	H23		86,348	25,216	1,727	96,242	28.86%	27,775	
50	1	H24		93,392	25,557	1,868	96,845	28.86%	27,949	
51	1	H25		98,322	28,209	1,966	98,322	28.86%	28,376	
52	1	H26		76,162	21,554	1,523	78,520	28.86%	22,661	
53	1	H27	A	20,343	6,535	453	0	28.86%	-	
54	1	H28		88,668	22,100	1,773	87,485	28.86%	25,248	
55	1	H29		89,098	25,216	1,782	96,242	28.86%	27,775	
56	1	H30		76,162	21,554	1,523	80,704	28.86%	23,291	
57	1	H31		67,830	19,197	1,357	69,930	28.86%	20,182	
58	1	H32		89,098	25,216	1,782	96,242	28.86%	27,775	

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Retirement Plan & 401(k)**

R&S Rate: 28.86%  
401(k) Match: 2%

Line #	Employee			Retirement Cost						
	Count (1)	ID (2)	Note (3)	Test Year Regular Wages (4)	Test Year R & S Pension Cost (5)	Test Year 401(k) Match Cost (6)	Normalized Wages (7)	Retirement Cost Rate (8)	Retirement Cost Accrual (9)	
59	1	H33		93,928	26,582	1,879	100,714	28.86%	29,066	
60	1	H34		52,262	14,791	1,045	53,539	28.86%	15,451	
61	1	H35		59,869	16,944	1,197	61,568	28.86%	17,769	
62	1	H36		52,262	14,791	1,045	53,539	28.86%	15,451	
63	1	H37		89,098	25,216	-	96,242	28.86%	27,775	
64	1	H38		89,098	25,216	1,782	96,242	28.86%	27,775	
65	1	H39		70,813	19,704	1,416	78,520	28.86%	22,661	
66	1	H40		52,262	14,791	1,045	53,539	28.86%	15,451	
67	1	H41		62,513	21,554	1,250	78,520	28.86%	22,661	
68	1	H42	A	-	2,454	-	0	28.86%	-	
69	1	H43		86,348	25,216	1,727	96,242	28.86%	27,775	
70	1	H44		76,162	21,554	1,523	78,520	28.86%	22,661	
71	1	H45		53,724	14,791	1,074	59,010	28.86%	17,030	
72	1	H46	A	28,235	14,791	545	0	28.86%	-	
73	1	H47		53,876	15,107	1,077	73,403	28.86%	21,184	
74	1	H48		76,162	21,554	1,523	78,520	28.86%	22,661	
75	1	H49		52,262	14,791	1,045	53,539	28.86%	15,451	
76	1	H50		93,928	26,582	1,879	100,714	28.86%	29,066	
77	1	H51		89,098	25,216	1,782	96,242	28.86%	27,775	
78	1	H52		76,821	20,072	1,536	85,322	28.86%	24,624	
79	1	H53		52,262	14,791	1,045	53,539	28.86%	15,451	
80	1	H54		76,162	21,554	1,523	78,520	28.86%	22,661	
81	1	H55		52,262	14,791	1,045	56,222	28.86%	16,226	
82	1	H56		50,591	13,245	1,012	53,539	28.86%	15,451	
83	1	H57		75,282	20,823	1,450	80,704	28.86%	23,291	
84	1	H58	A	1,779	1,573	36	0	28.86%	-	
85	1	H59		60,465	21,554	1,209	73,819	28.86%	21,304	
86	1	H60		93,908	25,796	1,878	100,714	28.86%	29,066	
87	1	H61		86,692	25,216	1,734	96,242	28.86%	27,775	
88	1	H62		71,053	18,873	1,421	76,690	28.86%	22,133	
89	1	H63		93,928	26,582	1,879	100,714	28.86%	29,066	
90	1	H64	A	13,454	6,200	269	0	28.86%	-	
91	1	H65		89,098	25,216	1,782	96,242	28.86%	27,775	
92	1	H66		89,098	25,216	1,782	96,242	28.86%	27,775	
93	1	H67		90,222	24,526	1,804	100,714	28.86%	29,066	
94	1	H68		89,098	24,526	1,782	100,714	28.86%	29,066	
95	1	H69		70,251	18,934	1,405	71,739	28.86%	20,704	
96	1	H70		52,262	14,791	1,045	53,539	28.86%	15,451	
97	1	H71		70,749	18,651	1,415	87,152	28.86%	25,152	
98	1	H72		86,817	24,013	1,736	96,242	28.86%	27,775	
99	1	H73		87,719	24,526	1,754	96,242	28.86%	27,775	
100	1	H74		89,619	24,391	1,792	100,714	28.86%	29,066	
101	1	H75		38,576	14,791	772	53,539	28.86%	15,451	
102	1	H76	A	92,837	23,298	1,857	0	28.86%	-	
103	1	H77		52,262	14,791	1,045	53,539	28.86%	15,451	
104	1	H78		12,539	3,882	251	76,669	28.86%	22,127	
105	1	H79	A	35,872	7,990	780	0	28.86%	-	
106	1	H80	A	41,862	11,183	886	0	28.86%	-	
107	1	H81		65,494	16,281	1,310	76,669	28.86%	22,127	
108	1	H82		74,378	18,403	1,488	91,749	28.86%	26,479	
109	1	H83		89,098	24,526	1,782	96,242	28.86%	27,775	
110	1	H84		52,262	14,791	1,045	53,539	28.86%	15,451	
111	1	H85	A	108,656	28,570	2,173	0	28.86%	-	
112	1	H86		72,582	18,649	1,452	96,242	28.86%	27,775	
113	1	H87	A	61,355	17,067	1,227	0	28.86%	-	
114	1	H88		66,380	17,122	1,323	87,485	28.86%	25,248	
115	1	H89		85,012	23,421	1,700	87,485	28.86%	25,248	
116	1	H90	A	27,459	7,614	615	0	28.86%	-	
117	1	H91		65,838	16,808	1,317	78,520	28.86%	22,661	
118	1	H92		86,094	22,374	1,722	96,242	28.86%	27,775	

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Retirement Plan & 401(k)**

R&S Rate: 28.86%  
401(k) Match: 2%

Line #	Employee			Retirement Cost						
	Count (1)	ID (2)	Note (3)	Test Year Regular Wages (4)	Test Year R & S Pension Cost (5)	Test Year 401(k) Match Cost (6)	Normalized Wages (7)	Retirement Cost Rate (8)	Retirement Cost Accrual (9)	
119	1	H93		81,575	20,457	1,631	96,242	28.86%	27,775	
120	1	H94		58,273	14,674	1,166	78,645	28.86%	22,697	
121	1	H95	A	26,933	8,351	539	0	28.86%	-	
122	1	H96	A	235,385	-	4,108	0	28.86%	-	
123	1	H97		47,262	7,901	567	55,973	28.86%	16,154	
124	1	H98		45,843	7,308	548	56,430	28.86%	16,286	
125	1	H99		45,843	7,308	548	53,539	28.86%	15,451	
126	1	H100	A	65,625	10,421	787	0	28.86%	-	
127	1	H101		45,828	7,308	548	53,539	28.86%	15,451	
128	1	H102	A	13,063	-	-	0	28.86%	-	
129	1	H103		65,841	7,684	578	87,485	28.86%	25,248	
130	1	H104		45,843	5,318	409	53,539	28.86%	15,451	
131	1	H105		70,750	6,651	506	87,152	28.86%	25,152	
132	1	H106		74,307	6,985	532	91,416	28.86%	26,383	
133	1	H107		70,749	3,326	169	87,152	28.86%	25,152	
134	1	H108		50,232	2,372	125	73,819	28.86%	21,304	
135	1	H109		69,193	-	-	87,152	28.86%	25,152	
136	1	H110		58,458	-	-	65,749	28.86%	18,975	
137	1	H111		54,092	-	-	87,152	28.86%	25,152	
138	1	H112		56,859	-	-	76,669	28.86%	22,127	
139	1	H113	C	44,601	-	-	71,490	28.86%	20,632	
140	1	H114	C	41,475	-	-	71,490	28.86%	20,632	
141	1	H115	A	72,692	18,104	-	0	28.86%	-	
142	1	H116	A	34,737	-	-	0	28.86%	-	
143	1	H117	A	208	-	-	0	28.86%	-	
144	1	H118	C	32,162	-	-	62,691	28.86%	18,093	
145	1	H119	C	28,465	-	-	63,939	28.86%	18,453	
146	1	H120	C	43,208	-	-	87,152	28.86%	25,152	
147	1	H121	C	30,369	-	-	73,819	28.86%	21,304	
148	1	H122	C	30,369	-	-	73,819	28.86%	21,304	
149	1	H123	C	22,314	-	-	76,669	28.86%	22,127	
150	1	H124	C	22,314	-	-	48,693	28.86%	14,053	
151	1	H125	C	32,574	-	-	71,490	28.86%	20,632	
152	1	H126	C	21,487	-	-	48,693	28.86%	14,053	
153	1	H127	A	19,062	-	-	0	28.86%	-	
154	1	H128	C	16,363	-	-	46,280	28.86%	13,356	
155	1	H129	C	11,570	-	-	56,493	28.86%	16,304	
156	1	H130	C	12,303	-	-	64,854	28.86%	18,717	
157	1	H131	C	20,239	-	-	84,261	28.86%	24,318	
158	1	H132	A	43,846	9,139	877	0	28.86%	-	
159	1	H133	C	8,940	-	-	82,576	28.86%	23,831	
160	1	H134	C	4,132	-	-	46,280	28.86%	13,356	
161	1	H135	C	-	-	-	76,669	28.86%	22,127	
162	1	H136	C	-	-	-	76,669	28.86%	22,127	
163	1	H137	C	-	-	-	50,419	28.86%	14,551	
164	1	H138	C	-	-	-	51,106	28.86%	14,749	
165	1	H139	C	-	-	-	63,939	28.86%	18,453	
166	1	H140	C	-	-	-	43,971	28.86%	12,690	
167	1	H141	C	-	-	-	57,845	28.86%	16,694	
168	1	H142	C	-	-	-	43,971	28.86%	12,690	
169	142	Subtotal		8,192,757	1,867,275	138,299	8,917,064		2,533,723	
170										
171	165	TOTAL		10,496,901	2,346,302	181,939	11,825,759		3,174,034	
172										
173		Test Year Amount							2,528,241	
174										
175		Pro Forma Amount							3,174,034	
176										
177		Difference							645,793	

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Retirement Plan & 401(k)**

R&S Rate: 28.86%  
401(k) Match: 2%

Line #	Employee			Retirement Cost						
	Count (1)	ID (2)	Note (3)	Test Year Regular Wages (4)	Test Year R & S Pension Cost (5)	Test Year 401(k) Match Cost (6)	Normalized Wages (7)	Retirement Cost Rate (8)	Retirement Cost Accrual (9)	
178										
179	<b>NOTES:</b> A - No longer employed					C - Hired During or After the Test Year				
180	This adjustment normalizes test year utility contributions to NRECA Retirement & Security Program and NRECA Savings Plan 401(k) based on most recent contribution rates.									
181										
182										
183	<b>Allocation to Accounts</b>							<u>Alloc</u>	<u>Adjustment</u>	
184										
185	580-589	Operations					7.92%	51,122		
186	590-598	Maintenance					24.16%	156,044		
187	901-905	Consumer Accounts					10.81%	69,813		
188	907-910	Customer Service					2.40%	15,470		
189	920-935	Administrative & General					10.59%	68,384		
190	<b>Expense Adjustment &gt;</b>							55.87%	<b>360,833</b>	
191										
192	101-120	Utility Plant					26.53%	171,342		
193	131-174	Current & Accrued Assets					1.92%	12,379		
194	181-190	Deferred Debits					5.55%	35,854		
195	231-283	Current & Accrued Liabilities					10.12%	65,385		
196	Subtotal							44.13%	284,960	
197										
198	Total							100.00%	645,793	



**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

				<u>Wages &amp; Salaries</u>											
<u>Employee</u>				<u>Hours Worked</u>		<u>Actual Test Year Wages</u>				<u>1/1/25 Wage Rate with Union (12)</u>	<u>Pro Forma Wages at 2,080 Hours</u>				<u>Pro Forma Adjustment (18)</u>
<u>Line #</u>	<u>Count (1)</u>	<u>ID (2)</u>	<u>Note (3)</u>	<u>Regular (4)</u>	<u>Overtime (5)</u>	<u>Regular (7)</u>	<u>Overtime (8)</u>	<u>Other (10)</u>	<u>Total (11)</u>		<u>Regular (13)</u>	<u>Overtime (14)</u>	<u>Other (16)</u>	<u>Total (17)</u>	
1	1	S01	A	560	-	\$ 34,119		\$ 700	\$ 76,158	\$ -	\$ -	0	0	\$ (76,158)	
2	1	S02		2,080	-	\$ 144,767		\$ 1,831	\$ 152,184	\$ 74.52	\$ 155,000	0	155,000	\$ 2,816	
3	1	S03		2,080	-	\$ 125,562			\$ 142,256	\$ 62.84	\$ 130,697	0	130,697	\$ (11,559)	
4	1	S04		2,080	257.50	\$ 115,618	\$ 21,309		\$ 136,928	\$ 62.84	\$ 130,697	0	130,697	\$ (6,231)	
5	1	S05		2,080	-	\$ 240,121		\$ 25,600	\$ 281,642	\$ 156.25	\$ 325,000	0	325,000	\$ 43,358	
6	1	S06		2,080	17.50	\$ 97,802	\$ 1,230		\$ 103,342	\$ 52.82	\$ 109,862	0	109,862	\$ 6,520	
7	1	S07		2,080	270.00	\$ 84,849	\$ 16,470		\$ 103,775	\$ 51.16	\$ 106,403	0	106,403	\$ 2,628	
8	1	S08		2,080	377.00	\$ 93,908	\$ 25,420		\$ 119,328	\$ 58.11	\$ 120,870	0	120,870	\$ 1,542	
9	1	S09		2,080	-	\$ 117,874			\$ 117,874	\$ 56.67	\$ 117,874	0	117,874	\$ 0	
10	1	S10		2,080	-	\$ 88,119		\$ 400	\$ 88,519	\$ 45.54	\$ 94,726	0	94,726	\$ 6,207	
11	1	S11		2,080	151.00	\$ 88,099	\$ 9,104	\$ 400	\$ 98,973	\$ 52.82	\$ 109,862	0	109,862	\$ 10,889	
12	1	S12		2,080	-	\$ 119,032		\$ 954	\$ 137,640	\$ 62.84	\$ 130,697	0	130,697	\$ (6,943)	
13	1	S13		2,080	-	\$ 95,546			\$ 99,241	\$ 46.88	\$ 97,500	0	97,500	\$ (1,741)	
14	1	S14		2,080	-	\$ 115,516			\$ 115,516	\$ 62.84	\$ 130,697	0	130,697	\$ 15,181	
15	1	S15		2,080	-	\$ 98,560			\$ 98,560	\$ 57.02	\$ 118,603	0	118,603	\$ 20,043	
16	1	S16		2,080	-	\$ 148,964		\$ 100	\$ 149,064	\$ 85.10	\$ 177,000	0	177,000	\$ 27,936	
17	1	S17		2,080	-	\$ 141,559			\$ 141,559	\$ 74.94	\$ 155,875	0	155,875	\$ 14,316	
18	1	S18	A	1,600	-	\$ 144,394			\$ 156,294	\$ -	\$ -	0	0	\$ (156,294)	
19	1	S19	C	1,480	-	\$ 91,878			\$ 91,878	\$ 63.94	\$ 133,000	0	133,000	\$ 41,123	
20	1	S20	C	1,160	108.50	\$ 48,168	\$ 6,758		\$ 54,926	\$ 52.82	\$ 109,862	0	109,862	\$ 54,936	
21	1	S21	C	1,000	-	\$ 63,462	\$ -		\$ 63,462	\$ 67.12	\$ 139,600	0	139,600	\$ 76,138	
22	1	S22	C	160	5.00	\$ 6,227	\$ 292		\$ 6,519	\$ 60.03	\$ 124,870	0	124,870	\$ 118,351	
23	1	S23	C	-	-	\$ -	\$ -	\$ -	\$ -	\$ 91.35	\$ 190,000	0	190,000	\$ 190,000	
24	23	<b>Subtotal</b>		<b>39,240</b>	<b>1,186.50</b>	<b>\$ 2,304,144</b>	<b>\$ 80,583</b>	<b>\$ 29,985</b>	<b>\$ 2,535,638</b>		<b>2,908,695</b>	<b>0</b>	<b>0</b>	<b>2,908,695</b>	<b>\$ 373,057</b>
25															
26		<b>Hourly Employees</b>													
27	1	H01	A	-	-	-		700	37,624		0	0	0	\$ (37,624)	
28	1	H02	B	2,080	531.00	93,928	35,969		129,897	48.42	100,714	38,567	139,280	\$ 9,383	
29	1	H03	A	2,080	-	113,166			116,496		0	0	0	\$ (116,496)	
30	1	H04	A	1,360	16.00	67,388	1,189	700	86,871		0	0	0	\$ (86,871)	
31	1	H05		2,080	-	59,869			59,869	29.60	61,568	0	61,568	\$ 1,699	
32	1	H06	A	570	84.00	18,398	4,069	700	55,504		0	0	0	\$ (55,504)	
33	1	H07	B	2,080	101.00	93,928	6,793		100,721	48.42	100,714	7,336	108,049	\$ 7,328	
34	1	H08		249	-	8,943			9,734	36.74	0	0	0	\$ (9,734)	
35	1	H09		2,080	-	123,351			131,026	44.11	91,749	0	91,749	\$ (39,278)	
36	1	H10	B	2,080	223.00	59,869	9,641		77,971	30.18	62,774	10,095	72,870	\$ (5,102)	
37	1	H11		2,080	-	59,999			60,512	34.37	71,490	0	71,490	\$ 10,978	
38	1	H12	B	2,008	251.50	90,666	17,031		107,697	48.42	100,714	18,266	118,980	\$ 11,283	
39	1	H13	B	2,080	416.00	89,098	26,677	500	122,293	46.27	96,242	28,872	125,114	\$ 2,821	
40	1	H14	B	2,080	76.50	76,162	4,194		104,532	38.80	80,704	4,452	85,156	\$ (19,375)	
41	1	H15	B	2,024	411.00	86,692	26,408		113,100	46.27	96,242	28,525	124,767	\$ 11,667	
42	1	H16	B	2,080	405.50	89,098	26,043		115,142	46.27	96,242	28,144	124,385	\$ 9,244	
43	1	H17	B	2,080	269.50	89,098	17,344		106,442	46.27	96,242	18,705	114,946	\$ 8,504	
44	1	H18	B	2,080	871.00	76,162	47,860		125,529	38.80	80,704	50,692	131,396	\$ 5,867	
45	1	H19	B	2,080	320.00	93,928	21,590		115,518	48.42	100,714	23,242	123,955	\$ 8,437	
46	1	H20	A	1,520	198.00	82,595	16,096	700	134,725		0	0	0	\$ (134,725)	

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Wages & Salaries**

Line #	Employee			Hours Worked		Actual Test Year Wages				1/1/25 Wage Rate with Union (12)	Pro Forma Wages at 2,080 Hours				Pro Forma Adjustment (18)
	Count (1)	ID (2)	Note (3)	Regular (4)	Overtime (5)	Regular (7)	Overtime (8)	Other (10)	Total (11)		Regular (13)	Overtime (14)	Other (16)	Total (17)	
47	1	H21	B	2,080	92.50	75,282	4,969		80,252	38.80	80,704	5,384	86,088	\$ 5,836	
48	1	H22	A	120		4,280			16,398		0	0	0	\$ (16,398)	
49	1	H23	B	2,016	164.00	86,348	10,566		96,913	46.27	96,242	11,382	107,624	\$ 10,711	
50	1	H24	B	2,080	106.75	93,392	7,128		107,305	46.56	96,845	7,455	104,300	\$ (3,005)	
51	1	H25	B	2,080	245.00	98,322	17,372		131,954	47.27	98,322	17,372	115,693	\$ (16,261)	
52	1	H26	B	2,080	1.50	76,162	83		76,245	37.75	78,520	85	78,605	\$ 2,360	
53	1	H27	A	504	170.00	20,343	10,290	3,274	43,003		0	0	0	\$ (43,003)	
54	1	H28	B	2,080	6.00	88,668	327		88,996	42.06	87,485	379	87,863	\$ (1,133)	
55	1	H29	B	2,080	512.00	89,098	32,846		126,500	46.27	96,242	35,535	131,777	\$ 5,277	
56	1	H30	B	2,080	70.00	76,162	3,806		79,969	38.80	80,704	4,074	84,778	\$ 4,809	
57	1	H31	B	2,080	3.00	67,830	147		67,977	33.62	69,930	151	70,081	\$ 2,104	
58	1	H32	B	2,080	500.50	89,098	32,107		121,205	46.27	96,242	34,737	130,979	\$ 9,773	
59	1	H33	B	2,080	385.00	93,928	26,037		128,755	48.42	100,714	27,963	128,676	\$ (79)	
60	1	H34	B	2,080	14.75	52,262	557		52,819	25.74	53,539	569	54,109	\$ 1,290	
61	1	H35	B	2,080	6.50	59,869	282		61,363	29.60	61,568	289	61,857	\$ 493	
62	1	H36	B	2,080	12.50	52,262	473		52,734	25.74	53,539	483	54,022	\$ 1,287	
63	1	H37	B	2,080	193.00	89,098	12,377		101,475	46.27	96,242	13,395	109,637	\$ 8,161	
64	1	H38	B	2,080	897.50	89,098	57,626		153,386	46.27	96,242	62,291	158,533	\$ 5,147	
65	1	H39	B	2,080	112.25	70,813	5,550	300	76,663	37.75	78,520	6,356	84,876	\$ 8,213	
66	1	H40		2,080		52,262		300	52,562	25.74	53,539	0	53,539	\$ 978	
67	1	H41		1,709		62,513			62,513	37.75	78,520	0	78,520	\$ 16,007	
68	1	H42	A	-					34,233		0	0	0	\$ (34,233)	
69	1	H43	B	2,016	938.00	86,348	60,319		146,667	46.27	96,242	65,102	161,343	\$ 14,677	
70	1	H44	B	2,080	4.25	76,162	234		76,397	37.75	78,520	241	78,761	\$ 2,364	
71	1	H45		2,080		53,724			53,724	28.37	59,010	0	59,010	\$ 5,285	
72	1	H46	A	1,120	0.75	28,235	28		28,264		0	0	0	\$ (28,264)	
73	1	H47		2,080		53,876			53,876	35.29	73,403	0	73,403	\$ 19,528	
74	1	H48	B	2,080	11.50	76,162	631		76,794	37.75	78,520	651	79,171	\$ 2,377	
75	1	H49	B	2,080	13.50	52,262	509		52,771	25.74	53,539	521	54,060	\$ 1,289	
76	1	H50	B	2,080	322.00	93,928	21,833		115,761	48.42	100,714	23,387	124,100	\$ 8,339	
77	1	H51	B	2,080	400.50	89,098	25,702	200	115,001	46.27	96,242	27,797	124,038	\$ 9,038	
78	1	H52	B	2,080	247.00	76,821	13,363		90,184	41.02	85,322	15,198	100,520	\$ 10,336	
79	1	H53	B	2,080	7.50	52,262	280		52,542	25.74	53,539	290	53,829	\$ 1,287	
80	1	H54	B	2,080	1.75	76,162	96		76,259	37.75	78,520	99	78,619	\$ 2,360	
81	1	H55	B	2,080	0.50	52,262	19		52,281	27.03	56,222	20	56,243	\$ 3,962	
82	1	H56		2,080		50,591			50,591	25.74	53,539	0	53,539	\$ 2,948	
83	1	H57	B	2,080	316.00	75,282	17,111		92,393	38.80	80,704	18,391	99,095	\$ 6,702	
84	1	H58	A	56		1,779			2,807		0	0	0	\$ (2,807)	
85	1	H59	B	2,080	97.00	60,465	3,880		64,345	35.49	73,819	5,164	78,983	\$ 14,638	
86	1	H60	B	2,080	336.50	93,908	22,734		116,642	48.42	100,714	24,440	125,154	\$ 8,511	
87	1	H61	B	2,024	336.00	86,692	21,561		108,252	46.27	96,242	23,320	119,562	\$ 11,309	
88	1	H62	B	2,053	5.75	71,053	300		71,354	36.87	76,690	318	77,008	\$ 5,654	
89	1	H63	B	2,080	341.00	93,928	23,071		116,999	48.42	100,714	24,767	125,480	\$ 8,481	
90	1	H64	A	320	71.00	13,454	4,494	3,438	31,630		0	0	0	\$ (31,630)	
91	1	H65	B	2,080	508.00	89,098	32,586		121,684	46.27	96,242	35,258	131,499	\$ 9,815	
92	1	H66	B	2,080	429.50	89,098	27,606		116,704	46.27	96,242	29,809	126,051	\$ 9,347	

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Employee				Hours Worked		Actual Test Year Wages				1/1/25 Wage Rate with Union (12)	Pro Forma Wages at 2,080 Hours				Pro Forma Adjustment (18)
Line #	Count (1)	ID (2)	Note (3)	Regular (4)	Overtime (5)	Regular (7)	Overtime (8)	Other (10)	Total (11)		Regular (13)	Overtime (14)	Other (16)	Total (17)	
93	1	H67	B	2,080	456.50	90,222	29,632		119,854	48.42	100,714	33,156	133,869	\$ 14,015	
94	1	H68	B	2,080	653.50	89,098	41,883		130,981	48.42	100,714	47,464	148,177	\$ 17,196	
95	1	H69	B	2,080	157.50	70,251	8,093		79,409	34.49	71,739	8,148	79,887	\$ 478	
96	1	H70	B	2,080	20.00	52,262	754		53,015	25.74	53,539	772	54,311	\$ 1,296	
97	1	H71	B	2,080	446.00	70,749	22,820	100	93,669	41.90	87,152	28,031	115,183	\$ 21,514	
98	1	H72	B	2,080	371.00	86,817	23,042	100	109,958	46.27	96,242	25,749	121,991	\$ 12,032	
99	1	H73	B	2,080	410.50	87,719	25,908	100	113,726	46.27	96,242	28,491	124,732	\$ 11,006	
100	1	H74	B	2,080	548.00	89,619	35,350	100	125,070	48.42	100,714	39,801	140,515	\$ 15,445	
101	1	H75	B	1,536	0.75	38,576	28	100	38,705	25.74	53,539	29	53,568	\$ 14,863	
102	1	H76	A	2,080	277.50	92,837	17,133	100	110,070		0	0	0	\$ (110,070)	
103	1	H77	B	2,080	1.75	52,262	66	100	52,428	25.74	53,539	68	53,607	\$ 1,179	
104	1	H78	B	440	21.00	12,539	900		13,439	36.86	76,669	1,161	77,830	\$ 64,391	
105	1	H79	A	928	209.50	35,872	12,107	3,116	55,473		0	0	0	\$ (55,473)	
106	1	H80	A	1,192	357.30	41,862	18,757	2,435	63,694		0	0	0	\$ (63,694)	
107	1	H81	B	2,080	77.50	65,494	3,517		69,012	36.86	76,669	4,285	80,954	\$ 11,942	
108	1	H82	B	2,080	228.50	74,378	12,310		86,688	44.11	91,749	15,119	106,868	\$ 20,179	
109	1	H83	B	2,080	424.00	89,098	27,228		116,327	46.27	96,242	29,428	125,669	\$ 9,342	
110	1	H84	B	2,080	0.50	52,262	19		52,281	25.74	53,539	19	53,559	\$ 1,278	
111	1	H85	A	680		108,656			178,792		0	0	0	\$ (178,792)	
112	1	H86	B	2,080	279.00	72,582	14,656		87,238	46.27	96,242	19,364	115,606	\$ 28,368	
113	1	H87	A	1,488	338.00	61,355	20,940		91,716		0	0	0	\$ (91,716)	
114	1	H88	B	2,081	549.50	66,380	25,823		92,203	42.06	87,485	34,668	122,153	\$ 29,949	
115	1	H89	B	2,080	87.50	85,012	5,359		90,371	42.06	87,485	5,520	93,005	\$ 2,635	
116	1	H90	A	672	153.50	27,459	9,386	3,303	47,178		0	0	0	\$ (47,178)	
117	1	H91	B	2,080	7.75	65,838	380		66,218	37.75	78,520	439	78,959	\$ 12,741	
118	1	H92	B	2,080	458.50	86,094	28,415		114,508	46.27	96,242	31,822	128,064	\$ 13,556	
119	1	H93	B	2,080	409.00	81,575	23,812		105,387	46.27	96,242	28,387	124,628	\$ 19,242	
120	1	H94	B	2,080	9.00	58,273	403		58,677	37.81	78,645	510	79,155	\$ 20,479	
121	1	H95	A	456		26,933			32,822		0	0	0	\$ (32,822)	
122	1	H96	A	2,080		235,385			235,385		0	0	0	\$ (235,385)	
123	1	H97	B	2,080	3.00	47,262	90		47,352	26.91	55,973	121	56,094	\$ 8,742	
124	1	H98	B	2,080	1.00	45,843	32		45,875	27.13	56,430	41	56,471	\$ 10,596	
125	1	H99	B	2,080	1.25	45,843	40		45,883	25.74	53,539	48	53,587	\$ 7,704	
126	1	H100	A	2,080	29.00	65,625	1,394		67,019		0	0	0	\$ (67,019)	
127	1	H101	B	2,079	0.75	45,828	25		45,854	25.74	53,539	29	53,568	\$ 7,715	
128	1	H102	A	400	95.50	13,063	4,670	1,330	19,647		0	0	0	\$ (19,647)	
129	1	H103	B	2,086	304.75	65,841	14,056		79,898	42.06	87,485	19,227	106,711	\$ 26,814	
130	1	H104	B	2,080		45,843			45,843	25.74	53,539	0	53,539	\$ 7,696	
131	1	H105	B	2,080	531.00	70,750	26,869		97,618	41.90	87,152	33,373	120,525	\$ 22,907	
132	1	H106	B	2,080	500.00	74,307	26,611		100,918	43.95	91,416	32,963	124,379	\$ 23,460	
133	1	H107	B	2,080	419.00	70,749	21,505		92,254	41.90	87,152	26,334	113,486	\$ 21,232	
134	1	H108	B	2,056	291.00	50,232	10,968		61,200	35.49	73,819	15,491	89,311	\$ 28,110	
135	1	H109	B	2,080	545.00	69,193	27,031		96,224	41.90	87,152	34,253	121,405	\$ 25,181	
136	1	H110	B	2,080	3.00	58,458	124		58,581	31.61	65,749	142	65,891	\$ 7,310	
137	1	H111	B	1,612	392.00	54,092	19,600		73,691	41.90	87,152	24,637	111,789	\$ 38,098	
138	1	H112	B	2,088	276.50	56,859	11,208		68,067	36.86	76,669	15,288	91,956	\$ 23,889	

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Wages & Salaries**

Line #	Employee			Hours Worked		Actual Test Year Wages				1/1/25 Wage Rate with Union (12)	Pro Forma Wages at 2,080 Hours				Pro Forma Adjustment (18)
	Count (1)	ID (2)	Note (3)	Regular (4)	Overtime (5)	Regular (7)	Overtime (8)	Other (10)	Total (11)		Regular (13)	Overtime (14)	Other (16)	Total (17)	
139	1	H113	C, B	1,681	122.25	44,601	4,834		49,435	34.37	71,490	6,303		77,792	\$ 28,357
140	1	H114	C, B	1,560	208.50	41,475	8,226		49,701	34.37	71,490	10,749		82,239	\$ 32,537
141	1	H115	A	1,400		72,692			75,769		0	0		0	\$ (75,769)
142	1	H116	A	1,463	222.75	34,737	7,967		42,705		0	0		0	\$ (42,705)
143	1	H117	A	8		208			208		0	0		0	\$ (208)
144	1	H118	C, B	1,240	4.00	32,162	156		32,318	30.14	62,691	181		62,872	\$ 30,555
145	1	H119	C, B	1,240	150.00	28,465	5,165		33,631	30.74	63,939	6,917		70,856	\$ 37,225
146	1	H120	C, B	1,160	239.00	43,208	13,353		56,561	41.90	87,152	15,021		102,173	\$ 45,612
147	1	H121	C, B	1,120	163.00	30,369	6,630		36,999	35.49	73,819	8,677		82,497	\$ 45,498
148	1	H122	C, B	1,120	251.00	30,369	10,209		40,578	35.49	73,819	13,362		87,181	\$ 46,603
149	1	H123	C, B	1,080	11.00	22,314	341		22,655	36.86	76,669	608		77,277	\$ 54,622
150	1	H124	C	1,080		22,314			22,314	23.41	48,693	0		48,693	\$ 26,379
151	1	H125	C, B	1,080	12.00	32,574	543		33,117	34.37	71,490	619		72,108	\$ 38,991
152	1	H126	C	1,040		21,487			21,487	23.41	48,693	0		48,693	\$ 27,205
153	1	H127	A	632	10.50	19,062	475		20,449		0	0		0	\$ (20,449)
154	1	H128	C	792		16,363			16,363	22.25	46,280	0		46,280	\$ 29,917
155	1	H129	C, B	560	23.00	11,570	713		12,283	27.16	56,493	937		57,430	\$ 45,147
156	1	H130	C, B	520	53.50	12,303	1,899		14,201	31.18	64,854	2,502		67,357	\$ 53,155
157	1	H131	C, B	520	24.00	20,239	1,401		21,640	40.51	84,261	1,458		85,719	\$ 64,079
158	1	H132	A	480		43,846			43,846		0	0		0	\$ (43,846)
159	1	H133	C, B	240	30.00	8,940	1,676		10,616	39.70	82,576	1,787		84,363	\$ 73,746
160	1	H134	C	200		4,132			4,132	22.25	46,280	0		46,280	\$ 42,148
161	1	H135	C	-		-			-	36.86	76,669	0		76,669	\$ 76,669
162	1	H136	C	-		-			-	36.86	76,669	0		76,669	\$ 76,669
163	1	H137	C	-		-			-	24.24	50,419	0		50,419	\$ 50,419
164	1	H138	C	-		-			-	24.57	51,106	0		51,106	\$ 51,106
165	1	H139	C	-		-			-	30.74	63,939	0		63,939	\$ 63,939
166	1	H140	C	-		-			-	21.14	43,971	0		43,971	\$ 43,971
167	1	H141	C	-		-			-	27.81	57,845	0		57,845	\$ 57,845
168	1	H142	C	-		-			-	21.14	43,971	0		43,971	\$ 43,971
169	142	<b>Subtotal</b>		<b>223,997</b>	<b>23,925</b>	<b>8,192,757</b>	<b>1,396,339</b>	<b>21,696</b>	<b>9,999,570</b>		<b>8,917,064</b>	<b>1,433,068</b>	<b>-</b>	<b>10,350,132</b>	<b>350,562</b>
170															
171	165	<b>TOTAL</b>		<b>263,237</b>	<b>25,112</b>	<b>10,496,901</b>	<b>1,476,922</b>	<b>51,681</b>	<b>12,535,208</b>		<b>11,825,759</b>	<b>1,433,068</b>	<b>-</b>	<b>13,258,827</b>	<b>723,619</b>
172															
173															
174															

**NOTES:**

A - No longer employed

B - Used Test Year Overtime Hours for Pro Forma Wages

C - Hired During or After the Test Year

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Wages & Salaries**

Line #	Employee			Hours Worked		Actual Test Year Wages				1/1/25 Wage Rate with Union (12)	Pro Forma Wages at 2,080 Hours				Pro Forma Adjustment (18)
	Count (1)	ID (2)	Note (3)	Regular (4)	Overtime (5)	Regular (7)	Overtime (8)	Other (10)	Total (11)		Regular (13)	Overtime (14)	Other (16)	Total (17)	
175	This adjustment normalizes wages and salaries to account for changes due to wage increases, promotions, retirements, terminations, or new hires for standard year of 2,080 hours.														
176															
177															
178	<u>Labor Expense Summary</u>			<u>Labor \$</u>		<u>Adjustment</u>									
180		580-589	Operations		992,317					\$	57,283				
181		590-598	Maintenance		3,028,894					\$	174,849				
182		901-905	Consumer Accounts		1,355,105					\$	78,226				
183		907-910	Customer Service		300,285					\$	17,335				
184		920-935	Administrative & General		1,327,374					\$	76,625				
185					7,003,975					<b>\$</b>	<b>404,318</b>				
187		101-120	Utility Plant		3,325,850					\$	191,991				
188		131-174	Current & Accrued Asset		240,287					\$	13,871				
189		181-190	Deferred Debits		695,939					\$	40,174				
190		231-283	Current & Accrued Liabili		1,269,157					\$	73,265				
191			Subtotal		5,531,232					\$	319,301				
193			Total		12,535,208					\$	723,619				

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**Professional Services**

Line #	Date (1)	Check (2)	Item (3)	Amount (4)	Description (5)	To Be Removed (6)	To Be Added (7)	Note (8)
1	6/9/2023	7055	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
2	6/23/2023	7078	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
3	7/7/2023	7107	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
4	7/21/2023	7134	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
5	8/4/2023	7167	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
6	8/18/2023	7195	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
7	9/1/2023	7233	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
8	9/15/2023	7268	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
9	9/29/2023	7296	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
10	10/13/2023	7328	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
11	10/27/2023	7362	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
12	11/10/2023	7402	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
13	11/24/2023	7423	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
14	12/8/2023	7474	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
15	12/22/2023	7502	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
16	1/5/2024	7544	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
17	1/19/2024	7574	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
18	2/2/2024	7627	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
19	2/16/2024	7649	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
20	3/1/2024	7693	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
21	3/15/2024	7724	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
22	3/29/2024	7751	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
23	4/12/2024	7783	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
24	4/26/2024	7811	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
25	5/10/2024	7850	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
26	5/24/2024	7880	ABBOTT, LLOYD	763.20	JANITORIAL SERVICES			
27	6/12/2023	205680	ABNER, TYLER LUCAS	425.00	MEMBER APPRECIATION DAY SECURITY			
28	9/1/2023	206432	CATALYST CONSULTING	2,418.99	RATE CONSULTING	\$ 2,418.99		A
29	6/9/2023	205677	CHANEY, GREGORY DEAN	240.00	MEMBER APPRECIATION DAY SECURITY			
30	12/20/2023	207939	CHERRY BEKAERT LLP	12,000.00	AUDIT			
31	6/1/2024	209305	CHERRY BEKAERT LLP		AUDIT		\$ 27,800	D
32	1/18/2024	208080	CUNI, RUST & STRENK INC	7,500.00	ANNUAL ACTUARIAL STUDY			
33	6/10/2023	205661	EASTHAM, JAMES C	2,111.78	SAFETY CONTRACTOR	\$ 2,111.78		A
34	6/24/2023	205796	EASTHAM, JAMES C	2,890.18	SAFETY CONTRACTOR	\$ 2,890.18		A
35	7/8/2023	205903	EASTHAM, JAMES C	2,844.45	SAFETY CONTRACTOR	\$ 2,844.45		A
36	7/22/2023	206033	EASTHAM, JAMES C	2,566.86	SAFETY CONTRACTOR	\$ 2,566.86		A
37	8/5/2023	206128	EASTHAM, JAMES C	2,712.14	SAFETY CONTRACTOR	\$ 2,712.14		A
38	8/19/2023	206269	EASTHAM, JAMES C	2,173.43	SAFETY CONTRACTOR	\$ 2,173.43		A
39	8/26/2023	206399	EASTHAM, JAMES C	2,190.38	SAFETY CONTRACTOR	\$ 2,190.38		A
40	9/16/2023	206543	EASTHAM, JAMES C	2,590.39	SAFETY CONTRACTOR	\$ 2,590.39		A
41	9/29/2023	206681	EASTHAM, JAMES C	2,291.81	SAFETY CONTRACTOR	\$ 2,291.81		A
42	10/14/2023	206846	EASTHAM, JAMES C	1,706.71	SAFETY CONTRACTOR	\$ 1,706.71		A
43	10/28/2023	206928	EASTHAM, JAMES C	2,710.78	SAFETY CONTRACTOR	\$ 2,710.78		A
44	11/11/2023	207115	EASTHAM, JAMES C	955.10	SAFETY CONTRACTOR	\$ 955.10		A
45	11/25/2023	207229	EASTHAM, JAMES C	2,152.42	SAFETY CONTRACTOR	\$ 2,152.42		A
46	12/9/2023	207385	EASTHAM, JAMES C	2,816.29	SAFETY CONTRACTOR	\$ 2,816.29		A
47	12/23/2023	207493	EASTHAM, JAMES C	2,772.45	SAFETY CONTRACTOR	\$ 2,772.45		A
48	12/30/2023	207521	EASTHAM, JAMES C	963.56	SAFETY CONTRACTOR	\$ 963.56		A
49	3/1/2024	208356	EEO ASSOCIATES	384.75	AFFIRMATIVE ACTION PROGRAM			
50	5/31/2024	209122	EEO ASSOCIATES	1,682.00	AFFIRMATIVE ACTION PROGRAM			
51	6/23/2023	205790	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
52	6/23/2023	205790	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
53	6/30/2023	205887	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
54	6/30/2023	205887	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
55	7/7/2023	205887	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
56	7/14/2023	7137	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
57	7/14/2023	7137	FRACAS, ANN	536.62	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 536.62		A
58	7/21/2023	7137	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
59	7/21/2023	7137	FRACAS, ANN	506.63	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 506.63		A
60	7/28/2023	7173	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
61	7/28/2023	7173	FRACAS, ANN	520.61	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 520.61		A
62	8/4/2023	7173	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
63	8/4/2023	7173	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
64	8/11/2023	7200	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
65	8/11/2023	7200	FRACAS, ANN	511.43	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 511.43		A
66	8/18/2023	7200	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
67	8/18/2023	7200	FRACAS, ANN	522.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 522.87		A
68	8/24/2023	7240	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
69	8/24/2023	7240	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
70	9/1/2023	7240	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
71	9/1/2023	7240	FRACAS, ANN	291.12	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 291.12		A
72	9/8/2023	7273	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
73	9/8/2023	7273	FRACAS, ANN	523.86	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 523.86		A
74	9/15/2023	7273	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
75	9/15/2023	7273	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
76	9/22/2023	7299	FRACAS, ANN	5,000.00	IT CONSULTING	\$ 5,000.00		A
77	9/22/2023	7299	FRACAS, ANN	1,081.23	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 1,081.23		A
78	9/29/2023	7299	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
79	9/29/2023	7299	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
80	10/6/2023	7330	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
81	10/13/2023	7330	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**Professional Services**

Line #	Date (1)	Check (2)	Item (3)	Amount (4)	Description (5)	To Be Removed (6)	To Be Added (7)	Note (8)
82	10/13/2023	7330	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
83	10/20/2023	7364	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
84	10/20/2023	7364	FRACAS, ANN	80.07	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 80.07		A
85	10/27/2023	7364	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
86	10/27/2023	7364	FRACAS, ANN	282.62	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 282.62		A
87	11/3/2023	7403	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
88	11/3/2023	7403	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
89	11/10/2023	7403	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
90	11/10/2023	7403	FRACAS, ANN	296.37	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 296.37		A
91	11/17/2023	7428	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
92	11/17/2023	7428	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
93	11/24/2023	7428	FRACAS, ANN	2,400.00	IT CONSULTING	\$ 2,400.00		A
94	12/1/2023	7477	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
95	12/1/2023	7477	FRACAS, ANN	463.74	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 463.74		A
96	12/8/2023	7477	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
97	12/8/2023	7477	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
98	12/15/2023	7507	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
99	12/15/2023	7507	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
100	12/22/2023	7507	FRACAS, ANN	2,800.00	IT CONSULTING	\$ 2,800.00		A
101	12/22/2023	7507	FRACAS, ANN	885.97	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 885.97		A
102	12/29/2023	7548	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
103	12/29/2023	7548	FRACAS, ANN	231.87	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 231.87		A
104	1/5/2024	7548	FRACAS, ANN	3,200.00	IT CONSULTING	\$ 3,200.00		A
105	1/5/2024	7548	FRACAS, ANN	237.18	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 237.18		A
106	1/12/2024	7582	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
107	1/12/2024	7582	FRACAS, ANN	608.96	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 608.96		A
108	1/19/2024	7582	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
109	1/19/2024	7582	FRACAS, ANN	2,321.20	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 2,321.20		A
110	1/26/2024	7629	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
111	1/26/2024	7629	FRACAS, ANN	539.20	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 539.20		A
112	2/2/2024	7629	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
113	2/9/2024	7653	FRACAS, ANN	3,600.00	IT CONSULTING	\$ 3,600.00		A
114	2/9/2024	7653	FRACAS, ANN	237.18	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 237.18		A
115	2/23/2024	7698	FRACAS, ANN	4,000.00	IT CONSULTING	\$ 4,000.00		A
116	2/25/2024	7698	FRACAS, ANN	474.36	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 474.36		A
117	3/1/2024	7698	FRACAS, ANN	44.44	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 44.44		A
118	7/25/2023	206093	FROST BROWN TODD LLP	53,811.30	LEGAL SERVICES	\$ 35,874.20		B
119	8/15/2023	7210	FROST BROWN TODD LLP	83,736.00	LEGAL SERVICES	\$ 55,824.00		B
120	9/13/2023	7267	FROST BROWN TODD LLP	12,586.00	LEGAL SERVICES	\$ 8,390.67		B
121	10/11/2023	7327	FROST BROWN TODD LLP	6,280.00	LEGAL SERVICES	\$ 4,186.67		B
122	11/10/2023	7410	FROST BROWN TODD LLP	9,728.00	LEGAL SERVICES	\$ 6,485.33		B
123	11/10/2023	7410	FROST BROWN TODD LLP	3,792.00	LEGAL SERVICES	\$ 2,528.00		B
124	11/10/2023	7410	FROST BROWN TODD LLP	1,209.00	LEGAL SERVICES	\$ 806.00		B
125	12/31/2023	7604	FROST BROWN TODD LLP	8,896.00	LEGAL SERVICES	\$ 5,930.67		B
126	12/31/2023	7604	FROST BROWN TODD LLP	3,818.00	LEGAL SERVICES	\$ 2,545.33		B
127	12/31/2023	7604	FROST BROWN TODD LLP	8,909.00	LEGAL SERVICES	\$ 5,939.33		B
128	1/26/2024	7604	FROST BROWN TODD LLP	25,515.95	LEGAL SERVICES	\$ 17,010.63		B
129	1/26/2024	7604	FROST BROWN TODD LLP	28,530.10	LEGAL SERVICES	\$ 19,020.07		B
130	2/21/2024	7665	FROST BROWN TODD LLP	37,824.11	LEGAL SERVICES	\$ 25,216.07		B
131	3/12/2024	7722	FROST BROWN TODD LLP	8,320.00	LEGAL SERVICES	\$ 5,546.67		B
132	4/9/2024	7781	FROST BROWN TODD LLP	18,397.02	LEGAL SERVICES	\$ 12,264.68		B
133	5/15/2024	7879	FROST BROWN TODD LLP	25,341.64	LEGAL SERVICES	\$ 16,894.43		B
134	6/20/2023	205709	GOLDEN, RONALD	240.00	MEMBER APPRECIATION DAY SECURITY			
135	6/23/2023	205795	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
136	6/30/2023	205901	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
137	7/14/2023	205974	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
138	7/24/2023	206031	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
139	7/28/2023	206268	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
140	8/4/2023	206268	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
141	8/11/2023	206268	HOLIDAY INN EXPRESS	330.69	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 330.69		A
142	8/18/2023	206268	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
143	9/1/2023	206542	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
144	9/1/2023	206542	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
145	9/8/2023	206542	HOLIDAY INN EXPRESS	440.92	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 440.92		A
146	9/15/2023	206542	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
147	9/19/2023	206717	HOLIDAY INN EXPRESS	220.46	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 220.46		A
148	9/22/2023	206717	HOLIDAY INN EXPRESS	110.23	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 110.23		A
149	10/1/2023	206869	HOLIDAY INN EXPRESS	551.15	IT CONSULTING EXPENSE REIMBURSEMENT	\$ 551.15		A
150	9/8/2023	7272	HONAKER LAW OFFICE	1,786.25	LEGAL SERVICES	\$ 1,786.25		A
151	12/6/2023	7547	HONAKER LAW OFFICE	2,219.50	LEGAL SERVICES	\$ 2,219.50		A
152	1/2/2024	7526	HONAKER LAW OFFICE	88.50	LEGAL SERVICES	\$ 88.50		A
153	1/5/2024	7547	HONAKER LAW OFFICE	59.00	LEGAL SERVICES	\$ 59.00		A
154	2/6/2024	7697	HONAKER LAW OFFICE	200.00	LEGAL SERVICES	\$ 200.00		A
155	3/5/2024	7697	HONAKER LAW OFFICE	29.00	LEGAL SERVICES	\$ 29.00		A
156	4/3/2024	7775	HONAKER LAW OFFICE	468.00	LEGAL SERVICES	\$ 468.00		A
157	2/6/2024	903	HOWARD AND SMITH	4,968.00	ACCOUNTING SERVICES	\$ 4,968.00		A
158	6/1/2023	205833	INTANDEM LLC	3,150.00	COMPENSATION PLAN UPDATE	\$ 3,150.00		C
159	9/1/2023	206727	INTANDEM LLC	3,750.00	COMPENSATION SYSTEM			
160	5/21/2024	209035	INTANDEM LLC	3,150.00	COMPENSATION PLAN UPDATE			
161	7/31/2023	206289	JONES, NALE & MATTINGLY PLC	2,200.00	ACCOUNTING SERVICES			
162	6/1/2023	205666	LAKE CUMB ELECTRICAL INSPECT	448.54	ELECTRICAL INSPECTIONS			

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Professional Services**

Line #	Date (1)	Check (2)	Item (3)	Amount (4)	Description (5)	To Be Removed (6)	To Be Added (7)	Note (8)
163	3/30/2024	208659	LAKE CUMB ELECTRICAL INSPECT	306.32	ELECTRICAL INSPECTIONS			
164	10/1/2023	206841	N R T C	35,000.00	CONSULTING SERVICES	\$ 35,000.00		A
165	6/30/2023	7124	NISC INC	14,912.37	BILL PRINT SERVICES			
166	7/31/2023	7199	NISC INC	14,289.23	BILL PRINT SERVICES			
167	8/31/2023	7271	NISC INC	16,611.21	BILL PRINT SERVICES			
168	9/30/2023	7347	NISC INC	14,761.94	BILL PRINT SERVICES			
169	10/31/2023	7414	NISC INC	14,349.51	BILL PRINT SERVICES			
170	11/30/2023	7490	NISC INC	13,916.22	BILL PRINT SERVICES			
171	12/31/2023	7580	NISC INC	15,075.07	BILL PRINT SERVICES			
172	1/31/2024	7652	NISC INC	14,969.76	BILL PRINT SERVICES			
173	2/29/2024	7737	NISC INC	14,778.72	BILL PRINT SERVICES			
174	3/31/2024	7798	NISC INC	14,622.55	BILL PRINT SERVICES			
175	4/30/2024	7870	NISC INC	14,597.29	BILL PRINT SERVICES			
176	5/31/2024	7956	NISC INC	14,956.72	BILL PRINT SERVICES			
177	8/31/2023	7255	ONLINE COLLECTIONS	390.68	BAD DEBT COLLECTIONS			
178	9/30/2023	7318	ONLINE COLLECTIONS	990.86	BAD DEBT COLLECTIONS			
179	12/1/2023	7504	ONLINE COLLECTIONS	688.73	BAD DEBT COLLECTIONS			
180	3/31/2024	7784	ONLINE COLLECTIONS	581.32	BAD DEBT COLLECTIONS			
181	3/31/2024	7784	ONLINE COLLECTIONS	747.65	BAD DEBT COLLECTIONS			
182	3/31/2024	7784	ONLINE COLLECTIONS	815.14	BAD DEBT COLLECTIONS			
183	6/30/2023	7121	ONLINE INFORMATION SVCS INC	946.80	CONSUMER VERIFICATION			
184	8/31/2023	7250	ONLINE INFORMATION SVCS INC	1,823.34	CONSUMER VERIFICATION			
185	9/30/2023	7315	ONLINE INFORMATION SVCS INC	931.77				
186	10/31/2023	7401	ONLINE INFORMATION SVCS INC	909.98				
187	12/1/2023	7501	ONLINE INFORMATION SVCS INC	702.21				
188	12/31/2023	7558	ONLINE INFORMATION SVCS INC	741.66				
189	3/31/2024	7780	ONLINE INFORMATION SVCS INC	841.60	CONSUMER VERIFICATION			
190	3/31/2024	7780	ONLINE INFORMATION SVCS INC	899.46	CONSUMER VERIFICATION			
191	3/31/2024	7780	ONLINE INFORMATION SVCS INC	673.28				
192	5/1/2024	7848	ONLINE INFORMATION SVCS INC	915.24				
193	8/31/2023	7261	PATTERSON & DEWAR ENG INC	2,263.75	ANNUAL CONTRACTOR BIDDING			
194	10/1/2023	7324	PATTERSON & DEWAR ENG INC	905.25	ANNUAL CONTRACTOR BIDDING			
195	10/31/2023	7395	PATTERSON & DEWAR ENG INC	1,344.00	ANNUAL CONTRACTOR BIDDING			
196	12/1/2023	7484	PATTERSON & DEWAR ENG INC	1,328.50	ANNUAL CONTRACTOR BIDDING			
197	12/31/2023	7568	PATTERSON & DEWAR ENG INC	56.50	ANNUAL CONTRACTOR BIDDING			
198	7/12/2024	7999	PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES		\$ 1,407	E
199	8/5/2024	8052	PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES		\$ 3,180	E
200	9/5/2024	8126	PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES		\$ 2,159	E
201	10/1/2024	8169	PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES		\$ 1,400	E
202	11/1/2024	8251	PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES		\$ 1,040	E
203			PHILLIPS & PHILLIPS ATTORNEYS		LEGAL SERVICES-NORMALIZED		\$ 12,860	E
204	6/22/2023	205805	SOMERSET POLICE DEPARTMENT	450.00	MEMBER APPRECIATION DAY SECURITY			
205	6/30/2023	7088	SOUTH CENTRAL KY JANITORIAL	6,550.80	JANITORIAL SERVICES			
206	6/30/2023	7088	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
207	6/30/2023	7088	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
208	6/30/2023	7088	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
209	7/31/2023	7142	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
210	7/31/2023	7142	SOUTH CENTRAL KY JANITORIAL	6,524.30	JANITORIAL SERVICES			
211	7/31/2023	7142	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
212	7/31/2023	7142	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
213	8/31/2023	7224	SOUTH CENTRAL KY JANITORIAL	6,630.30	JANITORIAL SERVICES			
214	8/31/2023	7224	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
215	8/31/2023	7224	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
216	8/31/2023	7224	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
217	9/30/2023	7290	SOUTH CENTRAL KY JANITORIAL	6,895.30	JANITORIAL SERVICES			
218	9/30/2023	7290	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
219	9/30/2023	7290	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
220	9/30/2023	7290	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
221	10/31/2023	7375	SOUTH CENTRAL KY JANITORIAL	7,398.80	JANITORIAL SERVICES			
222	10/31/2023	7375	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
223	10/31/2023	7375	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
224	10/31/2023	7375	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
225	11/30/2023	7449	SOUTH CENTRAL KY JANITORIAL	7,239.80	JANITORIAL SERVICES			
226	11/30/2023	7449	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
227	11/30/2023	7449	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
228	11/30/2023	7449	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
229	12/31/2023	7516	SOUTH CENTRAL KY JANITORIAL	7,584.30	JANITORIAL SERVICES			
230	12/31/2023	7516	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
231	12/31/2023	7516	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
232	12/31/2023	7516	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
233	1/31/2024	7618	SOUTH CENTRAL KY JANITORIAL	7,080.80	JANITORIAL SERVICES			
234	1/31/2024	7618	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
235	1/31/2024	7618	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
236	1/31/2024	7618	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
237	2/29/2024	7682	SOUTH CENTRAL KY JANITORIAL	7,027.80	JANITORIAL SERVICES			
238	2/29/2024	7682	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
239	2/29/2024	7682	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
240	2/29/2024	7682	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
241	3/31/2024	7744	SOUTH CENTRAL KY JANITORIAL	7,398.80	JANITORIAL SERVICES			
242	3/31/2024	7744	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
243	3/31/2024	7744	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			



**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Professional Services**

Line #	Date (1)	Check (2)	Item (3)	Amount (4)	Description (5)	To Be Removed (6)	To Be Added (7)	Note (8)
244	3/31/2024	7744	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
245	4/30/2024	7828	SOUTH CENTRAL KY JANITORIAL	7,160.30	JANITORIAL SERVICES			
246	4/30/2024	7828	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
247	4/30/2024	7828	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
248	4/30/2024	7828	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
249	5/31/2024	7890	SOUTH CENTRAL KY JANITORIAL	6,709.80	JANITORIAL SERVICES			
250	5/31/2024	7890	SOUTH CENTRAL KY JANITORIAL	2,438.00	JANITORIAL SERVICES			
251	5/31/2024	7890	SOUTH CENTRAL KY JANITORIAL	2,983.90	JANITORIAL SERVICES			
252	5/31/2024	7890	SOUTH CENTRAL KY JANITORIAL	3,074.00	JANITORIAL SERVICES			
253	7/11/2023	206040	SOUTH KY ELECTRICAL INSPECT	317.26	ELECTRICAL INSPECTIONS			
254	10/13/2023	206876	SOUTH KY ELECTRICAL INSPECT	131.28	ELECTRICAL INSPECTIONS			
255	11/14/2024	207935	SOUTH KY ELECTRICAL INSPECT	120.34	ELECTRICAL INSPECTIONS			
256	4/2/2024	208768	SOUTH KY ELECTRICAL INSPECT	65.64	ELECTRICAL INSPECTIONS			
257	12/12/2023	7527	SYNERGI PARTNERS	78,040.45	ACCOUNTING SERVICES	\$ 78,040.45		A
258	12/12/2023	7702	SYNERGI PARTNERS	78,040.45	ACCOUNTING SERVICES	\$ 78,040.45		A
259	1/25/2024	7639	SYNERGI PARTNERS	2,906.68	ACCOUNTING SERVICES	\$ 2,906.68		A
260	1/25/2024	7787	SYNERGI PARTNERS	2,906.68	ACCOUNTING SERVICES	\$ 2,906.68		A
261	10/1/2023	206886	THE AME GROUP	4,750.00	VULNERABILITY ASSESSMENT/TESTING			
262	12/20/2023	207537	THE AME GROUP	4,750.00	VULNERABILITY ASSESSMENT/TESTING			
263	6/2/2023	7075	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
264	6/2/2023	7075	THE JOB SHOP	914.60	TEMPORARY / INTERN LABOR			
265	6/9/2023	7075	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
266	6/9/2023	7075	THE JOB SHOP	704.00	TEMPORARY / INTERN LABOR			
267	6/16/2023	7075	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
268	6/16/2023	7075	THE JOB SHOP	938.00	TEMPORARY / INTERN LABOR			
269	6/23/2023	7075	THE JOB SHOP	934.36	TEMPORARY / INTERN LABOR			
270	6/23/2023	7075	THE JOB SHOP	834.00	TEMPORARY / INTERN LABOR			
271	6/30/2023	7143	THE JOB SHOP	928.87	TEMPORARY / INTERN LABOR			
272	6/30/2023	7143	THE JOB SHOP	368.08	TEMPORARY / INTERN LABOR			
273	7/7/2023	7143	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
274	7/7/2023	7143	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
275	7/14/2023	7143	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
276	7/14/2023	7143	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
277	7/21/2023	7143	THE JOB SHOP	934.36	TEMPORARY / INTERN LABOR			
278	7/21/2023	7143	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
279	7/28/2023	7143	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
280	7/28/2023	7143	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
281	8/4/2023	7205	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
282	8/11/2023	7205	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
283	8/18/2023	7205	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
284	8/25/2023	7205	THE JOB SHOP	368.08	TEMPORARY / INTERN LABOR			
285	9/1/2023	7293	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
286	9/8/2023	7293	THE JOB SHOP	505.36	TEMPORARY / INTERN LABOR			
287	9/15/2023	7293	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
288	9/22/2023	7293	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
289	9/29/2023	7293	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
290	10/6/2023	7358	THE JOB SHOP	871.44	TEMPORARY / INTERN LABOR			
291	10/13/2023	7358	THE JOB SHOP	860.00	TEMPORARY / INTERN LABOR			
292	10/20/2023	7358	THE JOB SHOP	848.56	TEMPORARY / INTERN LABOR			
293	10/27/2023	7358	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
294	11/3/2023	7452	THE JOB SHOP	894.32	TEMPORARY / INTERN LABOR			
295	11/17/2023	7452	THE JOB SHOP	894.32	TEMPORARY / INTERN LABOR			
296	11/24/2023	7452	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
297	12/1/2023	7452	THE JOB SHOP	528.24	TEMPORARY / INTERN LABOR			
298	12/8/2023	7518	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
299	12/15/2023	7518	THE JOB SHOP	734.16	TEMPORARY / INTERN LABOR			
300	12/29/2023	7518	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
301	12/29/2023	0	THE JOB SHOP	-62.14	TEMPORARY / INTERN LABOR			
302	1/5/2024	7599	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
303	1/12/2024	7599	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
304	1/31/2024	7645	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
305	2/2/2024	7662	THE JOB SHOP	551.12	TEMPORARY / INTERN LABOR			
306	2/9/2024	7662	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
307	2/16/2024	7662	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
308	2/23/2024	7662	THE JOB SHOP	871.44	TEMPORARY / INTERN LABOR			
309	2/29/2024	7708	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
310	3/1/2024	7748	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
311	3/8/2024	7748	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
312	3/15/2024	7748	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
313	3/22/2024	7748	THE JOB SHOP	917.20	TEMPORARY / INTERN LABOR			
314	3/29/2024	7748	THE JOB SHOP	860.00	TEMPORARY / INTERN LABOR			
315	4/5/2024	7806	THE JOB SHOP	757.04	TEMPORARY / INTERN LABOR			
316	4/12/2024	7806	THE JOB SHOP	711.28	TEMPORARY / INTERN LABOR			
317	6/6/2023	205993	USIC LOCATING SERVICES, LLC	49.65	LINE LOCATING			
318	6/21/2023	205993	USIC LOCATING SERVICES, LLC	63.00	LINE LOCATING			
319	6/30/2023	205993	USIC LOCATING SERVICES, LLC	4,250.00	LINE LOCATING			
320	7/20/2023	206209	USIC LOCATING SERVICES, LLC	53.40	LINE LOCATING			
321	7/31/2023	206209	USIC LOCATING SERVICES, LLC	3,470.00	LINE LOCATING			
322	9/18/2023	206748	USIC LOCATING SERVICES, LLC	48.75	LINE LOCATING			
323	9/30/2023	206861	USIC LOCATING SERVICES, LLC	3,090.00	LINE LOCATING			
324	10/23/2023	207132	USIC LOCATING SERVICES, LLC	42.75	LINE LOCATING			

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Professional Services**

Line #	Date (1)	Check (2)	Item (3)	Amount (4)	Description (5)	To Be Removed (6)	To Be Added (7)	Note (8)
325	10/31/2023	207132	USIC LOCATING SERVICES, LLC	3,410.00	LINE LOCATING			
326	11/21/2023	207449	USIC LOCATING SERVICES, LLC	46.20	LINE LOCATING			
327	11/30/2023	207449	USIC LOCATING SERVICES, LLC	3,965.00	LINE LOCATING			
328	12/31/2023	207817	USIC LOCATING SERVICES, LLC	2,980.00	LINE LOCATING			
329	1/31/2024	208253	USIC LOCATING SERVICES, LLC	2,205.00	LINE LOCATING			
330	2/1/2024	208488	USIC LOCATING SERVICES, LLC	3,460.00	LINE LOCATING			
331	2/1/2024	208488	USIC LOCATING SERVICES, LLC	3,895.00	LINE LOCATING			
332	2/1/2024	208488	USIC LOCATING SERVICES, LLC	43.95	LINE LOCATING			
333	2/29/2024	208488	USIC LOCATING SERVICES, LLC	2,900.00	LINE LOCATING			
334	3/31/2024	208719	USIC LOCATING SERVICES, LLC	3,623.36	LINE LOCATING			
335	4/30/2024	208959	USIC LOCATING SERVICES, LLC	4,609.60	LINE LOCATING			
336	5/15/2024	209041	USIC LOCATING SERVICES, LLC	55.95	LINE LOCATING			
337	5/31/2024	209254	USIC LOCATING SERVICES, LLC	4,775.76	LINE LOCATING			
338								
339								
340			Test Year Amount	1,275,530.39		\$ 627,946.10	\$ 49,846	
341								
342			Pro Forma Amount	697,430.17				
343								
344			<u>Adjustment</u>	(578,100.22)				

**Notes**

- A Removed 100%; non-recurring.  
 B Removed 2/3; related to union contract negotiation that occurs every three years  
 C Removed Billed/Paid in test year but for work completed outside of test year.  
 D Added Services performed in test year but billed/recorded after test year.  
 E Added Services previously completed using staff labor will be contracted beginning July 2024.

This adjustment removes certain outside professional services costs from the test period, consistent with Commission practice.

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**G&T Capital Credits**

Line #	Item (1)	Account (2)	Expense (3)
1	East Kentucky Power Cooperative	423.00	\$ 2,018,096
2			
3	Test Year Amount		\$ 2,018,096
4			
5	Pro Forma Year Amount		\$ -
6			
7	<u>Adjustment</u>		<u>\$ (2,018,096)</u>

This adjustment removes the G&T Capital Credits from the test period, consistent with Commission practice.

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

Payroll Taxes

Line #	Employee				Social Security		Medicare		Federal Unemployment		State Unemployment		Total (6)+(8)+ (10)+(12)
	Count	ID	Note	Normalized Wages	Up To	At	All	At	Up To	At	Up To	At	
					\$176,100	6.20%	Wages	1.45%	\$7,000	0.60%	\$11,400	0.70%	(13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
<b>Salary Employees</b>													
1	1	S01	A	\$ -	-	-	\$ -	-	-	-	-	-	-
2	1	S02		\$ 155,000	155,000	9,610	\$ 155,000	2,248	7,000	42	11,400	80	11,979
3	1	S03		\$ 130,697	130,697	8,103	\$ 130,697	1,895	7,000	42	11,400	80	10,120
4	1	S04		\$ 130,697	130,697	8,103	\$ 130,697	1,895	7,000	42	11,400	80	10,120
5	1	S05		\$ 325,000	176,100	10,918	\$ 325,000	4,713	7,000	42	11,400	80	15,753
6	1	S06		\$ 109,862	109,862	6,811	\$ 109,862	1,593	7,000	42	11,400	80	8,526
7	1	S07		\$ 106,403	106,403	6,597	\$ 106,403	1,543	7,000	42	11,400	80	8,262
8	1	S08		\$ 120,870	120,870	7,494	\$ 120,870	1,753	7,000	42	11,400	80	9,368
9	1	S09		\$ 117,874	117,874	7,308	\$ 117,874	1,709	7,000	42	11,400	80	9,139
10	1	S10		\$ 94,726	94,726	5,873	\$ 94,726	1,374	7,000	42	11,400	80	7,368
11	1	S11		\$ 109,862	109,862	6,811	\$ 109,862	1,593	7,000	42	11,400	80	8,526
12	1	S12		\$ 130,697	130,697	8,103	\$ 130,697	1,895	7,000	42	11,400	80	10,120
13	1	S13		\$ 97,500	97,500	6,045	\$ 97,500	1,414	7,000	42	11,400	80	7,581
14	1	S14		\$ 130,697	130,697	8,103	\$ 130,697	1,895	7,000	42	11,400	80	10,120
15	1	S15		\$ 118,603	118,603	7,353	\$ 118,603	1,720	7,000	42	11,400	80	9,195
16	1	S16		\$ 177,000	176,100	10,918	\$ 177,000	2,567	7,000	42	11,400	80	13,607
17	1	S17		\$ 155,875	155,875	9,664	\$ 155,875	2,260	7,000	42	11,400	80	12,046
18	1	S18	A	\$ -	-	-	\$ -	-	-	-	-	-	-
19	1	S19	C	\$ 133,000	133,000	8,246	\$ 133,000	1,929	7,000	42	11,400	80	10,296
20	1	S20	C	\$ 109,862	109,862	6,811	\$ 109,862	1,593	7,000	42	11,400	80	8,526
21	1	S21	C	\$ 139,600	139,600	8,655	\$ 139,600	2,024	7,000	42	11,400	80	10,801
22	1	S22	C	\$ 124,870	124,870	7,742	\$ 124,870	1,811	7,000	42	11,400	80	9,674
23	1	S23	C	\$ 190,000	176,100	10,918	\$ 190,000	2,755	7,000	42	11,400	80	13,795
24	23	Subtotal		2,908,695	2,744,995	170,190	2,908,695	42,176	147,000	882	239,400	1,676	214,924
25	<b>Hourly Employees</b>												
26	1	H01	A	\$ -	-	-	-	-	-	-	-	-	-
27	1	H02	B	\$ 139,280	139,280	8,635	139,280	2,020	7,000	42	11,400	80	10,777
28	1	H03	A	\$ -	-	-	-	-	-	-	-	-	-
29	1	H04	A	\$ -	-	-	-	-	-	-	-	-	-
30	1	H05		\$ 61,568	61,568	3,817	61,568	893	7,000	42	11,400	80	4,832
31	1	H06	A	\$ -	-	-	-	-	-	-	-	-	-
32	1	H07	B	\$ 108,049	108,049	6,699	108,049	1,567	7,000	42	11,400	80	8,388
33	1	H08		\$ -	-	-	-	-	-	-	-	-	-
34	1	H09		\$ 91,749	91,749	5,688	91,749	1,330	7,000	42	11,400	80	7,141
35	1	H10	B	\$ 72,870	72,870	4,518	72,870	1,057	7,000	42	11,400	80	5,696
36	1	H11		\$ 71,490	71,490	4,432	71,490	1,037	7,000	42	11,400	80	5,591
37	1	H12	B	\$ 118,980	118,980	7,377	118,980	1,725	7,000	42	11,400	80	9,224
38	1	H13	B	\$ 125,114	125,114	7,757	125,114	1,814	7,000	42	11,400	80	9,693
39	1	H14	B	\$ 85,156	85,156	5,280	85,156	1,235	7,000	42	11,400	80	6,636
40	1	H15	B	\$ 124,767	124,767	7,736	124,767	1,809	7,000	42	11,400	80	9,666
41	1	H16	B	\$ 124,385	124,385	7,712	124,385	1,804	7,000	42	11,400	80	9,637
42	1	H17	B	\$ 114,946	114,946	7,127	114,946	1,667	7,000	42	11,400	80	8,915
43	1	H18	B	\$ 131,396	131,396	8,147	131,396	1,905	7,000	42	11,400	80	10,174
44	1	H19	B	\$ 123,955	123,955	7,685	123,955	1,797	7,000	42	11,400	80	9,604
45	1	H20	A	\$ -	-	-	-	-	-	-	-	-	-
46	1	H21	B	\$ 86,088	86,088	5,337	86,088	1,248	7,000	42	11,400	80	6,707
47	1	H22	A	\$ -	-	-	-	-	-	-	-	-	-
48	1	H23	B	\$ 107,624	107,624	6,673	107,624	1,561	7,000	42	11,400	80	8,355
49	1	H24	B	\$ 104,300	104,300	6,467	104,300	1,512	7,000	42	11,400	80	8,101
50	1	H25	B	\$ 115,693	115,693	7,173	115,693	1,678	7,000	42	11,400	80	8,972
51	1	H26	B	\$ 78,605	78,605	4,874	78,605	1,140	7,000	42	11,400	80	6,135
52	1	H27	A	\$ -	-	-	-	-	-	-	-	-	-
53	1	H28	B	\$ 87,863	87,863	5,448	87,863	1,274	7,000	42	11,400	80	6,843
54	1	H29	B	\$ 131,777	131,777	8,170	131,777	1,911	7,000	42	11,400	80	10,203
55	1	H30	B	\$ 84,778	84,778	5,256	84,778	1,229	7,000	42	11,400	80	6,607
56	1	H31	B	\$ 70,081	70,081	4,345	70,081	1,016	7,000	42	11,400	80	5,483
57	1	H32	B	\$ 130,979	130,979	8,121	130,979	1,899	7,000	42	11,400	80	10,142
58	1	H33	B	\$ 128,676	128,676	7,978	128,676	1,866	7,000	42	11,400	80	9,966
59	1	H34	B	\$ 54,109	54,109	3,355	54,109	785	7,000	42	11,400	80	4,261
60	1	H35	B	\$ 61,857	61,857	3,835	61,857	897	7,000	42	11,400	80	4,854
61	1	H36	B	\$ 54,022	54,022	3,349	54,022	783	7,000	42	11,400	80	4,254
62	1	H37	B	\$ 109,637	109,637	6,797	109,637	1,590	7,000	42	11,400	80	8,509
63	1	H38	B	\$ 158,533	158,533	9,829	158,533	2,299	7,000	42	11,400	80	12,250
64	1	H39	B	\$ 84,876	84,876	5,262	84,876	1,231	7,000	42	11,400	80	6,615
65	1	H40		\$ 53,539	53,539	3,319	53,539	776	7,000	42	11,400	80	4,218
66	1	H41		\$ 78,520	78,520	4,868	78,520	1,139	7,000	42	11,400	80	6,129
67	1	H42	A	\$ -	-	-	-	-	-	-	-	-	-
68	1	H43	B	\$ 161,343	161,343	10,003	161,343	2,339	7,000	42	11,400	80	12,465
69	1	H44	B	\$ 78,761	78,761	4,883	78,761	1,142	7,000	42	11,400	80	6,147
70	1	H45		\$ 59,010	59,010	3,659	59,010	856	7,000	42	11,400	80	4,636
71	1	H46	A	\$ -	-	-	-	-	-	-	-	-	-

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**Payroll Taxes**

Line #	Employee				Social Security		Medicare		Federal Unemployment		State Unemployment		Total (6)+(8)+ (10)+(12)
	Count (1)	ID (2)	Note (3)	Normalized Wages (4)	Up To	At	All	At	Up To	At	Up To	At	
					\$176,100 (5)	6.20% (6)	Wages (7)	1.45% (8)	\$7,000 (9)	0.60% (10)	\$11,400 (11)	0.70% (12)	
74	1	H47		\$ 73,403	73,403	4,551	73,403	1,064	7,000	42	11,400	80	5,737
75	1	H48	B	\$ 79,171	79,171	4,909	79,171	1,148	7,000	42	11,400	80	6,178
76	1	H49	B	\$ 54,060	54,060	3,352	54,060	784	7,000	42	11,400	80	4,257
77	1	H50	B	\$ 124,100	124,100	7,694	124,100	1,799	7,000	42	11,400	80	9,615
78	1	H51	B	\$ 124,038	124,038	7,690	124,038	1,799	7,000	42	11,400	80	9,611
79	1	H52	B	\$ 100,520	100,520	6,232	100,520	1,458	7,000	42	11,400	80	7,812
80	1	H53	B	\$ 53,829	53,829	3,337	53,829	781	7,000	42	11,400	80	4,240
81	1	H54	B	\$ 78,619	78,619	4,874	78,619	1,140	7,000	42	11,400	80	6,136
82	1	H55	B	\$ 56,243	56,243	3,487	56,243	816	7,000	42	11,400	80	4,424
83	1	H56		\$ 53,539	53,539	3,319	53,539	776	7,000	42	11,400	80	4,218
84	1	H57	B	\$ 99,095	99,095	6,144	99,095	1,437	7,000	42	11,400	80	7,703
85	1	H58	A	\$ -	-	-	-	-	-	-	-	-	-
86	1	H59	B	\$ 78,983	78,983	4,897	78,983	1,145	7,000	42	11,400	80	6,164
87	1	H60	B	\$ 125,154	125,154	7,760	125,154	1,815	7,000	42	11,400	80	9,696
88	1	H61	B	\$ 119,562	119,562	7,413	119,562	1,734	7,000	42	11,400	80	9,268
89	1	H62	B	\$ 77,008	77,008	4,774	77,008	1,117	7,000	42	11,400	80	6,013
90	1	H63	B	\$ 125,480	125,480	7,780	125,480	1,819	7,000	42	11,400	80	9,721
91	1	H64	A	\$ -	-	-	-	-	-	-	-	-	-
92	1	H65	B	\$ 131,499	131,499	8,153	131,499	1,907	7,000	42	11,400	80	10,181
93	1	H66	B	\$ 126,051	126,051	7,815	126,051	1,828	7,000	42	11,400	80	9,765
94	1	H67	B	\$ 133,869	133,869	8,300	133,869	1,941	7,000	42	11,400	80	10,363
95	1	H68	B	\$ 148,177	148,177	9,187	148,177	2,149	7,000	42	11,400	80	11,457
96	1	H69	B	\$ 79,887	79,887	4,953	79,887	1,158	7,000	42	11,400	80	6,233
97	1	H70	B	\$ 54,311	54,311	3,367	54,311	788	7,000	42	11,400	80	4,277
98	1	H71	B	\$ 115,183	115,183	7,141	115,183	1,670	7,000	42	11,400	80	8,933
99	1	H72	B	\$ 121,991	121,991	7,563	121,991	1,769	7,000	42	11,400	80	9,454
100	1	H73	B	\$ 124,732	124,732	7,733	124,732	1,809	7,000	42	11,400	80	9,664
101	1	H74	B	\$ 140,515	140,515	8,712	140,515	2,037	7,000	42	11,400	80	10,871
102	1	H75	B	\$ 53,568	53,568	3,321	53,568	777	7,000	42	11,400	80	4,220
103	1	H76	A	\$ -	-	-	-	-	-	-	-	-	-
104	1	H77	B	\$ 53,607	53,607	3,324	53,607	777	7,000	42	11,400	80	4,223
105	1	H78	B	\$ 77,830	77,830	4,825	77,830	1,129	7,000	42	11,400	80	6,076
106	1	H79	A	\$ -	-	-	-	-	-	-	-	-	-
107	1	H80	A	\$ -	-	-	-	-	-	-	-	-	-
108	1	H81	B	\$ 80,954	80,954	5,019	80,954	1,174	7,000	42	11,400	80	6,315
109	1	H82	B	\$ 106,868	106,868	6,626	106,868	1,550	7,000	42	11,400	80	8,297
110	1	H83	B	\$ 125,669	125,669	7,791	125,669	1,822	7,000	42	11,400	80	9,736
111	1	H84	B	\$ 53,559	53,559	3,321	53,559	777	7,000	42	11,400	80	4,219
112	1	H85	A	\$ -	-	-	-	-	-	-	-	-	-
113	1	H86	B	\$ 115,606	115,606	7,168	115,606	1,676	7,000	42	11,400	80	8,966
114	1	H87	A	\$ -	-	-	-	-	-	-	-	-	-
115	1	H88	B	\$ 122,153	122,153	7,573	122,153	1,771	7,000	42	11,400	80	9,466
116	1	H89	B	\$ 93,005	93,005	5,766	93,005	1,349	7,000	42	11,400	80	7,237
117	1	H90	A	\$ -	-	-	-	-	-	-	-	-	-
118	1	H91	B	\$ 78,959	78,959	4,895	78,959	1,145	7,000	42	11,400	80	6,162
119	1	H92	B	\$ 128,064	128,064	7,940	128,064	1,857	7,000	42	11,400	80	9,919
120	1	H93	B	\$ 124,628	124,628	7,727	124,628	1,807	7,000	42	11,400	80	9,656
121	1	H94	B	\$ 79,155	79,155	4,908	79,155	1,148	7,000	42	11,400	80	6,177
122	1	H95	A	\$ -	-	-	-	-	-	-	-	-	-
123	1	H96	A	\$ -	-	-	-	-	-	-	-	-	-
124	1	H97	B	\$ 56,094	56,094	3,478	56,094	813	7,000	42	11,400	80	4,413
125	1	H98	B	\$ 56,471	56,471	3,501	56,471	819	7,000	42	11,400	80	4,442
126	1	H99	B	\$ 53,587	53,587	3,322	53,587	777	7,000	42	11,400	80	4,221
127	1	H100	A	\$ -	-	-	-	-	-	-	-	-	-
128	1	H101	B	\$ 53,568	53,568	3,321	53,568	777	7,000	42	11,400	80	4,220
129	1	H102	A	\$ -	-	-	-	-	-	-	-	-	-
130	1	H103	B	\$ 106,711	106,711	6,616	106,711	1,547	7,000	42	11,400	80	8,285
131	1	H104		\$ 53,539	53,539	3,319	53,539	776	7,000	42	11,400	80	4,218
132	1	H105	B	\$ 120,525	120,525	7,473	120,525	1,748	7,000	42	11,400	80	9,342
133	1	H106	B	\$ 124,379	124,379	7,711	124,379	1,803	7,000	42	11,400	80	9,637
134	1	H107	B	\$ 113,486	113,486	7,036	113,486	1,646	7,000	42	11,400	80	8,803
135	1	H108	B	\$ 89,311	89,311	5,537	89,311	1,295	7,000	42	11,400	80	6,954
136	1	H109	B	\$ 121,405	121,405	7,527	121,405	1,760	7,000	42	11,400	80	9,409
137	1	H110	B	\$ 65,891	65,891	4,085	65,891	955	7,000	42	11,400	80	5,162
138	1	H111	B	\$ 111,789	111,789	6,931	111,789	1,621	7,000	42	11,400	80	8,674
139	1	H112	B	\$ 91,956	91,956	5,701	91,956	1,333	7,000	42	11,400	80	7,156
140	1	H113	C, B	\$ 77,792	77,792	4,823	77,792	1,128	7,000	42	11,400	80	6,073
141	1	H114	C, B	\$ 82,239	82,239	5,099	82,239	1,192	7,000	42	11,400	80	6,413
142	1	H115	A	\$ -	-	-	-	-	-	-	-	-	-
143	1	H116	A	\$ -	-	-	-	-	-	-	-	-	-
144	1	H117	A	\$ -	-	-	-	-	-	-	-	-	-
145	1	H118	C, B	\$ 62,872	62,872	3,898	62,872	912	7,000	42	11,400	80	4,932
146	1	H119	C, B	\$ 70,856	70,856	4,393	70,856	1,027	7,000	42	11,400	80	5,542

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

Payroll Taxes

Line #	Employee				Social Security		Medicare		Federal Unemployment		State Unemployment		Total
	Count	ID	Note	Normalized Wages	Up To	At	All	At	Up To	At	Up To	At	(6)+(8)+ (10)+(12)
					\$176,100	6.20%	Wages	1.45%	\$7,000	0.60%	\$11,400	0.70%	(13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
147	1	H120	C, B	\$ 102,173	102,173	6,335	102,173	1,482	7,000	42	11,400	80	7,938
148	1	H121	C, B	\$ 82,497	82,497	5,115	82,497	1,196	7,000	42	11,400	80	6,433
149	1	H122	C, B	\$ 87,181	87,181	5,405	87,181	1,264	7,000	42	11,400	80	6,791
150	1	H123	C, B	\$ 77,277	77,277	4,791	77,277	1,121	7,000	42	11,400	80	6,033
151	1	H124	C	\$ 48,693	48,693	3,019	48,693	706	7,000	42	11,400	80	3,847
152	1	H125	C, B	\$ 72,108	72,108	4,471	72,108	1,046	7,000	42	11,400	80	5,638
153	1	H126	C	\$ 48,693	48,693	3,019	48,693	706	7,000	42	11,400	80	3,847
154	1	H127	A	\$ -	-	-	-	-	-	-	-	-	-
155	1	H128	C	\$ 46,280	46,280	2,869	46,280	671	7,000	42	11,400	80	3,662
156	1	H129	C, B	\$ 57,430	57,430	3,561	57,430	833	7,000	42	11,400	80	4,515
157	1	H130	C, B	\$ 67,357	67,357	4,176	67,357	977	7,000	42	11,400	80	5,275
158	1	H131	C, B	\$ 85,719	85,719	5,315	85,719	1,243	7,000	42	11,400	80	6,679
159	1	H132	A	\$ -	-	-	-	-	-	-	-	-	-
160	1	H133	C, B	\$ 84,363	84,363	5,230	84,363	1,223	7,000	42	11,400	80	6,576
161	1	H134	C	\$ 46,280	46,280	2,869	46,280	671	7,000	42	11,400	80	3,662
162	1	H135	C	\$ 76,669	76,669	4,753	76,669	1,112	7,000	42	11,400	80	5,987
163	1	H136	C	\$ 76,669	76,669	4,753	76,669	1,112	7,000	42	11,400	80	5,987
164	1	H137	C	\$ 50,419	50,419	3,126	50,419	731	7,000	42	11,400	80	3,979
165	1	H138	C	\$ 51,106	51,106	3,169	51,106	741	7,000	42	11,400	80	4,031
166	1	H139	C	\$ 63,939	63,939	3,964	63,939	927	7,000	42	11,400	80	5,013
167	1	H140	C	\$ 43,971	43,971	2,726	43,971	638	7,000	42	11,400	80	3,486
168	1	H141	C	\$ 57,845	57,845	3,586	57,845	839	7,000	42	11,400	80	4,547
169	1	H142	C	\$ 43,971	43,971	2,726	43,971	638	7,000	42	11,400	80	3,486
170	142	Subtotal		10,350,132	10,350,132	641,708	10,350,132	150,077	805,000	4,830	1,311,000	9,177	805,792
171													
172	165	TOTAL		13,258,827	13,095,127	811,898	13,258,827	192,253	952,000	5,712	1,550,400	10,853	1,020,716
173													
174		Test Year Amount				893,857	<---(6) + (8)			6,570		11,518	911,945
175													
176		Pro Forma Amount				1,004,151	<-- (6) + (8)			5,712		10,853	1,020,716
177													
178		Total Difference				110,294				(858)		(665)	108,771
179													
180		<b>NOTES:</b>	A - No longer employed			B - Used Test Year Hours for Pro Forma Wages				C - Hired During or After the Test Year			
181													
182													
183													
184													
185													
186	580-589	Operations				7.92%	8,611						
187	590-598	Maintenance				24.16%	26,282						
188	901-905	Consumer Accounts				10.81%	11,759						
189	907-910	Customer Service				2.40%	2,606						
190	920-935	Administrative & General				10.59%	11,518						
191		<b>Expense Adjustment &gt;</b>				55.87%	<b>60,775</b>						
192													
193	101-120	Utility Plant				26.53%	28,859						
194	131-174	Current & Accrued Assets				1.92%	2,085						
195	181-190	Deferred Debits				5.55%	6,039						
196	231-283	Current & Accrued Liabilities				10.12%	11,013						
197		Subtotal				44.13%	47,996						
198													
199		Total				100.00%	108,771						

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**Interest on Long Term Debt**

Line #	Type of Debt Issued (1)	Note (2)	Date of Issue (3)	Date of Maturity (4)	Outstanding Amount as of 6/30/2024 (5)	Cost Rate to Maturity (6)	Pro Forma Interest Cost (7)	Test Year Interest Cost (8)	Pro Forma Adj (9)
1	<b><u>RUS Loans</u></b>								
2	RET 8-1	C	Nov-97	Nov-27	\$ 1,210,627	3.000%	\$ 36,319	\$ 30,221	\$ 6,098
3	RET 8-2		Jun-99	Jun-29	\$ 1,206,655	2.500%	\$ 30,166	\$ 32,743	\$ (2,577)
4					\$ 2,417,281		\$ 66,485	\$ 62,964	\$ 3,521
5									
6	<b><u>FFB Loans</u></b>								
7	FFB 1-1	B	Oct-08	Dec-41	\$ 3,682,220	3.455%	\$ 127,221	\$ 129,703	\$ (2,482)
8	FFB 1-2	B	Mar-09	Dec-41	\$ 2,278,951	3.649%	\$ 83,159	\$ 84,757	\$ (1,598)
9	FFB 2-1	B	Mar-09	Dec-42	\$ 12,197,894	3.699%	\$ 451,200	\$ 459,345	\$ (8,145)
10	FFB 2-2	B	Aug-10	Dec-42	\$ 9,664,369	3.249%	\$ 313,995	\$ 319,877	\$ (5,882)
11	FFB 4-1	B	Jan-13	Jan-46	\$ 11,257,284	2.657%	\$ 299,106	\$ 304,176	\$ (5,070)
12	FFB 4-2	B	Dec-13	Jan-46	\$ 4,922,789	3.550%	\$ 174,759	\$ 177,488	\$ (2,729)
13	FFB 4-3	B	Feb-14	Mar-44	\$ 2,211,267	3.555%	\$ 78,611	\$ 79,838	\$ (1,227)
14	FFB 4-4	B	Sep-14	Dec-44	\$ 2,245,467	3.555%	\$ 79,826	\$ 81,073	\$ (1,247)
15	FFB 4-5	B	Oct-14	Jan-46	\$ 7,877,812	2.870%	\$ 226,093	\$ 229,852	\$ (3,759)
16	FFB 4-6	B, C	Dec-15	Jan-46	\$ 775,261	4.202%	\$ 32,576	\$ 17,515	\$ 15,062
17	FFB 4-7	B, C	Dec-15	Jan-46	\$ 775,270	4.202%	\$ 32,577	\$ 17,515	\$ 15,062
18	FFB 4-9	B	Dec-15	Jan-46	\$ 764,117	3.555%	\$ 27,164	\$ 27,588	\$ (424)
19	FFB 4-10	B	Dec-15	Jan-46	\$ 764,069	3.555%	\$ 27,163	\$ 27,587	\$ (424)
20	FFB 4-11	B	Dec-15	Jan-46	\$ 2,793,283	2.601%	\$ 72,653	\$ 73,891	\$ (1,238)
21	FFB 4-12	B	Dec-15	Jan-46	\$ 764,069	3.555%	\$ 27,163	\$ 27,587	\$ (424)
22	FFB 4-13	B	Feb-16	Jan-46	\$ 2,383,211	2.307%	\$ 54,981	\$ 55,943	\$ (962)
23	FFB 4-14	B	Feb-16	Jan-46	\$ 792,259	2.223%	\$ 17,612	\$ 17,923	\$ (311)
24	FFB 4-15	B	Feb-16	Jan-46	\$ 1,029,937	2.223%	\$ 22,896	\$ 23,299	\$ (404)
25	FFB 5-1	B	Aug-17	Jan-51	\$ 1,764,490	2.571%	\$ 45,365	\$ 45,997	\$ (632)
26	FFB 5-2	B	Sep-17	Jan-51	\$ 1,762,378	2.513%	\$ 44,289	\$ 44,910	\$ (621)
27	FFB 5-3	B	Feb-18	Jan-51	\$ 4,436,001	2.848%	\$ 126,337	\$ 128,048	\$ (1,711)
28	FFB 5-4	B	Jun-18	Jan-51	\$ 4,447,292	2.977%	\$ 132,396	\$ 134,164	\$ (1,768)
29	FFB 5-5	B	Dec-18	Jan-51	\$ 8,067,117	3.034%	\$ 244,756	\$ 248,005	\$ (3,249)
30	FFB 5-6	B	Feb-20	Jan-51	\$ 4,505,229	1.938%	\$ 87,311	\$ 88,614	\$ (1,303)
31	FFB 5-7	B	Mar-20	Jan-51	\$ 10,664,619	1.118%	\$ 119,230	\$ 121,172	\$ (1,942)
32	FFB 6-1	B	Mar-20	Jan-51	\$ 9,618,197	2.098%	\$ 201,790	\$ 204,388	\$ (2,598)
33	FFB 6-2	B	Jul-23	Dec-54	\$ 9,917,017	3.946%	\$ 391,325	\$ 379,883	\$ 11,442
34	FFB 6-3	D	Aug-24	Dec-54	\$ 5,000,000	3.743%	\$ 187,150	\$ -	\$ 187,150
35					\$ 127,361,869		\$ 3,728,705	\$ 3,550,138	\$ 178,567
36	<b><u>CoBank Loans</u></b>								
37	0087244T01		Apr-16	May-34	\$ 36,626,962	3.550%	\$ 1,300,257	\$ 1,379,154	\$ (78,897)
38					\$ 36,626,962		\$ 1,300,257	\$ 1,379,154	\$ (78,897)
39	<b><u>CFC Loans</u></b>								
40	9020001	E	Aug-89	Aug-24	\$ 34,234	6.250%	\$ -	\$ 7,180	\$ (7,180)
41	9021001		Sep-91	Oct-26	\$ 245,176	6.250%	\$ 15,324	\$ 18,408	\$ (3,085)
42	9022001		Jul-93	May-28	\$ 566,985	6.650%	\$ 37,704	\$ 41,925	\$ (4,220)
43	9023001		Jan-99	May-32	\$ 1,630,327	6.700%	\$ 109,232	\$ 113,384	\$ (4,152)
44	9027013	E	Sep-10	Aug-23	\$ -	4.500%	\$ -	\$ 1,216	\$ (1,216)
45	9027014	E	Sep-10	Oct-24	\$ 69,878	4.550%	\$ -	\$ 10,217	\$ (10,217)
46					\$ 2,546,601		\$ 162,260	\$ 192,330	\$ (30,070)
47									
48	<b><u>City of Monticello</u></b>								
49	123107		Dec-07	Dec-26	\$ 2,053,333	4.750%	\$ 97,533	\$ 104,500	\$ (6,967)

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

**Interest on Long Term Debt**

Line #	Type of Debt Issued (1)	Note (2)	Date of Issue (3)	Date of Maturity (4)	Outstanding Amount as of 6/30/2024 (5)	Cost Rate to Maturity (6)	Pro Forma Interest Cost (7)	Test Year Interest Cost (8)	Pro Forma Adj (9)
50									
51									
52	Sub-Total				<u>\$ 171,006,047</u>		<u>\$ 5,355,240</u>	<u>\$ 5,289,085</u>	<u>\$ 66,155</u>
53									
54	Annualized Cost Rate						3.132%	3.093%	
55									
56									
57	<b>Total Adjustment</b>								<b>\$ 66,155</b>

**NOTES:**

- A Outstanding balance used to calculate proforma interest expense is as of 6/30/2024.
- B Quarterly payment due date and test year do not end on the same month, used July 23-June 24 to closely represent interest expense for each loan during the test yr.
- C Interest rate increased from test year.
- D New debt since test year.
- E Debt paid in full during or after test year.

This adjustment normalizes the interest on Long-Term Debt. Test year cost of debt is normalized to annualized cost rate (by multiplying the test year end debt amounts by the interest rate in effect at the end of the test year for each loan).



**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Life Insurance

Line #	A Empl #	B Note	C Total Premium	D 2025 Wage Rate with Union	E ProForma Regular Wages	F Lesser of \$50k or Salary	G (E * 3) Coverage - 3x Salary	H ((G-F)/G)*C Amount to Exclude
1	S01	A	158.31	-	-	\$ -	\$ -	\$ -
2	S02		832.58	74.52	155,000.00	\$ 50,000.00	\$ 465,000.00	\$ 743.06
3	S03		721.46	62.84	130,697.00	\$ 50,000.00	\$ 392,091.00	\$ 629.46
4	S04		660.02	62.84	130,697.00	\$ 50,000.00	\$ 392,091.00	\$ 575.85
5	S05		1,152.00	156.25	325,000.00	\$ 50,000.00	\$ 975,000.00	\$ 1,092.92
6	S06		561.26	52.82	109,862.00	\$ 50,000.00	\$ 329,586.00	\$ 476.11
7	S07		487.96	51.16	106,403.00	\$ 50,000.00	\$ 319,209.00	\$ 411.53
8	S08		540.12	58.11	120,870.00	\$ 50,000.00	\$ 362,610.00	\$ 465.64
9	S09		678.96	56.67	117,874.00	\$ 50,000.00	\$ 353,622.00	\$ 582.96
10	S10		507.16	45.54	94,726.00	\$ 50,000.00	\$ 284,178.00	\$ 417.93
11	S11		492.38	52.82	109,862.00	\$ 50,000.00	\$ 329,586.00	\$ 417.68
12	S12		676.68	62.84	130,697.00	\$ 50,000.00	\$ 392,091.00	\$ 590.39
13	S13		548.94	46.88	97,500.00	\$ 50,000.00	\$ 292,500.00	\$ 455.10
14	S14		661.44	62.84	130,697.00	\$ 50,000.00	\$ 392,091.00	\$ 577.09
15	S15		563.45	57.02	118,603.00	\$ 50,000.00	\$ 355,809.00	\$ 484.27
16	S16		855.38	85.10	177,000.00	\$ 50,000.00	\$ 531,000.00	\$ 774.84
17	S17		808.66	74.94	155,875.00	\$ 50,000.00	\$ 467,625.00	\$ 722.20
18	S18	A	806.26	-	-	\$ -	\$ -	\$ -
19	S19	C	495.84	63.94	133,000.00	\$ 50,000.00	\$ 399,000.00	\$ 433.70
20	S20	C	290.20	52.82	109,862.00	\$ 50,000.00	\$ 329,586.00	\$ 246.18
21	S21	C	380.17	67.12	139,600.00	\$ 50,000.00	\$ 418,800.00	\$ 334.78
22	S22	C	38.86	60.03	124,870.00	\$ 50,000.00	\$ 374,610.00	\$ 33.67
23	S23	C	-	91.35	190,000.00	\$ 50,000.00	\$ 570,000.00	\$ -
24	H01	A	62.59	-	-	\$ -	\$ -	\$ -
25	H02		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
26	H03	A	650.94	-	-	\$ -	\$ -	\$ -
27	H04	A	381.90	-	-	\$ -	\$ -	\$ -
28	H05		344.30	29.60	61,568.00	\$ 50,000.00	\$ 184,704.00	\$ 251.10
29	H06	A	96.11	-	-	\$ -	\$ -	\$ -
30	H07		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
31	H08		254.62	36.74	76,419.20	\$ 50,000.00	\$ 229,257.60	\$ 199.09

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Life Insurance

Line #	A Empl #	B Note	C Total Premium	D 2025 Wage Rate with Union	E ProForma Regular Wages	F Lesser of \$50k or Salary	G (E * 3) Coverage - 3x Salary	H ((G-F)/G)*C Amount to Exclude
32	H09		709.46	44.11	91,748.80	\$ 50,000.00	\$ 275,246.40	\$ 580.58
33	H10		344.30	30.18	62,774.40	\$ 50,000.00	\$ 188,323.20	\$ 252.89
34	H11		344.61	34.37	71,489.60	\$ 50,000.00	\$ 214,468.80	\$ 264.27
35	H12		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
36	H13		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
37	H14		438.02	38.80	80,704.00	\$ 50,000.00	\$ 242,112.00	\$ 347.56
38	H15		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
39	H16		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
40	H17		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
41	H18		438.02	38.80	80,704.00	\$ 50,000.00	\$ 242,112.00	\$ 347.56
42	H19		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
43	H20	A	487.41	-	-	\$ -	\$ -	\$ -
44	H21		432.53	38.80	80,704.00	\$ 50,000.00	\$ 242,112.00	\$ 343.21
45	H22	A	35.61	-	-	\$ -	\$ -	\$ -
46	H23		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
47	H24		536.31	46.56	96,844.80	\$ 50,000.00	\$ 290,534.40	\$ 444.01
48	H25		566.28	47.27	98,321.60	\$ 50,000.00	\$ 294,964.80	\$ 470.29
49	H26		438.02	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 345.05
50	H27	A	120.22	-	-	\$ -	\$ -	\$ -
51	H28		497.90	42.06	87,484.80	\$ 50,000.00	\$ 262,454.40	\$ 403.05
52	H29		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
53	H30		438.02	38.80	80,704.00	\$ 50,000.00	\$ 242,112.00	\$ 347.56
54	H31		390.14	33.62	69,929.60	\$ 50,000.00	\$ 209,788.80	\$ 297.16
55	H32		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
56	H33		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
57	H34		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
58	H35		344.30	29.60	61,568.00	\$ 50,000.00	\$ 184,704.00	\$ 251.10
59	H36		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
60	H37		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
61	H38		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
62	H39		406.30	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 320.06

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Life Insurance

A	B	C	D	E	F	G (E * 3)	H ((G-F)/G)*C	
Line #	Empl #	Note	Total Premium	2025 Wage Rate with Union	ProForma Regular Wages	Lesser of \$50k or Salary	Coverage - 3x Salary	Amount to Exclude
63	H40		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
64	H41		438.02	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 345.05
65	H42	A	52.92	-	-	\$ -	\$ -	\$ -
66	H43		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
67	H44		438.02	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 345.05
68	H45		308.14	28.37	59,009.60	\$ 50,000.00	\$ 177,028.80	\$ 221.11
69	H46	A	300.58	-	-	\$ -	\$ -	\$ -
70	H47		309.40	35.29	73,403.20	\$ 50,000.00	\$ 220,209.60	\$ 239.15
71	H48		438.02	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 345.05
72	H49		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
73	H50		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
74	H51		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
75	H52		435.96	41.02	85,321.60	\$ 50,000.00	\$ 255,964.80	\$ 350.80
76	H53		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
77	H54		438.02	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 345.05
78	H55		300.58	27.03	56,222.40	\$ 50,000.00	\$ 168,667.20	\$ 211.48
79	H56		290.16	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 199.83
80	H57		432.53	38.80	80,704.00	\$ 50,000.00	\$ 242,112.00	\$ 343.21
81	H58	A	31.72	-	-	\$ -	\$ -	\$ -
82	H59		359.66	35.49	73,819.20	\$ 50,000.00	\$ 221,457.60	\$ 278.46
83	H60		540.12	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.74
84	H61		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
85	H62		413.72	36.87	76,689.60	\$ 50,000.00	\$ 230,068.80	\$ 323.81
86	H63		540.24	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 450.84
87	H64	A	83.32	-	-	\$ -	\$ -	\$ -
88	H65		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
89	H66		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
90	H67		518.22	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 432.46
91	H68		512.42	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 427.62
92	H69		403.18	34.49	71,739.20	\$ 50,000.00	\$ 215,217.60	\$ 309.51
93	H70		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Life Insurance

A	B	C	D	E	F	G (E * 3)	H ((G-F)/G)*C	
Line #	Empl #	Note	Total Premium	2025 Wage Rate with Union	ProForma Regular Wages	Lesser of \$50k or Salary	Coverage - 3x Salary	Amount to Exclude
94	H71		403.38	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 326.24
95	H72		498.21	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 411.93
96	H73		504.36	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 417.02
97	H74		514.46	48.42	100,713.60	\$ 50,000.00	\$ 302,140.80	\$ 429.32
98	H75		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
99	H76	A	530.79	-	-	\$ -	\$ -	\$ -
100	H77		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
101	H78		361.88	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ 283.21
102	H79	A	192.17	-	-	\$ -	\$ -	\$ -
103	H80	A	243.61	-	-	\$ -	\$ -	\$ -
104	H81		373.60	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ 292.38
105	H82		426.96	44.11	91,748.80	\$ 50,000.00	\$ 275,246.40	\$ 349.40
106	H83		512.42	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 423.68
107	H84		300.58	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 207.01
108	H85	A	480.00	-	-	\$ -	\$ -	\$ -
109	H86		415.37	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 343.44
110	H87	A	369.51	-	-	\$ -	\$ -	\$ -
111	H88		374.58	42.06	87,484.80	\$ 50,000.00	\$ 262,454.40	\$ 303.22
112	H89		488.30	42.06	87,484.80	\$ 50,000.00	\$ 262,454.40	\$ 395.27
113	H90	A	162.52	-	-	\$ -	\$ -	\$ -
114	H91		376.97	37.75	78,520.00	\$ 50,000.00	\$ 235,560.00	\$ 296.95
115	H92		493.70	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 408.20
116	H93		466.08	46.27	96,241.60	\$ 50,000.00	\$ 288,724.80	\$ 385.37
117	H94		336.42	37.81	78,644.80	\$ 50,000.00	\$ 235,934.40	\$ 265.12
118	H95	A	175.82	-	-	\$ -	\$ -	\$ -
119	H96	A	1,142.40	-	-	\$ -	\$ -	\$ -
120	H97		271.32	26.91	55,972.80	\$ 50,000.00	\$ 167,918.40	\$ 190.53
121	H98		262.68	27.13	56,430.40	\$ 50,000.00	\$ 169,291.20	\$ 185.10
122	H99		262.29	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 180.64
123	H100	A	375.55	-	-	\$ -	\$ -	\$ -
124	H101		262.29	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 180.64

**SOUTH KENTUCKY R.E.C.C.**  
**For the 12 Months Ended May 2024**

Life Insurance

Line #	A Empl #	B Note	C Total Premium	D 2025 Wage Rate with Union	E ProForma Regular Wages	F Lesser of \$50k or Salary	G (E * 3) Coverage - 3x Salary	H ((G-F)/G)*C Amount to Exclude
125	H102	A	97.61	-	-	\$ -	\$ -	\$ -
126	H103		371.26	42.06	87,484.80	\$ 50,000.00	\$ 262,454.40	\$ 300.53
127	H104		262.29	25.74	53,539.20	\$ 50,000.00	\$ 160,617.60	\$ 180.64
128	H105		405.77	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 328.17
129	H106		426.31	43.95	91,416.00	\$ 50,000.00	\$ 274,248.00	\$ 348.59
130	H107		405.77	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 328.17
131	H108		289.46	35.49	73,819.20	\$ 50,000.00	\$ 221,457.60	\$ 224.11
132	H109		397.37	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 321.38
133	H110		336.07	31.61	65,748.80	\$ 50,000.00	\$ 197,246.40	\$ 250.88
134	H111		397.37	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 321.38
135	H112		319.20	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ 249.81
136	H113	C	259.00	34.37	71,489.60	\$ 50,000.00	\$ 214,468.80	\$ 198.62
137	H114	C	233.10	34.37	71,489.60	\$ 50,000.00	\$ 214,468.80	\$ 178.76
138	H115	A	414.72	-	-	\$ -	\$ -	\$ -
139	H116	A	183.36	-	-	\$ -	\$ -	\$ -
140	H117	A	-	-	-	\$ -	\$ -	\$ -
141	H118	C	181.30	30.14	62,691.20	\$ 50,000.00	\$ 188,073.60	\$ 133.10
142	H119	C	160.42	30.74	63,939.20	\$ 50,000.00	\$ 191,817.60	\$ 118.60
143	H120	C	260.26	41.90	87,152.00	\$ 50,000.00	\$ 261,456.00	\$ 210.49
144	H121	C	162.42	35.49	73,819.20	\$ 50,000.00	\$ 221,457.60	\$ 125.75
145	H122	C	162.42	35.49	73,819.20	\$ 50,000.00	\$ 221,457.60	\$ 125.75
146	H123	C	123.78	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ 96.87
147	H124	C	123.78	23.41	48,692.80	\$ 48,692.80	\$ 146,078.40	\$ 82.52
148	H125	C	180.67	34.37	71,489.60	\$ 50,000.00	\$ 214,468.80	\$ 138.55
149	H126	C	123.78	23.41	48,692.80	\$ 48,692.80	\$ 146,078.40	\$ 82.52
150	H127	A	90.33	-	-	\$ -	\$ -	\$ -
151	H128	C	82.52	22.25	46,280.00	\$ 46,280.00	\$ 138,840.00	\$ 55.01
152	H129	C	61.89	27.16	56,492.80	\$ 50,000.00	\$ 169,478.40	\$ 43.63
153	H130	C	70.86	31.18	64,854.40	\$ 50,000.00	\$ 194,563.20	\$ 52.65
154	H131	C	116.58	40.51	84,260.80	\$ 50,000.00	\$ 252,782.40	\$ 93.52
155	H132	A	273.60	-	-	\$ -	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

Life Insurance

Line #	A Empl #	B Note	C Total Premium	D 2025 Wage Rate with Union	E ProForma Regular Wages	F Lesser of \$50k or Salary	G (E * 3) Coverage - 3x Salary	H ((G-F)/G)*C Amount to Exclude
156	H133	C	37.19	39.70	82,576.00	\$ 50,000.00	\$ 247,728.00	\$ 29.68
157	H134	C	20.63	22.25	46,280.00	\$ 46,280.00	\$ 138,840.00	\$ 13.75
158	H135	C	-	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ -
159	H136	C	-	36.86	76,668.80	\$ 50,000.00	\$ 230,006.40	\$ -
160	H137	C	-	24.24	50,419.20	\$ 50,000.00	\$ 151,257.60	\$ -
161	H138	C	-	24.57	51,105.60	\$ 50,000.00	\$ 153,316.80	\$ -
162	H139	C	-	30.74	63,939.20	\$ 50,000.00	\$ 191,817.60	\$ -
163	H140	C	-	21.14	43,971.20	\$ 43,971.20	\$ 131,913.60	\$ -
164	H141	C	-	27.81	57,844.80	\$ 50,000.00	\$ 173,534.40	\$ -
165	H142	C	-	21.14	43,971.20	\$ 43,971.20	\$ 131,913.60	\$ -
166	Total		\$ 60,690.22		\$ 11,902,178.20			\$ 42,749.85

**NOTES:**

A - No longer employed

C - Hired During or After the Test Year

Allowed Total \$ 17,940

Test Year Amount \$ 60,690

Pro Forma Amount \$ 17,940

Difference \$ (42,750)

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

Life Insurance

Line #	A Empl #	B Note	C Total Premium	D 2025 Wage Rate with Union	E ProForma Regular Wages	F Lesser of \$50k or Salary	G (E * 3) Coverage - 3x Salary	H ((G-F)/G)*C Amount to Exclude
180	This adjustment removes Life insurance premiums for coverage above the lesser of an employee's annual salary or \$50,000 from the test period.							
181								
182	<b>Allocation to Accounts</b>				<u>Alloc</u>	<u>Adjustment</u>		
183								
184	580-589		Operations		7.92%	(3,384)		
185	590-598		Maintenance		24.16%	(10,330)		
186	901-905		Consumer Accounts		10.81%	(4,621)		
187	907-910		Customer Service		2.40%	(1,024)		
188	920-935		Administrative & General		10.59%	(4,527)		
189	<b>Expense Adjustment &gt;</b>				55.87%	<b>(23,886)</b>		
190								
191	101-120		Utility Plant		26.53%	(11,342)		
192	131-174		Current & Accrued Assets		1.92%	(819)		
193	181-190		Deferred Debits		5.55%	(2,373)		
194	231-283		Current & Accrued Liabilities		10.12%	(4,328)		
195			Subtotal		44.13%	(18,864)		
196								
197	Total				100.00%	(42,750)		

**SOUTH KENTUCKY R.E.C.C.**  
For the 12 Months Ended May 2024

**HDHP Health Insurance Premiums**

H.S.A./H.R.A.  
Contributions

#	Option (1)	Total Cost \$ (2)	Employee % (3)	Employee \$ (4)	Retiree % (5)	Retiree \$ (6)	Utility % (7)	Utility \$ (8)	Utility \$ (9)	Total Utility \$ (10)
1	<b>Normalized Test Year</b>									
2	Employee or Retiree	478,665	22%	105,306			78%	373,359	22,633	395,992
3	Employee or Retiree & Spouse	577,503	26%	150,151			74%	427,352		427,352
4	Employee or Retiree & Child(ren)	657,788	28%	184,181			72%	473,607		473,607
5	Employee or Retiree & Family	704,083	34%	239,388			66%	464,695	89,850	554,545
12	Retiree-Humana	334,799			0%		100%	334,799		334,799
13	Retiree Spouse Only-Humana	124,002			85%	91,771	15%	32,231		32,231
16	<b>Total</b>	<b>2,876,840</b>		<b>679,026</b>		<b>91,771</b>		<b>2,106,044</b>	<b>112,483</b>	<b>2,218,527</b>
17										
18	<b>Pro Forma Year</b>									
19	Employee or Retiree	475,547	20%	95,109			80%	380,438	19,800	400,238
20	Employee or Retiree & Spouse	512,634	20%	102,527			80%	410,107		410,107
21	Employee or Retiree & Child(ren)	645,276	20%	129,055			80%	516,221		516,221
22	Employee or Retiree & Family	768,196	20%	153,639			80%	614,557	95,700	710,257
29	Retiree-Humana	335,966			0%	-	100%	335,966		335,966
30	Retiree Spouse Only-Humana	237,552			85%	201,919	15%	35,633		35,633
31	<b>Total</b>	<b>2,975,171</b>		<b>480,331</b>		<b>201,919</b>		<b>2,292,921</b>	<b>115,500</b>	<b>2,408,421</b>
32										
33	<b>Adjustment</b>									<b>189,894</b>

**Dental Insurance Premiums**

#	Option (1)	Total Cost \$ (2)	Employee % (3)	Employee \$ (4)	Retiree % (5)	Retiree \$ (6)	Utility % (7)	Utility \$ (8)
37	<b>Normalized Test Year</b>							
41	Employee	13,025	50%	6,512			50%	6,512
42	Employee & Spouse	11,780	50%	5,890			50%	5,890
43	Employee & Child(ren)	18,128	50%	9,064			50%	9,064
44	Employee & Family	37,135	50%	18,567			50%	18,567
45	Retiree	45,122	0%	-	100%	45,122	0%	-
46	<b>Total</b>	<b>125,189</b>		<b>40,033</b>		<b>45,122</b>		<b>40,033</b>
47								
48	<b>Pro Forma Year</b>							
49	Employee	14,864	50%	7,432			50%	7,255
50	Employee & Spouse	10,849	50%	5,424			50%	5,425
51	Employee & Child(ren)	18,704	50%	9,352			50%	9,066
52	Employee & Family	39,412	50%	19,706			50%	19,713
53	Retiree	46,690	0%	-	100%	46,690	0%	-
54	<b>Total</b>	<b>130,520</b>		<b>41,915</b>		<b>46,690</b>		<b>41,458</b>
55								
56	<b>Adjustment</b>							<b>1,425</b>
57								
58	<b>Grand Total Adjustment for Medical and Dental</b>							<b>\$191,319</b>

This adjustment adjusts contributions to employee premiums for medical and dental insurance to reflect the change in health care plans

#	Allocation to Accounts	Alloc	Adjustment
67	580-589	Operations	7.92% 15,145
68	590-598	Maintenance	24.16% 46,229
69	901-905	Consumer Accounts	10.81% 20,682
70	907-910	Customer Service	2.40% 4,583
71	920-935	Administrative & General	10.59% 20,259
72	<b>Expense Adjustment &gt;</b>		<b>55.87% 106,899</b>
74	101-120	Utility Plant	26.53% 50,761
75	131-174	Current & Accrued Assets	1.92% 3,667
76	181-190	Deferred Debits	5.55% 10,622
77	231-283	Current & Accrued Liabilities	10.12% 19,371
78		Subtotal	44.13% 84,421
80		<b>Total</b>	<b>100.00% 191,319</b>



**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Meter Test Charge**

#  
1 Meter Testing Charge  
2 For the retrieval and testing of a meter at the member's request.  
3

4       Meter Fee     Meter Fee  
5       Test Year     Test Year  
6       Quantity     Revenue  
       14         \$ 245.70

	Labor Hours Required to Test	Wage Rate	Total Cost to Test	Trip Hours Required	Service Man Wage Rate	Service Tech Cost	Transportation Rate per Hour	Transportation Cost	Total Cost To Retrieve	Total Cost to Retrieve and Test Meter	Cost per Test	<b>Proposed Rate</b>	Proforma Meter Fee Annual Revenue
7	1.87	\$ 44.11	\$ 82.34	28	\$ 46.27	\$ 1,295.56	\$ 23.88	\$ 668.64	\$ 1,964.20	\$ 2,046.54	\$ 146.18	\$ 150.00	\$ 2,100.00
8													
9													
10											Adjustment		
11													\$ 1,854.30

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Trip Charge**

#  
1 Trip Charge for collection, meter reading or disconnection and/or reconnection of service where a non-remote meter is installed.  
2

3 Description	<u>Test Year Total</u>	<u>Test Year Number of Trips</u>
4 Trip Charges during business hours	\$ 38,171.25	2,175
5 Trip Charges outside of business hours	\$ 3,450.00	20
6	\$ 41,621.25	

7  
8  
9 Proforma Calculation  
10

11	Trip Labor Hours Required	Serviceman Wage Rate	Labor Cost	Transportation Rate per Hour	Transportation Cost	Total Trip Cost	Proforma Number of Trips	Proforma Total Cost	<b>Proposed Rates</b>	Proforma Annual Rev
12 <b>Trip Cost During Regular Hours</b>	2	\$ 46.27	\$ 92.54	\$ 23.88	\$ 47.76	\$ 140.30	1475	\$ 206,942.50	<b>140.00</b>	\$ 206,500
13 Trip Cost @ 1.5x	4	\$ 69.41	\$ 277.62	\$ 23.88	\$ 95.52	\$ 373.14				
14 Trip Cost -Sunday and Holiday	4	\$ 92.54	\$ 370.16	\$ 23.88	\$ 95.52	\$ 465.68				
15 <b>Trip Cost After Hours (85%@1.5x, 15%@2x)</b>						\$ 387.02	20	\$ 7,740.42	<b>\$ 387</b>	
16								\$ 214,682.92		
17										
18										
19								Adjustment		<b>\$ 173,062</b>

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Remote Reconnection < 60 Days**

#  
1 Remote Service Reconnection within 60 days of disconnection  
2 To reconnect service for disconnected accounts with remote meter capabilities  
3 where the account was previously disconnected within the past 60 days.  
4

5 Test Year                      Test Year  
6 Revenue                      Occurrences  
7 \$                      -                      unknown  
8  
9

Estimated Proforma Occurrences	Hours	Labor Rate	Total Cost	Cost per Occurrence	<b>Proposed Rate</b>	Proforma Annual Revenue
700	0.5	\$ 35.22	\$ 12,325.25	\$ 17.61	<b>\$ 20.00</b>	\$ 14,000.00
				Adjustment		\$ 14,000.00

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Remote Reconnection 61 - 365 Days**

#  
1 Remote Service Reconnection greater than 60 and less than 365 days  
2 To reconnect service for disconnected accounts with remote meter capabilities where the account  
3 was previously disconnected more than 60 and less than 365 days.  
4

5 Test Year Revenue      Test Year Occurrences  
6 \$                      -                      unknown  
7

	Estimated Proforma Occurrences	Fixed Costs-Loss of Consumer Charges	<b>Proposed Rate</b>	Proforma Revenue
9	20	\$ 6,182.00	<b>\$ 300.00</b>	\$ 6,000.00
10				
11				
12		Adjustment		\$ 6,000.00
13				

**SOUTH KENTUCKY R.E.C.C.  
For the 12 Months Ended May 2024**

**Returned Check Charge**

#  
1  
2  
  
3  
4  
5  
6  
7  
  
8  
9  
10  
11  
12

Returned Check Charge

Test Year	Test Year
Revenue	Occurrences
\$ 10,416.00	1680

Proforma

Average bank	Labor Hours	Labor Rate	Total Labor Cost	Labor Cost per Occurrence	Postage and Mail Supplies per Occurrence	Total Cost per Occurrence	<b>Proposed Rate</b>	Proforma Annual Revenue
fee								
6	124.8	\$ 28.37	\$ 3,540.58	\$ 2.11	\$ 1.00	\$ 9.11	<b>\$ 10.00</b>	\$ 16,800.00
						Adjustment		\$ 6,384.00

**SOUTH KENTUCKY R.E.C.C.**  
**Summary of Rates of Return by Class**

#	Rate	Code	Pro Forma Operating Revenue	Pro Forma Operating Expenses	Margin	Rate Base	Pro Forma Rate of Return on Rate Base	Unitized Rate of Return on Rate Base
1	Residential, Farm and Non-Farm Service	A	\$ 84,384,721	\$ 92,464,016	\$ (8,079,295)	\$ 176,926,919	-4.57%	(22.57)
2	Small Commercial Rate	B	\$ 8,519,831	\$ 5,892,891	\$ 2,626,940	\$ 15,569,769	16.87%	83.39
3	Large Power Rate (Excess of 50 kVA)	LP	\$ 17,439,910	\$ 14,871,724	\$ 2,568,186	\$ 10,445,376	24.59%	121.52
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	\$ 846,705	\$ 699,978	\$ 146,727	\$ 319,263	45.96%	227.15
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	\$ 4,999,264	\$ 4,737,387	\$ 261,877	\$ 2,488,840	10.52%	52.01
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	\$ 5,339,215	\$ 5,064,453	\$ 274,762	\$ 2,760,134	9.95%	49.20
7	Optional Power Service	OPS	\$ 1,376,881	\$ 977,564	\$ 399,317	\$ 1,226,618	32.55%	160.90
8	All Electric Schools	AES	\$ 901,509	\$ 830,046	\$ 71,463	\$ 749,996	9.53%	47.09
9	Lighting	Lights	\$ 4,304,739	\$ 2,123,495	\$ 2,181,244	\$ 12,529,272	17.41%	86.05
10	Total		\$ 128,112,774	\$ 127,661,555	\$ 451,219	\$ 223,016,188	0.20%	1.00

							<b>After Proposed Rate Revisions</b>	
#	Rate	Code	Share of Revenue	Share of kWh			Pro Forma Rate of Return on Rate Base	Unitized Rate of Return on Rate Base
11	Residential, Farm and Non-Farm Service	A	65.87%	62.73%			1.52%	0.30
12	Small Commercial Rate	B	6.65%	5.73%			16.87%	3.35
13	Large Power Rate (Excess of 50 kVA)	LP	13.61%	14.98%			24.59%	4.89
14	Large Power Rate (500 KW to 4,999 KW)	LP-1	0.66%	0.80%			45.96%	9.14
15	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	3.90%	6.18%			10.52%	2.09
16	Large Power Rate (500 KW to 2,999 KW)	LP-3	4.17%	6.66%			9.95%	1.98
17	Optional Power Service	OPS	1.07%	0.98%			32.55%	6.47
18	All Electric Schools	AES	0.70%	0.86%			9.53%	1.89
19	Lighting	Lights	3.36%	1.08%			17.41%	3.46
20	Total		100.0%	100.0%			5.03%	1.00

**SOUTH KENTUCKY R.E.C.C.  
Summary of Cost-Based Rates**

			Cost-Based Rates		
#	Rate	Code	Customer \$/Month	Energy \$/KWH	Demand \$/KW
1	Residential, Farm and Non-Farm Service	A	30.91	0.10016	-
2	Small Commercial Rate	B	43.21	0.05822	-
3	Large Power Rate (Excess of 50 kVA)	LP	72.13	0.05333	8.11
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	246.86	0.04726	11.18
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	390.60	0.03753	11.51
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	243.01	0.03791	10.99
7	Optional Power Service	OPS	39.22	0.07950	-
8	All Electric Schools	AES	73.18	0.07996	-

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Plant in Service</b>							
<b>Intangible Plant</b>							
301.00 ORGANIZATION	P301	PT&D	\$ -	-	-	-	-
302.00 FRANCHISES	P302	PT&D	-	-	-	-	-
303.00 MISC. INTANGIBLE	P303	PT&D	-	-	-	-	-
Total Intangible Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Steam Production</b>							
310.00 LAND AND LAND RIGHTS	P310	F016	\$ -	-	-	-	-
311.00 STRUCTURES AND IMPROVEMENTS	P311	F016	-	-	-	-	-
312.00 BOILER PLANT EQUIPMENT	P312	F016	-	-	-	-	-
313.00 ENGINES AND ENGINE DRIVEN GENERATORS	P313	F016	-	-	-	-	-
314.00 TURBOGENERATOR UNITS	P314	F016	-	-	-	-	-
315.00 ACCESSORY ELEC EQUIP	P315	F016	-	-	-	-	-
316.00 MISC POWER PLANT EQUIPMENT	P316	F016	-	-	-	-	-
317.00 ASSET RETIREMENT COST FOR STEAM PROD	P317	F016	-	-	-	-	-
Total Steam Production Plant	PPROD		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
350.00 LAND AND LAND RIGHTS	P350	F011	\$ -	-	-	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	-
354.00 TOWERS AND FIXTURES	P354	F011	-	-	-	-	-
355.00 POLES AND FIXTURES	P355	F011	-	-	-	-	-
356.00 CONDUCTORS AND DEVICES	P356	F011	-	-	-	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-
Total Transmission Plant	PTRAN		\$ -	\$ -	\$ -	\$ -	\$ -



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Plant in Service</b>										
<b>Intangible Plant</b>										
301.00 ORGANIZATION	P301	PT&D	-	-	-	-	-	-	-	-
302.00 FRANCHISES	P302	PT&D	-	-	-	-	-	-	-	-
303.00 MISC. INTANGIBLE	P303	PT&D	-	-	-	-	-	-	-	-
Total Intangible Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Steam Production</b>										
310.00 LAND AND LAND RIGHTS	P310	F016	-	-	-	-	-	-	-	-
311.00 STRUCTURES AND IMPROVEMENTS	P311	F016	-	-	-	-	-	-	-	-
312.00 BOILER PLANT EQUIPMENT	P312	F016	-	-	-	-	-	-	-	-
313.00 ENGINES AND ENGINE DRIVEN GENERATORS	P313	F016	-	-	-	-	-	-	-	-
314.00 TURBOGENERATOR UNITS	P314	F016	-	-	-	-	-	-	-	-
315.00 ACCESSORY ELEC EQUIP	P315	F016	-	-	-	-	-	-	-	-
316.00 MISC POWER PLANT EQUIPMENT	P316	F016	-	-	-	-	-	-	-	-
317.00 ASSET RETIREMENT COST FOR STEAM PROD	P317	F016	-	-	-	-	-	-	-	-
Total Steam Production Plant	PPROD		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>										
350.00 LAND AND LAND RIGHTS	P350	F011	-	-	-	-	-	-	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	-	-	-	-
354.00 TOWERS AND FIXTURES	P354	F011	-	-	-	-	-	-	-	-
355.00 POLES AND FIXTURES	P355	F011	-	-	-	-	-	-	-	-
356.00 CONDUCTORS AND DEVICES	P356	F011	-	-	-	-	-	-	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-	-	-	-
Total Transmission Plant	PTRAN		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
<b>Plant in Service (Continued)</b>								
<b>Distribution</b>								
360.00	LAND AND LAND RIGHTS	P360	F001	\$ 52,264	-	-	-	52,264
361.00	STRUCTURES AND IMPROVEMENTS	P361	F001	17,824	-	-	-	17,824
362.00	STATION EQUIPMENT	P362	F001	944,144	-	-	-	944,144
364.00	POLES, TOWERS AND FIXTURES	P364	F002	73,680,362	-	-	-	-
365.00	OVERHEAD CONDUCTORS AND DEVICE	P365	F003	74,544,840	-	-	-	-
366.00	UNDERGROUND CONDUIT	P366	F004	668,536	-	-	-	-
367.00	UNDERGROUND CONDUCTORS AND DEV	P367	F004	11,064,794	-	-	-	-
368.00	LINE TRANSFORMERS	P368	F005	49,484,220	-	-	-	-
369.00	SERVICES	P369	F006	34,665,176	-	-	-	-
370.00	METERS	P370	F007	15,082,809	-	-	-	-
371.00	INSTALLATIONS ON CONSUMERS PRE	P371	F013	13,643,825	-	-	-	-
372.00	LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-	-
373.00	STREET LIGHTING AND SIGNAL SYS	P373	F008	1,328,315	-	-	-	-
	Total Distribution Plant	PDIST		\$ 275,177,109	\$ -	\$ -		\$ 1,014,233
	Total Transmission and Distribution Plant	PT&D		\$ 275,177,109	\$ -	\$ -	\$ -	\$ 1,014,233
	Total Production, Transmission & Distribution Plant	PPT&D		\$ 275,177,109	\$ -	\$ -	\$ -	\$ 1,014,233

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Plant in Service (Continued)</b>										
<b>Distribution</b>										
360.00	LAND AND LAND RIGHTS	P360	F001	-	-	-	-	-	-	-
361.00	STRUCTURES AND IMPROVEMENTS	P361	F001	-	-	-	-	-	-	-
362.00	STATION EQUIPMENT	P362	F001	-	-	-	-	-	-	-
364.00	POLES, TOWERS AND FIXTURES	P364	F002	52,643,507	21,036,855	-	-	-	-	-
365.00	OVERHEAD CONDUCTORS AND DEVICE	P365	F003	53,261,163	21,283,676	-	-	-	-	-
366.00	UNDERGROUND CONDUIT	P366	F004	336,178	332,358	-	-	-	-	-
367.00	UNDERGROUND CONDUCTORS AND DEV	P367	F004	5,564,007	5,500,787	-	-	-	-	-
368.00	LINE TRANSFORMERS	P368	F005	22,209,383	27,274,838	-	-	-	-	-
369.00	SERVICES	P369	F006	-	-	-	34,665,176	-	-	-
370.00	METERS	P370	F007	-	-	-	-	15,082,809	-	-
371.00	INSTALLATIONS ON CONSUMERS PRE	P371	F013	-	-	-	-	-	13,643,825	-
372.00	LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-	-	-	-
373.00	STREET LIGHTING AND SIGNAL SYS	P373	F008	-	-	-	-	-	1,328,315	-
	Total Distribution Plant		PDIST	\$ 134,014,239	\$ 75,428,514	\$ -	\$ 34,665,176	\$ 15,082,809	\$ 14,972,139	\$ -
	Total Transmission and Distribution Plant		PT&D	\$ 134,014,239	\$ 75,428,514	\$ -	\$ 34,665,176	\$ 15,082,809	\$ 14,972,139	\$ -
	Total Production, Transmission & Distribution Plant		PPT&D	\$ 134,014,239	\$ 75,428,514	\$ -	\$ 34,665,176	\$ 15,082,809	\$ 14,972,139	\$ -

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
<b>Plant in Service (Continued)</b>								
<b>General Plant</b>								
389.00	LAND AND LAND RIGHTS	P389	PT&D	\$ 2,878,536	-	-	-	10,610
390.00	STRUCTURES AND IMPROVEMENTS	P390	PT&D	20,742,007	-	-	-	76,450
391.00	OFFICE FURNITURE AND EQUIPMENT	P391	PT&D	3,492,959	-	-	-	12,874
392.00	TRANSPORTATION EQUIPMENT	P392	PT&D	10,725,487	-	-	-	39,531
393.00	STORES EQUIPMENT	P393	PT&D	349,676	-	-	-	1,289
394.00	TOOLS, SHOP & GARAGE EQUIPMENT	P394	PT&D	500,273	-	-	-	1,844
395.00	LABORATORY EQUIPMENT	P395	PT&D	199,322	-	-	-	735
396.00	POWER OPERATED EQUIPMENT	P396	PT&D	59,749	-	-	-	220
397.00	COMMUNICATION EQUIPMENT	P397	PT&D	2,310,045	-	-	-	8,514
398.00	MISCELLANEOUS EQUIPMENT	P398	PT&D	1,180,337	-	-	-	4,350
399.00	OTHER TANGIBLE PROPERTY	P399	PT&D	-	-	-	-	-
	Total General Plant	PGP		\$ 42,438,392	\$ -	\$ -	\$ -	\$ 156,417
	Total Plant in Service	TPIS		\$ 317,615,501	\$ -	\$ -	\$ -	\$ 1,170,650
<b>Construction Work in Progress (CWIP)</b>								
	CWIP Production	CWIP1	PPROD	\$ -	-	-	-	-
	CWIP Transmission	CWIP2	PTRAN	-	-	-	-	-
	CWIP Distribution	CWIP3	PDIST	\$ 5,305,944	-	-	-	19,556
	CWIP General Plant	CWIP4	PGP	-	-	-	-	-
	CWIP Other	CWIP5	PDIST	-	-	-	-	-
	Total Construction Work in Progress	TCWIP		\$ 5,305,944	\$ -	\$ -	\$ -	\$ 19,556
	Total Utility Plant			\$ 322,921,445	\$ -	\$ -	\$ -	\$ 1,190,206

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	
<b>Plant in Service (Continued)</b>											
<b>General Plant</b>											
389.00	LAND AND LAND RIGHTS	P389	PT&D	1,401,878	789,032	-	362,621	157,776	156,619	-	-
390.00	STRUCTURES AND IMPROVEMENTS	P390	PT&D	10,101,583	5,685,570	-	2,612,955	1,136,896	1,128,554	-	-
391.00	OFFICE FURNITURE AND EQUIPMENT	P391	PT&D	1,701,109	957,452	-	440,022	191,454	190,049	-	-
392.00	TRANSPORTATION EQUIPMENT	P392	PT&D	5,223,429	2,939,952	-	1,351,133	587,878	583,564	-	-
393.00	STORES EQUIPMENT	P393	PT&D	170,296	95,849	-	44,050	19,166	19,026	-	-
394.00	TOOLS, SHOP & GARAGE EQUIPMENT	P394	PT&D	243,638	137,129	-	63,021	27,421	27,219	-	-
395.00	LABORATORY EQUIPMENT	P395	PT&D	97,072	54,636	-	25,109	10,925	10,845	-	-
396.00	POWER OPERATED EQUIPMENT	P396	PT&D	29,098	16,378	-	7,527	3,275	3,251	-	-
397.00	COMMUNICATION EQUIPMENT	P397	PT&D	1,125,017	633,204	-	291,006	126,616	125,687	-	-
398.00	MISCELLANEOUS EQUIPMENT	P398	PT&D	574,837	323,541	-	148,692	64,696	64,221	-	-
399.00	OTHER TANGIBLE PROPERTY	P399	PT&D	-	-	-	-	-	-	-	-
	Total General Plant	PGP		\$ 20,667,957	\$ 11,632,744	\$ -	\$ 5,346,136	\$ 2,326,102	\$ 2,309,035	\$ -	\$ -
	Total Plant in Service	TPIS		\$ 154,682,196	\$ 87,061,258	\$ -	\$ 40,011,312	\$ 17,408,911	\$ 17,281,174	\$ -	\$ -
<b>Construction Work in Progress (CWIP)</b>											
	CWIP Production	CWIP1	PPROD	-	-	-	-	-	-	-	-
	CWIP Transmission	CWIP2	PTRAN	-	-	-	-	-	-	-	-
	CWIP Distribution	CWIP3	PDIST	2,584,052	1,454,407	-	668,411	290,826	288,692	-	-
	CWIP General Plant	CWIP4	PGP	-	-	-	-	-	-	-	-
	CWIP Other	CWIP5	PDIST	-	-	-	-	-	-	-	-
	Total Construction Work in Progress	TCWIP		\$ 2,584,052	\$ 1,454,407	\$ -	\$ 668,411	\$ 290,826	\$ 288,692	\$ -	\$ -
	Total Utility Plant			\$ 157,266,248	\$ 88,515,665	\$ -	\$ 40,679,724	\$ 17,699,737	\$ 17,569,866	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Rate Base</b>							
<b>Utility Plant</b>							
Plant in Service			\$ 317,615,501	\$ -	\$ -	\$ -	\$ 1,170,650
Construction Work in Progress (CWIP)			5,305,944	-	-	-	19,556.36
<b>Total Utility Plant</b>	TUP		\$ 322,921,445	\$ -	\$ -	\$ -	\$ 1,190,206
<b>Less: Accumulated Provision for Depreciation</b>							
Electric Plant Amortization	ADEPREPA	TUP	\$ -	-	-	-	-
Retirement Work in Progress	RWIP	PDIST	(649,006)	-	-	-	(2,392)
Steam Production	ADEPRPP	PPROD	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-
Distribution	ADEPRD12	PDIST	89,520,164	-	-	-	329,949
Dist-Structures	ADEPRD1	P361	-	-	-	-	-
Dist-Station	ADEPRD2	P362	-	-	-	-	-
Dist-Poles and Fixtures	ADEPRD3	P364	-	-	-	-	-
Dist-OH Conductor	ADEPRD4	P365	-	-	-	-	-
Dist-UG Conduit	ADEPRD5	P366	-	-	-	-	-
Dist-UG Conductor	ADEPRD6	P367	-	-	-	-	-
Dist-Line Transformers	ADEPRD7	P368	-	-	-	-	-
Dist-Services	ADEPRD8	P369	-	-	-	-	-
Dist-Meters	ADEPRD9	P370	-	-	-	-	-
Dist-Installations on Customer Premises	ADEPRD10	P371	-	-	-	-	-
Dist-Lighting & Signal Systems	ADEPRD11	P373	-	-	-	-	-
Accum Amtz - Electric Plant Acquisition		PGP	-	-	-	-	-
Accum Amtz - Electric Plant in Service		PGP	-	-	-	-	-
General Plant		PGP	15,349,880	-	-	-	56,576
<b>Total Accumulated Depreciation &amp; Amort</b>	TADEPR		\$ 104,221,038	\$ -	\$ -	\$ -	\$ 384,132
<b>Net Utility Plant</b>	NTPLANT		\$ 218,700,408	\$ -	\$ -	\$ -	\$ 806,074
<b>Working Capital</b>							
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	\$ 4,010,278	\$ -	\$ -	\$ -	\$ 28,147
Materials and Supplies (13-Month Avg)	M&S	TPIS	2,663,715	-	-	-	9,818
Prepayments (13-Month Average)	PREPAY	TPIS	433,774	-	-	-	1,599
<b>Total Working Capital</b>	TWC		\$ 7,107,767	\$ -	\$ -	\$ -	\$ 39,563
Less: Customer Deposits	CSTDEP	TPIS	2,791,987	-	-	-	10,291
<b>Net Rate Base</b>	RB		\$ 223,016,188	\$ -	\$ -	\$ -	\$ 835,347

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Rate Base</b>										
<b>Utility Plant</b>										
Plant in Service			\$ 154,682,196	\$ 87,061,258	\$ -	\$ 40,011,312	\$ 17,408,911	\$ 17,281,174	\$ -	\$ -
Construction Work in Progress (CWIP)			2,584,052.43	1,454,406.92	-	668,411.31	290,825.58	288,691.66	-	-
<b>Total Utility Plant</b>	TUP		\$ 157,266,248	\$ 88,515,665	\$ -	\$ 40,679,724	\$ 17,699,737	\$ 17,569,866	\$ -	\$ -
<b>Less: Accumulated Provision for Depreciation</b>										
Electric Plant Amortization	ADEPREPA	TUP	-	-	-	-	-	-	-	-
Retirement Work in Progress	RWIP	PDIST	(316,073)	(177,898)	-	(81,758)	(35,573)	(35,312)	-	-
Steam Production	ADEPRPP	PPROD	-	-	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-	-	-
Distribution	ADEPRD12	PDIST	43,597,292	24,538,280	-	11,277,218	4,906,714	4,870,712	-	-
Dist-Structures	ADEPRD1	P361	-	-	-	-	-	-	-	-
Dist-Station	ADEPRD2	P362	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	ADEPRD3	P364	-	-	-	-	-	-	-	-
Dist-OH Conductor	ADEPRD4	P365	-	-	-	-	-	-	-	-
Dist-UG Conduit	ADEPRD5	P366	-	-	-	-	-	-	-	-
Dist-UG Conductor	ADEPRD6	P367	-	-	-	-	-	-	-	-
Dist-Line Transformers	ADEPRD7	P368	-	-	-	-	-	-	-	-
Dist-Services	ADEPRD8	P369	-	-	-	-	-	-	-	-
Dist-Meters	ADEPRD9	P370	-	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	ADEPRD10	P371	-	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	ADEPRD11	P373	-	-	-	-	-	-	-	-
Accum Amtz - Electric Plant Acquisition		PGP	-	-	-	-	-	-	-	-
Accum Amtz - Electric Plant in Service		PGP	-	-	-	-	-	-	-	-
General Plant		PGP	7,475,558	4,207,540	-	1,933,687	841,346	835,173	-	-
<b>Total Accumulated Depreciation &amp; Amort</b>	TADEPR		\$ 50,756,776	\$ 28,567,921	\$ -	\$ 13,129,147	\$ 5,712,488	\$ 5,670,573	\$ -	\$ -
<b>Net Utility Plant</b>	NTPLANT		\$ 106,509,472	\$ 59,947,744	\$ -	\$ 27,550,577	\$ 11,987,248	\$ 11,899,293	\$ -	\$ -
<b>Working Capital</b>										
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	\$ 2,007,603	\$ 858,357	\$ -	\$ 86,901	\$ 242,785	\$ 35,446	\$ 699,702	\$ 51,338
Materials and Supplies (13-Month Avg)	M&S	TPIS	1,297,258	730,148	-	335,559	146,002	144,930	-	-
Prepayments (13-Month Average)	PREPAY	TPIS	211,253	118,901	-	54,644	23,776	23,601	-	-
<b>Total Working Capital</b>	TWC		\$ 3,516,113	\$ 1,707,406	\$ -	\$ 477,104	\$ 412,562	\$ 203,977	\$ 699,702	\$ 51,338
Less: Customer Deposits	CSTDEP	TPIS	1,359,728	765,309	-	351,718	153,032	151,910	-	-
<b>Net Rate Base</b>	RB		\$ 108,665,857	\$ 60,889,841	\$ -	\$ 27,675,963	\$ 12,246,778	\$ 11,951,361	\$ 699,702	\$ 51,338

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Operation and Maintenance Expenses</b>							
<b>Steam Power Production Operations Expense</b>							
500 OPERATION SUPV AND ENGINEERING	OM500	PPROD	\$ -	-	-	-	-
501 FUEL	OM501	F017	-	-	-	-	-
502 STEAM EXPENSES	OM502	F016	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	OM503	F016	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	OM504	F016	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	F016	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	OM506	F016	-	-	-	-	-
507 RENTS	OM507	F016	-	-	-	-	-
509 ALLOWANCES	OM509	F017	-	-	-	-	-
Total Steam Production Operation Expense	OMPO		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Steam Power Production Maintenance Expense</b>							
510 MAINTENANCE SUPV AND ENGINEERING	OM510	F017	\$ -	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	F016	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	F017	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	F017	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	F016	-	-	-	-	-
Total Steam Production Maintenance Expense	OMPM		\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	OMP		-	-	-	-	-



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses</b>										
<b>Steam Power Production Operations Expense</b>										
500 OPERATION SUPV AND ENGINEERING	OM500	PPROD	-	-	-	-	-	-	-	-
501 FUEL	OM501	F017	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	F016	-	-	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	OM503	F016	-	-	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	OM504	F016	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	F016	-	-	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	OM506	F016	-	-	-	-	-	-	-	-
507 RENTS	OM507	F016	-	-	-	-	-	-	-	-
509 ALLOWANCES	OM509	F017	-	-	-	-	-	-	-	-
Total Steam Production Operation Expense	OMPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Steam Power Production Maintenance Expense</b>										
510 MAINTENANCE SUPV AND ENGINEERING	OM510	F017	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	F016	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	F017	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	F017	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	F016	-	-	-	-	-	-	-	-
Total Steam Production Maintenance Expense	OMPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	OMP		-	-	-	-	-	-	-	-

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
<b>Operation and Maintenance Expenses (Continued)</b>								
<b>Purchased Power</b>								
555 PURCHASED POWER	OM555	OMPP	\$ 109,041,205	\$ 32,193,190	\$ 76,848,015	-	-	-
556 SYSTEM CONTROL & LOAD DISPATCHING	OM556	OMPP	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-
559 RENEWABLE ENERGY CR EXP	OM559	OMPP	-	-	-	-	-	-
Total Purchased Power	TPP		\$ 109,041,205	\$ 32,193,190	\$ 76,848,015	\$ -	\$ -	-
<b>Transmission Expenses</b>								
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	\$ -	-	-	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	-	-	-	-	-	-
562 STATION EXPENSES	OM562	PTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	-	-	-	-	-	-
564 UNDERGROUND LINE EXPENSES	OM564	PTRAN	-	-	-	-	-	-
565 TRANSMISSION OF ELEC BY OTHERS	OM565	PTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	-	-	-	-	-	-
569 MAINTENANCE OF STRUCTURES	OM569	PTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	-	-	-	-	-	-
572 MAINT OF UNDERGROUND LINES	OM572	PTRAN	-	-	-	-	-	-
573 MAINT MISC	OM573	PTRAN	-	-	-	-	-	-
574 MAINT OF TRANS PLANT	OM574	PTRAN	-	-	-	-	-	-
Total Transmission Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Distribution Operation Expense</b>								
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	\$ -	-	-	-	-	-
581 LOAD DISPATCHING	OM581	P362	123,739	-	-	-	-	123,739
582 STATION EXPENSES	OM582	P362	64,069	-	-	-	-	64,069
583 OVERHEAD LINE EXPENSES	OM583	P365	1,327,995	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	142,279	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	1,610,499	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P369	389,371	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	666,538	-	-	-	-	2,457
588 MISC DISTR EXP -- MAPPING	OM588x	F015	211,182	-	-	-	-	-
589 RENTS	OM589	PDIST	-	-	-	-	-	-
Total Distribution Operation Expense	OMDO		\$ 4,535,671	\$ -	\$ -	\$ -	\$ -	190,264

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses (Continued)</b>										
<b>Purchased Power</b>										
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL & LOAD DISPATCHING	OM556	OMPP	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-	-	-
559 RENEWABLE ENERGY CR EXP	OM559	OMPP	-	-	-	-	-	-	-	-
Total Purchased Power	TPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Expenses</b>										
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	OM562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	-	-	-	-	-	-	-	-
564 UNDERGROUND LINE EXPENSES	OM564	PTRAN	-	-	-	-	-	-	-	-
565 TRANSMISSION OF ELEC BY OTHERS	OM565	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	-	-	-	-	-	-	-	-
569 MAINTENANCE OF STRUCTURES	OM569	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	-	-	-	-	-	-	-	-
572 MAINT OF UNDERGROUND LINES	OM572	PTRAN	-	-	-	-	-	-	-	-
573 MAINT MISC	OM573	PTRAN	-	-	-	-	-	-	-	-
574 MAINT OF TRANS PLANT	OM574	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution Operation Expense</b>										
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	-	-	-	-	-	-	-	-
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	948,833	379,163	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	71,546	70,733	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	-	-	-	-	-	-	-	-
586 METER EXPENSES	OM586	P370	-	-	-	1,610,499	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P369	-	-	-	389,371	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	324,611	182,704	-	83,966	36,534	36,266	-	-
588 MISC DISTR EXP -- MAPPING	OM588x	F015	-	211,182	-	-	-	-	-	-
589 RENTS	OM589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Expense	OMDO		\$ 1,344,990	\$ 843,782	\$ -	\$ 473,337	\$ 1,647,033	\$ 36,266	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Operation and Maintenance Expenses (Continued)</b>							
<b>Distribution Maintenance Expense</b>							
590 MAINTENANCE SUPERVISION AND EN	OM590	PDIST	\$ 77,927	-	-	-	287
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	6,394	-	-	-	6,394
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	16,754,893	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	2,088	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	1,822	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	4,904	-	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	22,408	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	OM598	PDIST	34,353	-	-	-	127
Total Distribution Maintenance Expense	OMDM		\$ 16,904,789	\$ -	\$ -	\$ -	\$ 6,808
Total Distribution Operation and Maintenance Expenses			21,440,460	-	-	-	197,072
Transmission and Distribution Expenses			21,440,460	-	-	-	197,072
Steam Production, Transmission and Distribution Expenses			21,440,460	-	-	-	197,072
Production, Purchased Power, Trans and Distr Expenses	OMSUB		\$ 130,481,665	\$ 32,193,190	\$ 76,848,015	\$ -	\$ 197,072
<b>Customer Accounts Expense</b>							
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009	\$ 32,568	-	-	-	-
902 METER READING EXPENSES	OM902	F009	4,160,337	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F009	137,103	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F009	-	-	-	-	-
Total Customer Accounts Expense	OMCA		\$ 4,330,008	\$ -	\$ -	\$ -	\$ -
<b>Customer Service Expense</b>							
907 SUPERVISION	OM907	F010	\$ 32,568	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010	271,750	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908x	F012	297,217	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F010	1,038	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F012	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010	-	-	-	-	-
911 SUPERVISION	OM911	F010	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F012	32,568	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F012	-	-	-	-	-
914 SALES	OM914	F012	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F012	-	-	-	-	-
917 MISC SALES EXPENSE	OM917	F012	-	-	-	-	-
Total Customer Service Expense	OMCS		\$ 635,140	\$ -	\$ -	\$ -	\$ -
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUB2		26,405,608	-	-	-	197,072

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses (Continued)</b>										
<b>Distribution Maintenance Expense</b>										
590 MAINTENANCE SUPERVISION AND EN	OM590	PDIST	37,951	21,360	-	9,817	4,271	4,240	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	11,971,118	4,783,775	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	1,050	1,038	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	818	1,004	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	-	4,904	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	-	22,408	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	OM598	PDIST	16,730	9,416	-	4,328	1,883	1,869	-	-
Total Distribution Maintenance Expense	OMDM		\$ 12,027,667	\$ 4,816,594	\$ -	\$ 14,144	\$ 28,562	\$ 11,013	\$ -	\$ -
Total Distribution Operation and Maintenance Expenses			13,372,657	5,660,376	-	487,481	1,675,595	47,279	-	-
Transmission and Distribution Expenses			13,372,657	5,660,376	-	487,481	1,675,595	47,279	-	-
Steam Production, Transmission and Distribution Expenses			13,372,657	5,660,376	-	487,481	1,675,595	47,279	-	-
Production, Purchased Power, Trans and Distr Expenses	OMSUB		\$ 13,372,657	\$ 5,660,376	\$ -	\$ 487,481	\$ 1,675,595	\$ 47,279	\$ -	\$ -
<b>Customer Accounts Expense</b>										
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009	-	-	-	-	-	-	32,568	-
902 METER READING EXPENSES	OM902	F009	-	-	-	-	-	-	4,160,337	-
903 RECORDS AND COLLECTION	OM903	F009	-	-	-	-	-	-	137,103	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM905	F009	-	-	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,330,008	\$ -
<b>Customer Service Expense</b>										
907 SUPERVISION	OM907	F010	-	-	-	-	-	-	32,568	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010	-	-	-	-	-	-	271,750	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908x	F012	-	-	-	-	-	-	-	297,217
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F010	-	-	-	-	-	-	1,038	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F012	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010	-	-	-	-	-	-	-	-
911 SUPERVISION	OM911	F010	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F012	-	-	-	-	-	-	-	32,568
913 ADVERTISING EXPENSES	OM913	F012	-	-	-	-	-	-	-	-
914 SALES	OM914	F012	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F012	-	-	-	-	-	-	-	-
917 MISC SALES EXPENSE	OM917	F012	-	-	-	-	-	-	-	-
Total Customer Service Expense	OMCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,355	\$ 329,785
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUB2		13,372,657	5,660,376	-	487,481	1,675,595	47,279	4,635,363	329,785

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Operation and Maintenance Expenses (Continued)</b>							
<b>Administrative and General Expense</b>							
920 ADMIN. & GEN. SALARIES-	OM920	OMSUB2	\$ 1,481,178	-	-	-	11,054
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	979,869	-	-	-	222
923 OUTSIDE SERVICES EMPLOYED	OM923	OMSUB2	823,477	-	-	-	6,146
924 PROPERTY INSURANCE	OM924	NTPLANT	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	419,008	-	-	-	95
926 EMPLOYEE BENEFITS	OM926	LBSUB2	-	-	-	-	-
928 ASSOCIATED DUES	OM928	OMSUB2	76,074	-	-	-	568
929 DUPLICATE CHARGES - CREDIT	OM929	OMSUB2	(274,625)	-	-	-	(2,050)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	OMSUB2	1,074,919	-	-	-	8,022
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-
932 MAINTENANCE OF GENERAL PLANT	OM932	PGP	-	-	-	-	-
933 TRANSPORTATION EXPENSES	OM933	PGP	-	-	-	-	-
935 MAINT OF GENERAL PLANT	OM935	NTPLANT	1,096,716	-	-	-	4,042
Total Administrative and General Expense	OMAG		\$ 5,676,616	\$ -	\$ -	\$ -	\$ 28,100
Total Operation and Maintenance Expenses	TOM		\$ 141,123,429	\$ 32,193,190	\$ 76,848,015	\$ -	\$ 225,172
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 32,082,224	\$ -	\$ -	\$ -	\$ 225,172

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses (Continued)</b>										
<b>Administrative and General Expense</b>										
920 ADMIN. & GEN. SALARIES-	OM920	OMSUB2	750,117	317,509	-	27,344	93,990	2,652	260,013	18,499
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	380,408	156,881	-	7,596	3,305	119,724	282,880	28,852
923 OUTSIDE SERVICES EMPLOYED	OM923	OMSUB2	417,036	176,523	-	15,202	52,255	1,474	144,557	10,285
924 PROPERTY INSURANCE	OM924	NTPLANT	-	-	-	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	162,669	67,085	-	3,248	1,413	51,196	120,964	12,338
926 EMPLOYEE BENEFITS	OM926	LBSUB2	-	-	-	-	-	-	-	-
928 ASSOCIATED DUES	OM928	OMSUB2	38,526	16,307	-	1,404	4,827	136	13,354	950
929 DUPLICATE CHARGES - CREDIT	OM929	OMSUB2	(139,079)	(58,869)	-	(5,070)	(17,427)	(492)	(48,209)	(3,430)
930 MISCELLANEOUS GENERAL EXPENSES	OM930	OMSUB2	544,374	230,422	-	19,844	68,210	1,925	188,696	13,425
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-	-	-	-
932 MAINTENANCE OF GENERAL PLANT	OM932	PGP	-	-	-	-	-	-	-	-
933 TRANSPORTATION EXPENSES	OM933	PGP	-	-	-	-	-	-	-	-
935 MAINT OF GENERAL PLANT	OM935	NTPLANT	534,112	300,620	-	138,158	60,112	59,671	-	-
Total Administrative and General Expense	OMAG		\$ 2,688,163	\$ 1,206,479	\$ -	\$ 207,727	\$ 266,686	\$ 236,287	\$ 962,256	\$ 80,918
Total Operation and Maintenance Expenses	TOM		\$ 16,060,820	\$ 6,866,855	\$ -	\$ 695,209	\$ 1,942,280	\$ 283,566	\$ 5,597,619	\$ 410,703
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 16,060,820	\$ 6,866,855	\$ -	\$ 695,209	\$ 1,942,280	\$ 283,566	\$ 5,597,619	\$ 410,703

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Other Expenses</b>							
<b>Depreciation Expenses</b>							
Steam Prod Plant	DEPRPP	PPROD	-	-	-	-	-
Transmission	DEPRTP	PTRAN	-	-	-	-	-
Dist-Structures	DEPRDP1	P361	-	-	-	-	-
Dist-Station	DEPRDP2	P362	-	-	-	-	-
Dist-Poles and Fixtures	DEPRDP3	P364	-	-	-	-	-
Dist-OH Conductor	DEPRDP4	P365	-	-	-	-	-
Dist-UG Conduit	DEPRDP5	P366	-	-	-	-	-
Dist-UG Conductor	DEPRDP6	P367	-	-	-	-	-
Dist-Line Transformers	DEPRDP7	P368	-	-	-	-	-
Dist-Services	DEPRDP8	P369	-	-	-	-	-
Dist-Meters	DEPRDP9	P370	-	-	-	-	-
Dist-Installations on Customer Premises	DEPRDP10	P371	-	-	-	-	-
Dist-Lighting & Signal Systems	DEPRDP11	P373	-	-	-	-	-
Distribution Plant	DEPRDP12	PDIST	9,371,683	-	-	-	34,542
General Plant	DEPRGP	PGP	984,193	-	-	-	3,627
Asset Retirement Costs	DEPRGP	PGP	-	-	-	-	-
AMORT Property Losses & Unrecover	DEPRLTEP	PT&D	187,229	-	-	-	690
AMORT ELECT PLANT ACQUISIT ADJ	DEPRAADJ	PDIST	-	-	-	-	-
Total Depreciation Expense	TDEPR		\$ 10,543,106	-	-	-	38,859
Property Taxes	PTAX	NTPLANT	\$ -	-	-	-	-
Other Taxes	OT	NTPLANT	\$ 116,630	-	-	-	430
Interest -- LTD	INTLTD	NTPLANT	\$ 5,370,206	-	-	-	19,793
Interest -- Other	INTOTH	NTPLANT	\$ 212,265	-	-	-	782
Regulatory Liabilities	REGLIAB	NTPLANT	\$ -	-	-	-	-
Other Deductions	DEDUCT	NTPLANT	\$ 29,159	-	-	-	107
<b>Total Other Expenses</b>	TOE		\$ 16,271,365	\$ -	\$ -	\$ -	\$ 59,972
<b>Total Cost of Service (O&amp;M + Other Expenses)</b>			\$ 157,394,794	\$ 32,193,190	\$ 76,848,015	\$ -	\$ 285,145



SOUTH KENTUCKY R.E.C.C.  
Cost of Service Study  
Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Other Expenses</b>										
<b>Depreciation Expenses</b>										
Steam Prod Plant	DEPRPP	PPROD	-	-	-	-	-	-	-	-
Transmission	DEPRTP	PTRAN	-	-	-	-	-	-	-	-
Dist-Structures	DEPRDP1	P361	-	-	-	-	-	-	-	-
Dist-Station	DEPRDP2	P362	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	DEPRDP3	P364	-	-	-	-	-	-	-	-
Dist-OH Conductor	DEPRDP4	P365	-	-	-	-	-	-	-	-
Dist-UG Conduit	DEPRDP5	P366	-	-	-	-	-	-	-	-
Dist-UG Conductor	DEPRDP6	P367	-	-	-	-	-	-	-	-
Dist-Line Transformers	DEPRDP7	P368	-	-	-	-	-	-	-	-
Dist-Services	DEPRDP8	P369	-	-	-	-	-	-	-	-
Dist-Meters	DEPRDP9	P370	-	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	DEPRDP10	P371	-	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	DEPRDP11	P373	-	-	-	-	-	-	-	-
Distribution Plant	DEPRDP12	PDIST	4,564,112	2,568,863	-	1,180,589	513,674	509,905	-	-
General Plant	DEPRGP	PGP	479,313	269,776	-	123,983	53,945	53,549	-	-
Asset Retirement Costs	DEPRGP	PGP	-	-	-	-	-	-	-	-
AMORT Property Losses & Unrecover	DEPRLTEP	PT&D	91,183	51,321	-	23,586	10,262	10,187	-	-
AMORT ELECT PLANT ACQUISIT ADJ	DEPRAADJ	PDIST	-	-	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		5,134,607	2,889,960	-	1,328,158	577,881	573,641	-	-
Property Taxes	PTAX	NTPLANT	-	-	-	-	-	-	-	-
Other Taxes	OT	NTPLANT	56,800	31,969	-	14,692	6,393	6,346	-	-
Interest -- LTD	INTLTD	NTPLANT	2,615,348	1,472,022	-	676,507	294,348	292,188	-	-
Interest -- Other	INTOTH	NTPLANT	103,375	58,184	-	26,740	11,634	11,549	-	-
Regulatory Liabilities	REGLIAB	NTPLANT	-	-	-	-	-	-	-	-
Other Deductions	DEDUCT	NTPLANT	14,201	7,993	-	3,673	1,598	1,586	-	-
<b>Total Other Expenses</b>	TOE		\$ 7,924,331	\$ 4,460,127	\$ -	\$ 2,049,770	\$ 891,854	\$ 885,310	\$ -	\$ -
<b>Total Cost of Service (O&amp;M + Other Expenses)</b>			\$ 23,985,152	\$ 11,326,982	\$ -	\$ 2,744,978	\$ 2,834,135	\$ 1,168,876	\$ 5,597,619	\$ 410,703

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
<b>Labor Expenses - for Labor Allocator</b>								
<b>Steam Power Production Operations Expense</b>								
500 OPERATION SUPV AND ENGINEERING	LB500	PPROD	\$ -	-	-	-	-	-
501 FUEL	LB501	F017	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	F016	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	LB503	F016	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	LB504	F016	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	F016	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	LB506	F016	-	-	-	-	-	-
507 RENTS	LB507	F016	-	-	-	-	-	-
509 ALLOWANCES	LB509	F017	-	-	-	-	-	-
Total Steam Production Operation Expense	LBPO		\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Steam Power Production Maintenance Expense</b>								
510 MAINTENANCE SUPV AND ENGINEERING	LB510	F017	\$ -	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	F016	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	F017	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	F017	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	F016	-	-	-	-	-	-
Total Steam Production Maintenance Expense	LBPM		\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Steam Production Operation and Maintenance Expenses	LBP		-	-	-	-	-	-

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Labor Expenses - for Labor Allocator</b>										
<b>Steam Power Production Operations Expense</b>										
500 OPERATION SUPV AND ENGINEERING	LB500	PPROD	-	-	-	-	-	-	-	-
501 FUEL	LB501	F017	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	F016	-	-	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	LB503	F016	-	-	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	LB504	F016	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	F016	-	-	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	LB506	F016	-	-	-	-	-	-	-	-
507 RENTS	LB507	F016	-	-	-	-	-	-	-	-
509 ALLOWANCES	LB509	F017	-	-	-	-	-	-	-	-
Total Steam Production Operation Expense	LBPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Steam Power Production Maintenance Expense</b>										
510 MAINTENANCE SUPV AND ENGINEERING	LB510	F017	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	F016	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	F017	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	F017	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	F016	-	-	-	-	-	-	-	-
Total Steam Production Maintenance Expense	LBPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	LBP		-	-	-	-	-	-	-	-

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Labor Expenses (Continued)</b>							
<b>Purchased Power</b>							
555 PURCHASED POWER	LB555	OMPP	\$ -	-	-	-	-
557 OTHER EXPENSES	LB557	OMPP		-	-	-	-
Total Purchased Power Labor	LBPP		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Labor Expenses</b>							
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	\$ -	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	LB568	PTRAN	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-
Total Transmission Labor Expenses			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution Operation Labor Expense</b>							
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	\$ 123,739	-	-	-	456
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	148,006	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	609	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371	1,206,050	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P369	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	410,712	-	-	-	1,514
589 RENTS	LB589	PDIST	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		\$ 1,889,117	\$ -	\$ -	\$ -	\$ 1,970

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Labor Expenses (Continued)</b>										
<b>Purchased Power</b>										
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	OMPP	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Labor Expenses</b>										
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	LB568	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution Operation Labor Expense</b>										
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	60,262	33,918	-	15,588	6,782	6,733	-	-
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	105,748	42,258	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	306	303	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371	-	-	-	-	-	1,206,050	-	-
586 METER EXPENSES	LB586	P370	-	-	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P369	-	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	200,021	112,580	-	51,739	22,512	22,346	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		\$ 366,338	\$ 189,059	\$ -	\$ 67,327	\$ 29,294	\$ 1,235,129	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Labor Expenses (Continued)</b>							
<b>Distribution Maintenance Labor Expense</b>							
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	\$ 77,927	-	-	-	287
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	4,939,427	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	1,465	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	390	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	71	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	12,171	-	-	-	45
Total Distribution Maintenance Labor Expense	LBDM		\$ 5,031,450	\$ -	\$ -	\$ -	\$ 332
Total Distribution Operation and Maintenance Labor Expenses			6,920,567	-	-	-	2,302
Transmission and Distribution Labor Expenses			6,920,567	-	-	-	2,302
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$ 6,920,567	\$ -	\$ -	\$ -	\$ 2,302
<b>Customer Accounts Expense</b>							
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	32,568	-	-	-	-
902 METER READING EXPENSES	LB902	F009	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F009	2,584,868	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F009	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$ 2,617,436	\$ -	\$ -	\$ -	\$ -
<b>Customer Service Expense</b>							
907 SUPERVISION	LB907	F010	\$ 32,568	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010	280,068	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012	266,285	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F012	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010	-	-	-	-	-
911 SUPERVISION	LB911	F010	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012	32,568	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$ 611,488	\$ -	\$ -	\$ -	\$ -
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUB2		10,149,492	-	-	-	2,302

SOUTH KENTUCKY R.E.C.C.  
Cost of Service Study  
Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Labor Expenses (Continued)</b>										
<b>Distribution Maintenance Labor Expense</b>										
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	37,951	21,360	-	9,817	4,271	4,240	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	3,529,146	1,410,281	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	737	728	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	175	215	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	-	71	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	5,927	3,336	-	1,533	667	662	-	-
Total Distribution Maintenance Labor Expense	LBDM		\$ 3,573,936	\$ 1,435,921	\$ -	\$ 11,350	\$ 4,938	\$ 4,973	\$ -	\$ -
Total Distribution Operation and Maintenance Labor Expenses			3,940,274	1,624,979	-	78,677	34,232	1,240,102	-	-
Transmission and Distribution Labor Expenses			3,940,274	1,624,979	-	78,677	34,232	1,240,102	-	-
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$ 3,940,274	\$ 1,624,979	\$ -	\$ 78,677	\$ 34,232	\$ 1,240,102	\$ -	\$ -
<b>Customer Accounts Expense</b>										
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	-	-	-	-	-	-	32,568	-
902 METER READING EXPENSES	LB902	F009	-	-	-	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F009	-	-	-	-	-	-	2,584,868	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F009	-	-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,617,436	\$ -
<b>Customer Service Expense</b>										
907 SUPERVISION	LB907	F010	-	-	-	-	-	-	32,568	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010	-	-	-	-	-	-	280,068	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012	-	-	-	-	-	-	-	266,285
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F012	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010	-	-	-	-	-	-	-	-
911 SUPERVISION	LB911	F010	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012	-	-	-	-	-	-	-	32,568
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012	-	-	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012	-	-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,636	\$ 298,853
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUB2		3,940,274	1,624,979	-	78,677	34,232	1,240,102	2,930,072	298,853

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Labor Expenses (Continued)</b>							
<b>Administrative and General Expense</b>							
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	\$ 1,481,178	-	-	-	11,054
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	-	-	-	-	-
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	NTPLANT	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	307,394	-	-	-	70
926 EMPLOYEE BENEFITS	LB926	LBSUB2	-	-	-	-	-
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	174,322	-	-	-	1,301
931 RENTS AND LEASES	LB931	NTPLANT	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB935	PGP	376,196	-	-	-	1,387
Total Administrative and General Expense	LBAG		\$ 2,339,090	\$ -	\$ -	\$ -	\$ 13,812
Total Operation and Maintenance Expenses	TLB		\$ 12,488,581	\$ -	\$ -	\$ -	\$ 16,114
Operation and Maintenance Expenses Less Purchase Power	LBLPP		\$ 12,488,581	\$ -	\$ -	\$ -	\$ 16,114



**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Functionalization and Classification**

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Labor Expenses (Continued)</b>										
<b>Administrative and General Expense</b>										
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	750,117	317,509	-	27,344	93,990	2,652	260,013	18,499
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	-	-	-	-	-	-	-	-
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	NTPLANT	-	-	-	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	119,338	49,215	-	2,383	1,037	37,559	88,742	9,051
926 EMPLOYEE BENEFITS	LB926	LBSUB2	-	-	-	-	-	-	-	-
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	-	-	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	88,282	37,368	-	3,218	11,062	312	30,601	2,177
931 RENTS AND LEASES	LB931	NTPLANT	-	-	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB935	PGP	183,211	103,119	-	47,391	20,620	20,468	-	-
Total Administrative and General Expense	LBAG		\$ 1,140,948	\$ 507,211	\$ -	\$ 80,336	\$ 126,708	\$ 60,991	\$ 379,356	\$ 29,727
Total Operation and Maintenance Expenses	TLB		\$ 5,081,222	\$ 2,132,190	\$ -	\$ 159,013	\$ 160,940	\$ 1,301,094	\$ 3,309,428	\$ 328,580
Operation and Maintenance Expenses Less Purchase Power	LBLPP		\$ 5,081,222	\$ 2,132,190	\$ -	\$ 159,013	\$ 160,940	\$ 1,301,094	\$ 3,309,428	\$ 328,580

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
<b>Functional Vectors</b>							
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	1.000000
Poles, Towers and Fixtures	F002		1.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		1.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		1.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		1.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		1.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		1.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		1.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		1.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		1.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		1.000000	0.000000	0.000000	1.000000	0.000000
Load Management	F012		1.000000	0.000000	0.000000	0.000000	0.000000
<b>Purchased Power Expenses</b>	OMPP		1.000000	0.295239	0.704761	-	-
Intallations on Customer Premises - Plant in Service	F013		1.00000	-	-	-	-
Intallations on Customer Premises - Accum Depr	F014		1.00000	-	-	-	-
Mapping	F015		1.000000	0.000000	0.000000	0.000000	0.000000
Production - Demand	F016		1.000000	1.000000	0.000000	0.000000	0.000000
Production - Energy	F017		1.000000	0.000000	1.000000	0.000000	0.000000

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Functionalization and Classification

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
<b>Functional Vectors</b>										
Station Equipment	F001		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.714485	0.285515	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		0.714485	0.285515	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		0.502857	0.497143	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		0.448817	0.551183	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000
<b>Purchased Power Expenses</b>										
	OMPP		-	-	-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		-	-	-	-	-	1.00000	-	-
Intallations on Customer Premises - Accum Depr	F014		-	-	-	-	-	1.00000	-	-
Mapping	F015		0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production - Energy	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Plant in Service</b>							
<b>Production &amp; Purchase Power</b>							
Demand	PLPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	PLPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	PLPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	PLTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	PLSED	SA1	\$ 1,170,650	\$ 896,153	\$ -	\$ 142,116	\$ 5,083
<b>Primary &amp; Secondary Distribution Plant</b>							
Demand	PLDPD	DA1	\$ 154,682,196	\$ 122,427,425	\$ 8,727,509	\$ 12,703,153	\$ 436,307
Customer	PLDPC	C01	\$ 87,061,258	\$ 80,264,604	\$ 6,007,922	\$ 549,648	\$ 1,232
Total Primary Distribution Plant	PLD		\$ 241,743,454	\$ 202,692,028	\$ 14,735,431	\$ 13,252,801	\$ 437,539
<b>Customer Services</b>							
Demand	PLCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PLCSC	SERV	\$ 40,011,312	\$ 36,776,374	\$ 2,752,765	\$ 399,611	\$ 896
Total Customer Services			\$ 40,011,312	\$ 36,776,374	\$ 2,752,765	\$ 399,611	\$ 896
<b>Meters</b>							
Customer	PLMC	C03	\$ 17,408,911	\$ 11,391,728	\$ 4,663,678	\$ 1,072,239	\$ 10,852
<b>Lighting Systems</b>							
Customer	PLLSC	C04	\$ 17,281,174	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	PLMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Load Management</b>							
Customer	PLCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	PLT		\$ 317,615,501	\$ 251,756,284	\$ 22,151,874	\$ 14,866,766	\$ 454,369

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights			
			LP-2	KW	LP-3	KW						
<b>Plant in Service</b>												
<b>Production &amp; Purchase Power</b>												
Demand	PLPPD	PPDA	\$	-	\$	-	\$	-	\$	-		
Energy	PLPPE	PPEA	\$	-	\$	-	\$	-	\$	-		
Total Purchase Power	PLPPT		\$	-	\$	-	\$	-	\$	-		
<b>Transmission</b>												
Demand	PLTD	TA1	\$	-	\$	-	\$	-	\$	-		
<b>Station Equipment</b>												
Demand	PLSED	SA1	\$	45,541	\$	58,029	\$	8,959	\$	7,924	\$	6,846
<b>Primary &amp; Secondary Distribution Plant</b>												
Demand	PLDPD	DA1	\$	3,469,980	\$	3,758,033	\$	1,409,614	\$	991,827	\$	758,348
Customer	PLDPC	C01	\$	2,465	\$	11,092	\$	175,000	\$	20,951	\$	28,345
Total Primary Distribution Plant	PLD		\$	3,472,445	\$	3,769,124	\$	1,584,614	\$	1,012,778	\$	786,693
<b>Customer Services</b>												
Demand	PLCSD	CSA	\$	-	\$	-	\$	-	\$	-	\$	-
Customer	PLCSC	SERV	\$	2,361	\$	3,052	\$	48,158	\$	5,765	\$	22,329
Total Customer Services			\$	2,361	\$	3,052	\$	48,158	\$	5,765	\$	22,329
<b>Meters</b>												
Customer	PLMC	C03	\$	21,703	\$	97,664	\$	103,404	\$	40,870	\$	6,773
<b>Lighting Systems</b>												
Customer	PLLSC	C04	\$	-	\$	-	\$	-	\$	-	\$	17,281,174
<b>Meter Reading, Billing and Customer Service</b>												
Customer	PLMRBC	C05	\$	-	\$	-	\$	-	\$	-	\$	-
<b>Load Management</b>												
Customer	PLCSC	C06	\$	-	\$	-	\$	-	\$	-	\$	-
Total	PLT		\$	3,542,050	\$	3,927,870	\$	1,745,135	\$	1,067,337	\$	18,103,816

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Net Utility Plant</b>							
<b>Production &amp; Purchase Power</b>							
Demand	NPPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	NPPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	NPPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	NPTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	NPSED	SA1	\$ 806,074	\$ 617,064	\$ -	\$ 97,856	\$ 3,500
<b>Primary Distribution Plant</b>							
Demand	NPPDP	DA1	\$ 106,509,472	\$ 84,299,814	\$ 6,009,498	\$ 8,747,006	\$ 300,428
Customer	NPPDC	C01	\$ 59,947,744	\$ 55,267,774	\$ 4,136,873	\$ 378,471	\$ 849
Total Primary Distribution Plant			\$ 166,457,216	\$ 139,567,588	\$ 10,146,371	\$ 9,125,477	\$ 301,276
<b>Customer Services</b>							
Demand	NPCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	NPCSC	SERV	\$ 27,550,577	\$ 25,323,097	\$ 1,895,470	\$ 275,160	\$ 617
Total Customer Services			\$ 27,550,577	\$ 25,323,097	\$ 1,895,470	\$ 275,160	\$ 617
<b>Meters</b>							
Customer	NPMC	C03	\$ 11,987,248	\$ 7,843,999	\$ 3,211,267	\$ 738,311	\$ 7,472
<b>Lighting Systems</b>							
Customer	NPLSC	C04	\$ 11,899,293	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	NPMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Load Management</b>							
Customer	NPCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	NPT		\$ 218,700,408	\$ 173,351,747 0.79	\$ 15,253,109	\$ 10,236,805	\$ 312,865

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights		
			LP-2	KW	LP-3	KW					
<b>Net Utility Plant</b>											
<b>Production &amp; Purchase Power</b>											
Demand	NPPPD	PPDA	\$	-	\$	-	\$	-	\$	-	
Energy	NPPPE	PPEA	\$	-	\$	-	\$	-	\$	-	
Total Purchase Power	NPPPT		\$	-	\$	-	\$	-	\$	-	
<b>Transmission</b>											
Demand	NPTD	TA1	\$	-	\$	-	\$	-	\$	-	
<b>Station Equipment</b>											
Demand	NPSED	SA1	\$	31,358	\$	39,957	\$	6,169	\$	5,456	4,714
<b>Primary Distribution Plant</b>											
Demand	NPDPD	DA1	\$	2,389,323	\$	2,587,667	\$	970,617	\$	682,942	522,176
Customer	NPDPC	C01	\$	1,697	\$	7,637	\$	120,500	\$	14,426	19,518
Total Primary Distribution Plant			\$	2,391,020	\$	2,595,305	\$	1,091,117	\$	697,368	541,693
<b>Customer Services</b>											
Demand	NPCSD	CSA	\$	-	\$	-	\$	-	\$	-	-
Customer	NPCSC	SERV	\$	1,626	\$	2,102	\$	33,160	\$	3,970	15,375
Total Customer Services			\$	1,626	\$	2,102	\$	33,160	\$	3,970	15,375
<b>Meters</b>											
Customer	NPMC	C03	\$	14,944	\$	67,249	\$	71,201	\$	28,142	4,664
<b>Lighting Systems</b>											
Customer	NPLSC	C04	\$	-	\$	-	\$	-	\$	-	11,899,293
<b>Meter Reading, Billing and Customer Service</b>											
Customer	NPMRBC	C05	\$	-	\$	-	\$	-	\$	-	-
<b>Load Management</b>											
Customer	NPCSC	C06	\$	-	\$	-	\$	-	\$	-	-
Total	NPT		\$	2,438,948	\$	2,704,612	\$	1,201,647	\$	734,936	12,465,739

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Net Cost Rate Base</b>							
<b>Production &amp; Purchase Power</b>							
Demand	RBPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	RBPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	RBPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	RBTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	RBSED	SA1	\$ 835,347	\$ 639,472	\$ -	\$ 101,410	\$ 3,627
<b>Primary Distribution Plant</b>							
Demand	RBDPD	DA1	\$ 108,665,857	\$ 86,006,544	\$ 6,131,166	\$ 8,924,098	\$ 306,510
Customer	RBDPC	C01	\$ 60,889,841	\$ 56,136,324	\$ 4,201,885	\$ 384,419	\$ 862
Total Primary Distribution Plant			\$ 169,555,698	\$ 142,142,868	\$ 10,333,052	\$ 9,308,517	\$ 307,372
<b>Customer Services</b>							
Demand	RBCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	RBCSC	SERV	\$ 27,675,963	\$ 25,438,346	\$ 1,904,097	\$ 276,412	\$ 620
Total Customer Services			\$ 27,675,963	\$ 25,438,346	\$ 1,904,097	\$ 276,412	\$ 620
<b>Meters</b>							
Customer	RBMC	C03	\$ 12,246,778	\$ 8,013,825	\$ 3,280,793	\$ 754,296	\$ 7,634
<b>Lighting Systems</b>							
Customer	RBLSC	C04	\$ 11,951,361	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	RBMRC	C05	\$ 699,702	\$ 645,078	\$ 48,285	\$ 4,417	\$ 10
<b>Load Management</b>							
Customer	RBCSC	C06	\$ 51,338	\$ 47,330	\$ 3,543	\$ 324	\$ 1
Total	RBT		\$ 223,016,188	\$ 176,926,919	\$ 15,569,769	\$ 10,445,376	\$ 319,263
			1.00	0.79	0.07	0.05	0.00



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights	
			LP-2	KW	LP-3	KW				
<b>Net Cost Rate Base</b>										
<b>Production &amp; Purchase Power</b>										
Demand	RBPPD	PPDA	\$	-	\$	-	\$	-	\$	-
Energy	RBPPE	PPEA	\$	-	\$	-	\$	-	\$	-
Total Purchase Power	RBPPT		\$	-	\$	-	\$	-	\$	-
<b>Transmission</b>										
Demand	RBTD	TA1	\$	-	\$	-	\$	-	\$	-
<b>Station Equipment</b>										
Demand	RBSED	SA1	\$	32,497	\$	41,408	\$	6,393	\$	5,654
<b>Primary Distribution Plant</b>										
Demand	RBDPD	DA1	\$	2,437,697	\$	2,640,057	\$	990,268	\$	696,769
Customer	RBDPC	C01	\$	1,724	\$	7,757	\$	122,393	\$	14,653
Total Primary Distribution Plant			\$	2,439,421	\$	2,647,814	\$	1,112,662	\$	711,422
<b>Customer Services</b>										
Demand	RBCSD	CSA	\$	-	\$	-	\$	-	\$	-
Customer	RBCSC	SERV	\$	1,633	\$	2,111	\$	33,311	\$	3,988
Total Customer Services			\$	1,633	\$	2,111	\$	33,311	\$	3,988
<b>Meters</b>										
Customer	RBMC	C03	\$	15,268	\$	68,705	\$	72,742	\$	28,751
<b>Lighting Systems</b>										
Customer	RBLSC	C04	\$	-	\$	-	\$	-	\$	11,951,361
<b>Meter Reading, Billing and Customer Service</b>										
Customer	RBMRC	C05	\$	20	\$	89	\$	1,406	\$	168
<b>Load Management</b>										
Customer	RBCSC	C06	\$	1	\$	7	\$	103	\$	12
Total	RBT		\$	2,488,840	\$	2,760,134	\$	1,226,618	\$	749,996
				0.01		0.01		0.01		0.00
										12,529,272
										0.06

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Operation and Maintenance Expenses</b>							
<b>Production &amp; Purchase Power</b>							
Demand	OMPPD	PPDA	\$ 32,193,190	\$ 24,153,986	\$ -	\$ 3,830,438	\$ 206,344
Energy	OMPPE	PPEA	76,848,015	49,482,031	4,516,374	11,817,350	518,845
Total Purchase Power	OMPPT		109,041,205	73,636,017	4,516,374	15,647,787	725,189
<b>Transmission</b>							
Demand	OMTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	OMSED	SOMA	\$ 225,172	\$ 172,373	\$ -	\$ 27,336	\$ 978
<b>Primary Distribution Plant</b>							
Demand	OMDPD	DOM	\$ 16,060,820	\$ 12,711,772	\$ 906,187	\$ 1,318,982	\$ 45,302
Customer	OMDPC	C01	6,866,855	6,330,777	473,868	43,353	97
Total Primary Distribution Plant			\$ 22,927,675	\$ 19,042,549	\$ 1,380,055	\$ 1,362,335	\$ 45,399
<b>Customer Services</b>							
Demand	OMCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	OMCSC	SERV	695,209	639,001	47,830	6,943	16
Total Customer Services			\$ 695,209	\$ 639,001	\$ 47,830	\$ 6,943	\$ 16
<b>Meters</b>							
Customer	OMMC	C03	\$ 1,942,280	\$ 1,270,954	\$ 520,318	\$ 119,628	\$ 1,211
<b>Lighting Systems</b>							
Customer	OMLSC	C04	\$ 283,566	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	OMMRBC	C05	\$ 5,597,619	\$ 5,160,627	\$ 386,280	\$ 35,340	\$ 79
<b>Load Management</b>							
Customer	OMCSC	C06	\$ 410,703	\$ 378,641	\$ 28,342	\$ 2,593	\$ 6
Total	OMT		\$ 141,123,429	\$ 100,300,161	\$ 6,879,199	\$ 17,201,962	\$ 772,877

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate		Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Operation and Maintenance Expenses</b>							
<b>Production &amp; Purchase Power</b>							
Demand	OMPPD	PPDA	\$ 1,664,143	\$ 1,698,718	\$ 241,477	\$ 213,573	\$ 184,512
Energy	OMPPE	PPEA	\$ 3,945,992	\$ 4,267,931	\$ 770,006	\$ 675,396	\$ 854,092
Total Purchase Power	OMPPT		\$ 5,610,135	\$ 5,966,649	\$ 1,011,483	\$ 888,968	\$ 1,038,603
<b>Transmission</b>							
Demand	OMTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	OMSED	SOMA	\$ 8,760	\$ 11,162	\$ 1,723	\$ 1,524	\$ 1,317
<b>Primary Distribution Plant</b>							
Demand	OMDPD	DOM	\$ 360,292	\$ 390,201	\$ 146,362	\$ 102,982	\$ 78,740
Customer	OMDPC	C01	\$ 194	\$ 875	\$ 13,803	\$ 1,652	\$ 2,236
Total Primary Distribution Plant			\$ 360,486	\$ 391,075	\$ 160,165	\$ 104,635	\$ 80,976
<b>Customer Services</b>							
Demand	OMCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	OMCSC	SERV	\$ 41	\$ 53	\$ 837	\$ 100	\$ 388
Total Customer Services			\$ 41	\$ 53	\$ 837	\$ 100	\$ 388
<b>Meters</b>							
Customer	OMMC	C03	\$ 2,421	\$ 10,896	\$ 11,537	\$ 4,560	\$ 756
<b>Lighting Systems</b>							
Customer	OMLSC	C04	\$ -	\$ -	\$ -	\$ -	\$ 283,566
<b>Meter Reading, Billing and Customer Service</b>							
Customer	OMMRBC	C05	\$ 158	\$ 713	\$ 11,252	\$ 1,347	\$ 1,822
<b>Load Management</b>							
Customer	OMCSC	C06	\$ 12	\$ 52	\$ 826	\$ 99	\$ 134
Total	OMT		\$ 5,982,013	\$ 6,380,601	\$ 1,197,821	\$ 1,001,233	\$ 1,407,561

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Labor Expenses</b>							
<b>Production &amp; Purchase Power</b>							
Demand	LBPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	LBPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	LBPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	LBTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	LBSED	SOMA	\$ 16,114	\$ 12,335	\$ -	\$ 1,956	\$ 70
<b>Primary Distribution Plant</b>							
Demand	LBDPD	DOM	\$ 5,081,222	\$ 4,021,671	\$ 286,694	\$ 417,291	\$ 14,332
Customer	LBDPC	C01	\$ 2,132,190	\$ 1,965,736	\$ 147,138	\$ 13,461	\$ 30
Total Primary Distribution Plant			\$ 7,213,412	\$ 5,987,407	\$ 433,832	\$ 430,753	\$ 14,363
<b>Customer Services</b>							
Demand	LBCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	LBCSC	SERV	\$ 159,013	\$ 146,157	\$ 10,940	\$ 1,588	\$ 4
Total Customer Services			\$ 159,013	\$ 146,157	\$ 10,940	\$ 1,588	\$ 4
<b>Meters</b>							
Customer	LBMC	C03	\$ 160,940	\$ 105,313	\$ 43,114	\$ 9,913	\$ 100
<b>Lighting Systems</b>							
Customer	LBLSC	C04	\$ 1,301,094	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	LBMRC	C05	\$ 3,309,428	\$ 3,051,070	\$ 228,377	\$ 20,894	\$ 47
<b>Load Management</b>							
Customer	LBCSC	C06	\$ 328,580	\$ 302,928	\$ 22,675	\$ 2,074	\$ 5
Total	LBT		\$ 12,488,581	\$ 9,605,210	\$ 738,938	\$ 467,177	\$ 14,588

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			LP-2	LP-3	LP-2	LP-3			
<b>Labor Expenses</b>									
<b>Production &amp; Purchase Power</b>									
Demand	LBPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Energy	LBPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Purchase Power	LBPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Transmission</b>									
Demand	LBSD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Station Equipment</b>									
Demand	LBSED	SOMA	\$ 627	\$ 799	\$ 123	\$ 109	\$ 94		94
<b>Primary Distribution Plant</b>									
Demand	LBDPD	DOM	\$ 113,987	\$ 123,449	\$ 46,305	\$ 32,581	\$ 24,911		24,911
Customer	LBDPC	C01	\$ 60	\$ 272	\$ 4,286	\$ 513	\$ 694		694
Total Primary Distribution Plant			\$ 114,047	\$ 123,721	\$ 50,591	\$ 33,094	\$ 25,606		25,606
<b>Customer Services</b>									
Demand	LBCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Customer	LBCSC	SERV	\$ 9	\$ 12	\$ 191	\$ 23	\$ 89		89
Total Customer Services			\$ 9	\$ 12	\$ 191	\$ 23	\$ 89		89
<b>Meters</b>									
Customer	LBMC	C03	\$ 201	\$ 903	\$ 956	\$ 378	\$ 63		63
<b>Lighting Systems</b>									
Customer	LBLSC	C04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,301,094	1,301,094
<b>Meter Reading, Billing and Customer Service</b>									
Customer	LBMRC	C05	\$ 94	\$ 422	\$ 6,652	\$ 796	\$ 1,077		1,077
<b>Load Management</b>									
Customer	LBCSC	C06	\$ 9	\$ 42	\$ 660	\$ 79	\$ 107		107
Total	LBT		\$ 114,987	\$ 125,898	\$ 59,174	\$ 34,479	\$ 1,328,129		1,328,129

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Depreciation Expenses</b>							
<b>Production &amp; Purchase Power</b>							
Demand	DPPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	DPPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	DPPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	DPTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	DPSER	SA1	\$ 38,859	\$ 29,747	\$ -	\$ 4,717	\$ 169
<b>Primary Distribution Plant</b>							
Demand	DPDPD	DA1	\$ 5,134,607	\$ 4,063,924	\$ 289,706	\$ 421,676	\$ 14,483
Customer	DPDPC	C01	\$ 2,889,960	\$ 2,664,348	\$ 199,430	\$ 18,245	\$ 41
Total Primary Distribution Plant			\$ 8,024,567	\$ 6,728,272	\$ 489,136	\$ 439,921	\$ 14,524
<b>Customer Services</b>							
Demand	DPCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	DPCSC	SERV	\$ 1,328,158	\$ 1,220,775	\$ 91,377	\$ 13,265	\$ 30
Total Customer Services			\$ 1,328,158	\$ 1,220,775	\$ 91,377	\$ 13,265	\$ 30
<b>Meters</b>							
Customer	DPMC	C03	\$ 577,881	\$ 378,143	\$ 154,809	\$ 35,592	\$ 360
<b>Lighting Systems</b>							
Customer	DPLSC	C04	\$ 573,641	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	DPMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Load Management</b>							
Customer	DPCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	DPT		\$ 10,543,106	\$ 8,356,938	\$ 735,322	\$ 493,496	\$ 15,083

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights	
			LP-2	KW	LP-3	KW				
<b>Depreciation Expenses</b>										
<b>Production &amp; Purchase Power</b>										
Demand	DPPPD	PPDA	\$	-	\$	-	\$	-	\$	-
Energy	DPPPE	PPEA	\$	-	\$	-	\$	-	\$	-
Total Purchase Power	DPPPT		\$	-	\$	-	\$	-	\$	-
<b>Transmission</b>										
Demand	DPTD	TA1	\$	-	\$	-	\$	-	\$	-
<b>Station Equipment</b>										
Demand	DPSED	SA1	\$	1,512	\$	1,926	\$	297	\$	263
<b>Primary Distribution Plant</b>										
Demand	DPDPD	DA1	\$	115,184	\$	124,746	\$	46,792	\$	32,923
Customer	DPDPC	C01	\$	82	\$	368	\$	5,809	\$	695
Total Primary Distribution Plant			\$	115,266	\$	125,114	\$	52,601	\$	33,619
<b>Customer Services</b>										
Demand	DPCSD	SERV	\$	-	\$	-	\$	-	\$	-
Customer	DPCSC	SERV	\$	78	\$	101	\$	1,599	\$	191
Total Customer Services			\$	78	\$	101	\$	1,599	\$	191
<b>Meters</b>										
Customer	DPMC	C03	\$	720	\$	3,242	\$	3,432	\$	1,357
<b>Lighting Systems</b>										
Customer	DPLSC	C04	\$	-	\$	-	\$	-	\$	573,641
<b>Meter Reading, Billing and Customer Service</b>										
Customer	DPMRBC	C05	\$	-	\$	-	\$	-	\$	-
<b>Load Management</b>										
Customer	DPCSC	C06	\$	-	\$	-	\$	-	\$	-
Total	DPT		\$	117,577	\$	130,384	\$	57,929	\$	35,430

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Property Taxes</b>							
<b>Production &amp; Purchase Power</b>							
Demand	PTPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	PTPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	PTPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	PTTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	PTSED	SOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Primary Distribution Plant</b>							
Demand	PTDPD	DOM	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PTDPC	C01	\$ -	\$ -	\$ -	\$ -	\$ -
Total Primary Distribution Plant			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Customer Services</b>							
Demand	PTCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PTCSC	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Total Customer Services			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Meters</b>							
Customer	PTMC	C03	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Lighting Systems</b>							
Customer	PTLSC	C04	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	PTMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Load Management</b>							
Customer	PTCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	PTT		\$ -	\$ -	\$ -	\$ -	\$ -



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools		Lighting Lights
			LP-2	KW	LP-3	KW		AES		
<b>Property Taxes</b>										
<b>Production &amp; Purchase Power</b>										
Demand	PTPPD	PPDA	\$	-	\$	-	\$	-	\$	-
Energy	PTPPE	PPEA	\$	-	\$	-	\$	-	\$	-
Total Purchase Power	PTPPT		\$	-	\$	-	\$	-	\$	-
<b>Transmission</b>										
Demand	PTTD	TOMA	\$	-	\$	-	\$	-	\$	-
<b>Station Equipment</b>										
Demand	PTSED	SOMA	\$	-	\$	-	\$	-	\$	-
<b>Primary Distribution Plant</b>										
Demand	PTDPD	DOM	\$	-	\$	-	\$	-	\$	-
Customer	PTDPC	C01	\$	-	\$	-	\$	-	\$	-
Total Primary Distribution Plant			\$	-	\$	-	\$	-	\$	-
<b>Customer Services</b>										
Demand	PTCSD	SERV	\$	-	\$	-	\$	-	\$	-
Customer	PTCSC	SERV	\$	-	\$	-	\$	-	\$	-
Total Customer Services			\$	-	\$	-	\$	-	\$	-
<b>Meters</b>										
Customer	PTMC	C03	\$	-	\$	-	\$	-	\$	-
<b>Lighting Systems</b>										
Customer	PTLSC	C04	\$	-	\$	-	\$	-	\$	-
<b>Meter Reading, Billing and Customer Service</b>										
Customer	PTMRBC	C05	\$	-	\$	-	\$	-	\$	-
<b>Load Management</b>										
Customer	PTCSC	C06	\$	-	\$	-	\$	-	\$	-
Total	PTT		\$	-	\$	-	\$	-	\$	-

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Other Taxes</b>							
<b>Production &amp; Purchase Power</b>							
Demand	OTPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	OTPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	OTPPT		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>							
Demand	OTTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Station Equipment</b>							
Demand	OTSED	SOMA	\$ 430	\$ 329	\$ -	\$ 52	\$ 2
<b>Primary Distribution Plant</b>							
Demand	OTDPD	DOM	\$ 56,800	\$ 44,956	\$ 3,205	\$ 4,665	\$ 160
Customer	OTDPC	C01	\$ 31,969	\$ 29,474	\$ 2,206	\$ 202	\$ 0
Total Primary Distribution Plant			\$ 88,770	\$ 74,430	\$ 5,411	\$ 4,867	\$ 161
<b>Customer Services</b>							
Demand	OTCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	OTCSC	SERV	\$ 14,692	\$ 13,505	\$ 1,011	\$ 147	\$ 0
Total Customer Services			\$ 14,692	\$ 13,505	\$ 1,011	\$ 147	\$ 0
<b>Meters</b>							
Customer	OTMC	C03	\$ 6,393	\$ 4,183	\$ 1,713	\$ 394	\$ 4
<b>Lighting Systems</b>							
Customer	OTLSC	C04	\$ 6,346	\$ -	\$ -	\$ -	\$ -
<b>Meter Reading, Billing and Customer Service</b>							
Customer	OTMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Load Management</b>							
Customer	OTCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	OTT		\$ 116,630	\$ 92,446	\$ 8,134	\$ 5,459	\$ 167

SOUTH KENTUCKY R.E.C.C.  
Cost of Service Study  
Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			LP-2	LP-3	LP-2	LP-3			
<b>Other Taxes</b>									
<b>Production &amp; Purchase Power</b>									
Demand	OTPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Energy	OTPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Purchase Power	OTPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Transmission</b>									
Demand	OTTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Station Equipment</b>									
Demand	OTSED	SOMA	\$ 17	\$ 21	\$ 3	\$ 3	\$ 3	\$ 3	3
<b>Primary Distribution Plant</b>									
Demand	OTDPD	DOM	\$ 1,274	\$ 1,380	\$ 518	\$ 364	\$ 278	\$ 278	278
Customer	OTDPC	C01	\$ 1	\$ 4	\$ 64	\$ 8	\$ 10	\$ 10	10
Total Primary Distribution Plant			\$ 1,275	\$ 1,384	\$ 582	\$ 372	\$ 288	\$ 288	288
<b>Customer Services</b>									
Demand	OTCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Customer	OTCSC	SERV	\$ 1	\$ 1	\$ 18	\$ 2	\$ 8	\$ 8	8
Total Customer Services			\$ 1	\$ 1	\$ 18	\$ 2	\$ 8	\$ 8	8
<b>Meters</b>									
Customer	OTMC	C03	\$ 8	\$ 36	\$ 38	\$ 15	\$ 2	\$ 2	2
<b>Lighting Systems</b>									
Customer	OTLSC	C04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,346
<b>Meter Reading, Billing and Customer Service</b>									
Customer	OTMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Load Management</b>									
Customer	OTCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total	OTT		\$ 1,301	\$ 1,442	\$ 641	\$ 392	\$ 664	\$ 664	6,648

SOUTH KENTUCKY R.E.C.C.  
Cost of Service Study  
Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Cost of Service Summary -- Unadjusted Results</b>							
<b>Operating Revenues</b>							
Total Sales of Electric Energy	REVUC	R01	\$ 149,668,025	\$ 98,317,803	\$ 10,181,476	\$ 19,913,480	\$ 851,696
Other Electric Revenues		MISC SERV	\$ 4,236,134	\$ 3,893,641	\$ 291,445	\$ 42,308	\$ 95
Total Operating Revenues	TOR		\$ 153,904,160	\$ 102,211,443	\$ 10,472,920	\$ 19,955,788	\$ 851,791
<b>Operating Expenses</b>							
Operation and Maintenance Expenses			\$ 141,123,429	\$ 100,300,161	\$ 6,879,199	\$ 17,201,962	\$ 772,877
Depreciation and Amortization Expenses			10,543,106	8,356,938	735,322	493,496	15,083
Property Taxes		NPT	-	-	-	-	-
Other Taxes			116,630	92,446	8,134	5,459	167
Total Operating Expenses	TOE		\$ 151,783,165	\$ 108,749,546	\$ 7,622,655	\$ 17,700,917	\$ 788,127
Utility Operating Margin	TOM		\$ 2,120,994	\$ (6,538,103)	\$ 2,850,266	\$ 2,254,872	\$ 63,664
<b>Net Cost Rate Base</b>			\$ 223,016,188	\$ 176,926,919	\$ 15,569,769	\$ 10,445,376	\$ 319,263
<b>Rate of Return</b>			<b>0.95%</b>	<b>-3.70%</b>	<b>18.31%</b>	<b>21.59%</b>	<b>19.94%</b>
<b>Unitized Rate of Return</b>			<b>1.00</b>	<b>(3.89)</b>	<b>19.25</b>	<b>22.70</b>	<b>20.97</b>

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Cost of Service Summary -- Unadjusted Results</b>							
<b>Operating Revenues</b>							
Total Sales of Electric Energy	REVUC	R01	\$ 6,421,394	\$ 6,850,008	\$ 1,666,788	\$ 1,119,040	\$ 4,346,340
Other Electric Revenues		MISC SERV	\$ 250	\$ 323	\$ 5,099	\$ 610	\$ 2,364
Total Operating Revenues	TOR		\$ 6,421,644	\$ 6,850,331	\$ 1,671,887	\$ 1,119,651	\$ 4,348,704
<b>Operating Expenses</b>							
Operation and Maintenance Expenses			\$ 5,982,013	\$ 6,380,601	\$ 1,197,821	\$ 1,001,233	\$ 1,407,561
Depreciation and Amortization Expenses			117,577	130,384	57,929	35,430	600,948
Property Taxes		NPT	-	-	-	-	-
Other Taxes			1,301	1,442	641	392	6,648
Total Operating Expenses	TOE		\$ 6,100,891	\$ 6,512,427	\$ 1,256,391	\$ 1,037,055	\$ 2,015,157
Utility Operating Margin	TOM		\$ 320,753	\$ 337,904	\$ 415,496	\$ 82,596	\$ 2,333,547
<b>Net Cost Rate Base</b>			\$ 2,488,840	\$ 2,760,134	\$ 1,226,618	\$ 749,996	\$ 12,529,272
<b>Rate of Return</b>			<b>12.89%</b>	<b>12.24%</b>	<b>33.87%</b>	<b>11.01%</b>	<b>18.62%</b>
<b>Unitized Rate of Return</b>			<b>13.55</b>	<b>12.87</b>	<b>35.62</b>	<b>11.58</b>	<b>19.58</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Cost of Service Summary -- Adjusted Results</b>							
<b>Operating Revenues</b>							
Total Operating Revenue -- Actual			\$ 153,904,160	\$ 102,211,443	\$ 10,472,920	\$ 19,955,788	\$ 851,791
Pro-Forma Adjustments:							
1.01 To Remove Fuel Adjustment Clause Revenue	FAC		\$ (11,874,072)	\$ (7,456,174)	\$ (708,852)	\$ (1,821,281)	\$ (97,141)
1.02 To Remove Environmental Surcharge Revenue	ES		\$ (15,673,494)	\$ (10,654,851)	\$ (1,127,683)	\$ (2,101,243)	\$ (89,732)
1.04 To Normalize Year-End Customers	YEC		\$ 1,427,711	\$ (44,167)	\$ (116,555)	\$ 1,406,645	\$ 181,787
1.17 Meter Test Charge			\$ 1,854	\$ 1,854	\$ -	\$ -	\$ -
1.18 Trip Charge			\$ 271,272	\$ 271,272	\$ -	\$ -	\$ -
1.19 Remote Reconnect-60 days or less			\$ 42,960	\$ 42,960	\$ -	\$ -	\$ -
1.20 Remote Reconnect-61 through 365 days			\$ 6,000	\$ 6,000	\$ -	\$ -	\$ -
1.21 Returned Check Charge			\$ 6,384	\$ 6,384	\$ -	\$ -	\$ -
Total Pro Forma Adjustments			\$ (25,791,385)	\$ (17,826,723)	\$ (1,953,090)	\$ (2,515,878)	\$ (5,086)
Total Pro-Forma Operating Revenue			\$ 128,112,774	\$ 84,384,721	\$ 8,519,831	\$ 17,439,910	\$ 846,705
<b>Operating Expenses</b>							
Total Operating Expenses -- Actual	TOE		\$ 151,783,165	\$ 108,749,546	\$ 7,622,655	\$ 17,700,917	\$ 788,127
Pro-Forma Adjustments:							
1.01 Fuel Adjustment Clause	FAC		\$ (11,241,462)	\$ (7,058,935)	\$ (671,087)	\$ (1,724,249)	\$ (91,966)
1.02 Environmental Surcharge	ES		\$ (15,508,843)	\$ (10,542,921)	\$ (1,115,836)	\$ (2,079,169)	\$ (88,789)
1.03 Rate Case Expenses	OMT		\$ 53,333	\$ 37,905	\$ 2,600	\$ 6,501	\$ 292
1.04 Year-End Customer Normalization	YEC		\$ 929,273	\$ (24,043)	\$ (54,972)	\$ 917,123	\$ 91,165
1.05 Depreciation Expense Normalization	DPT		\$ 810,903	\$ 642,758	\$ 56,556	\$ 37,956	\$ 1,160
1.06 Donations, Advertising, Dues, & Other	OMT		\$ (663,745)	\$ (471,741)	\$ (32,355)	\$ (80,906)	\$ (3,635)
1.07 Miscellaneous Expenses	OMT		\$ (4,384)	\$ (3,116)	\$ (214)	\$ (534)	\$ (24)
1.08 Directors Expense	OMT		\$ (2,461)	\$ (1,749)	\$ (120)	\$ (300)	\$ (13)
1.09 Retirement Plan Contributions	LBT		\$ 364,678	\$ 280,481	\$ 21,578	\$ 13,642	\$ 426
1.10 Wages & Salaries	LBT		\$ 405,420	\$ 311,816	\$ 23,988	\$ 15,166	\$ 474
1.11 Professional Services	OMT		\$ (570,831)	\$ (405,705)	\$ (27,826)	\$ (69,580)	\$ (3,126)
1.12 G&T Capital Credits	RBT		\$ -	\$ -	\$ -	\$ -	\$ -
1.13 Payroll Tax	RBT		\$ 34,776	\$ 27,589	\$ 2,428	\$ 1,629	\$ 50
1.14 Interest	RBT		\$ 66,155	\$ 52,483	\$ 4,619	\$ 3,098	\$ 95
1.15 Life Insurance Premiums	LBT		\$ (2,692)	\$ (2,071)	\$ (159)	\$ (101)	\$ (3)
1.16 Health Insurance Premiums	LBT		\$ 185,918	\$ 142,993	\$ 11,001	\$ 6,955	\$ 217
1.17 Right of Way	DOM		\$ 26,163	\$ 20,707	\$ 1,476	\$ 2,149	\$ 74
1.18 FEMA	OMT		\$ 996,188	\$ 708,017	\$ 48,560	\$ 121,428	\$ 5,456
Total Pro Forma Adjustments			\$ (24,121,611)	\$ (16,285,530)	\$ (1,729,764)	\$ (2,829,192)	\$ (88,149)
Total Pro-forma Operating Expenses			\$ 127,661,555	\$ 92,464,016	\$ 5,892,891	\$ 14,871,724	\$ 699,978
<b>Utility Operating Margin -- Pro-Forma</b>			\$ 451,219	\$ (8,079,295)	\$ 2,626,940	\$ 2,568,186	\$ 146,727
<b>Net Cost Rate Base</b>			\$ 223,016,188	\$ 176,926,919	\$ 15,569,769	\$ 10,445,376	\$ 319,263
Pro-forma Rate Base Adjustments <reserved>	RBT		\$ -	\$ -	\$ -	\$ -	\$ -
Pro-forma Rate Base			\$ 223,016,188	\$ 176,926,919	\$ 15,569,769	\$ 10,445,376	\$ 319,263
<b>Rate of Return</b>			<b>0.20%</b>	<b>-4.57%</b>	<b>16.87%</b>	<b>24.59%</b>	<b>45.96%</b>
<b>Unitized Rate of Return</b>			<b>1.00</b>	<b>(22.57)</b>	<b>83.39</b>	<b>121.52</b>	<b>227.15</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Cost of Service Summary -- Adjusted Results</b>							
<b>Operating Revenues</b>							
Total Operating Revenue -- Actual			\$ 6,421,644	\$ 6,850,331	\$ 1,671,887	\$ 1,119,651	\$ 4,348,704
Pro-Forma Adjustments:							
1.01 To Remove Fuel Adjustment Clause Revenue	FAC		\$ (760,657)	\$ (804,753)	\$ (115,558)	\$ (101,433)	\$ (8,223)
1.02 To Remove Environmental Surcharge Revenue	ES		\$ (661,723)	\$ (706,364)	\$ (179,448)	\$ (116,709)	\$ (35,742)
1.04 To Normalize Year-End Customers	YEC		\$ -	\$ -	\$ -	\$ -	\$ -
1.17 Meter Test Charge			\$ -	\$ -	\$ -	\$ -	\$ -
1.18 Trip Charge			\$ -	\$ -	\$ -	\$ -	\$ -
1.19 Remote Reconnect-60 days or less			\$ -	\$ -	\$ -	\$ -	\$ -
1.20 Remote Reconnect-61 through 365 days			\$ -	\$ -	\$ -	\$ -	\$ -
1.21 Returned Check Charge			\$ -	\$ -	\$ -	\$ -	\$ -
Total Pro Forma Adjustments			\$ (1,422,380)	\$ (1,511,116)	\$ (295,006)	\$ (218,142)	\$ (43,965)
Total Pro-Forma Operating Revenue			\$ 4,999,264	\$ 5,339,215	\$ 1,376,881	\$ 901,509	\$ 4,304,739
<b>Operating Expenses</b>							
Total Operating Expenses -- Actual	TOE		\$ 6,100,891	\$ 6,512,427	\$ 1,256,391	\$ 1,037,055	\$ 2,015,157
Pro-Forma Adjustments:							
1.01 Fuel Adjustment Clause	FAC		\$ (720,132)	\$ (761,878)	\$ (109,401)	\$ (96,029)	\$ (7,785)
1.02 Environmental Surcharge	ES		\$ (654,771)	\$ (698,943)	\$ (177,563)	\$ (115,483)	\$ (35,366)
1.03 Rate Case Expenses	OMT		\$ 2,261	\$ 2,411	\$ 453	\$ 378	\$ 532
1.04 Year-End Customer Normalization	YEC		\$ -	\$ -	\$ -	\$ -	\$ -
1.05 Depreciation Expense Normalization	DPT		\$ 9,043	\$ 10,028	\$ 4,455	\$ 2,725	\$ 46,221
1.06 Donations, Advertising, Dues, & Other	OMT		\$ (28,135)	\$ (30,010)	\$ (5,634)	\$ (4,709)	\$ (6,620)
1.07 Miscellaneous Expenses	OMT		\$ (186)	\$ (198)	\$ (37)	\$ (31)	\$ (44)
1.08 Directors Expense	OMT		\$ (104)	\$ (111)	\$ (21)	\$ (17)	\$ (25)
1.09 Retirement Plan Contributions	LBT		\$ 3,358	\$ 3,676	\$ 1,728	\$ 1,007	\$ 38,783
1.10 Wages & Salaries	LBT		\$ 3,733	\$ 4,087	\$ 1,921	\$ 1,119	\$ 43,115
1.11 Professional Services	OMT		\$ (24,197)	\$ (25,809)	\$ (4,845)	\$ (4,050)	\$ (5,693)
1.12 G&T Capital Credits	RBT		\$ -	\$ -	\$ -	\$ -	\$ -
1.13 Payroll Tax	RBT		\$ 388	\$ 430	\$ 191	\$ 117	\$ 1,954
1.14 Interest	RBT		\$ 738	\$ 819	\$ 364	\$ 222	\$ 3,717
1.15 Life Insurance Premiums	LBT		\$ (25)	\$ (27)	\$ (13)	\$ (7)	\$ (286)
1.16 Health Insurance Premiums	LBT		\$ 1,712	\$ 1,874	\$ 881	\$ 513	\$ 19,772
1.17 Right of Way	DOM		\$ 587	\$ 636	\$ 238	\$ 168	\$ 128
1.18 FEMA	OMT		\$ 42,227	\$ 45,041	\$ 8,455	\$ 7,068	\$ 9,936
Total Pro Forma Adjustments			\$ (1,363,504)	\$ (1,447,974)	\$ (278,827)	\$ (207,009)	\$ 108,338
Total Pro-forma Operating Expenses			\$ 4,737,387	\$ 5,064,453	\$ 977,564	\$ 830,046	\$ 2,123,495
<b>Utility Operating Margin -- Pro-Forma</b>			\$ 261,877	\$ 274,762	\$ 399,317	\$ 71,463	\$ 2,181,244
<b>Net Cost Rate Base</b>			\$ 2,488,840	\$ 2,760,134	\$ 1,226,618	\$ 749,996	\$ 12,529,272
Pro-forma Rate Base Adjustments <reserved>	RBT		\$ -	\$ -	\$ -	\$ -	\$ -
Pro-forma Rate Base			\$ 2,488,840	\$ 2,760,134	\$ 1,226,618	\$ 749,996	\$ 12,529,272
<b>Rate of Return</b>			<b>10.52%</b>	<b>9.95%</b>	<b>32.55%</b>	<b>9.53%</b>	<b>17.41%</b>
<b>Unitized Rate of Return</b>			<b>52.01</b>	<b>49.20</b>	<b>160.90</b>	<b>47.09</b>	<b>86.05</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Allocation Factors</b>							
<b>Energy Allocation Factors</b>							
Energy Usage by Class	E01	Energy	1.000000	0.631958	0.057681	0.147055	0.007900
<b>Demand Allocation Factors</b>							
Purchase Power -- Average 12 CP	D01	12CP	1.000000	0.765517	-	0.121399	0.004342
Station Equipment -- Maximum Class Demand	D02	NCP	1.000000	0.750836	0.049280	0.091411	0.004505
Primary Distribution Plant -- Maximum Class Demand	D03	NCP	1.000000	0.750836	0.049280	0.091411	0.004505
Services	SERV		1.000000	0.919149	0.068800	0.009987	0.000022
Misc. Service Revenue	MISCSEV		1.000000	0.919149	0.068800	0.009987	0.000022
Residential & Commercial Rev	RCRev		142,535,856	98,317,803	10,181,476	19,913,480	851,696
<b>Customer Allocation Factors</b>							
Primary Distribution Plant -- Average Number of Customers	C01	Cust01	1.000000	0.921933	0.069008	0.006313	0.000014
Customer Services -- Average Number of Customers	C02	Cust02	1.000000	0.921933	0.069008	0.006313	0.000014
Meter Costs -- Weighted Cost of Meters	C03		1.000000	0.654362	0.267890	0.061591	0.000623
Lighting Systems -- Lighting Customers	C04	Cust04	1.000000	-	-	-	-
Meter Reading and Billing -- Weighted Cost	C05	Cust05	1.000000	0.921933	0.069008	0.006313	0.000014
Load Management	C06	Cust06	1.000000	0.921933	0.069008	0.006313	0.000014
<b>Other Allocation Factors</b>							
Rev	R01		149,668,025	98,317,803	10,181,476	19,913,480	851,696
Energy	E01		1,221,964,154	766,561,470	69,966,370	183,071,000	9,835,173
Loss Factor			0.050	0.050	0.050	0.025	0.025
Energy Including Losses	Energy		1,276,836,405	806,906,811	73,648,811	187,765,128	10,087,357
Customers (Monthly Bills)			847,728	781,548	58,500	5,352	12
Average Customers (Bills/12)	Cust01		70,644	65,129	4,875	446	1
Average Customers (Lighting = Lights)	Cust02		70,644	65,129	4,875	446	1
Average Customers (Lighting =45 Lights per Cust)	Cust03		70,644	65,129	4,875	446	1
Lighting	Cust04		1	-	-	-	-
Average Customers	Cust05		70,644	65,129	4,875	446	1
Load Management	Cust06		70,644	65,129	4,875	446	1
Winter CP Demands	WCP		2,417,266	1,860,019	-	279,127	9,605
Summer CP Demands	SCP		687,399	516,656	-	97,776	3,875
12 Month Sum of Coincident Demands	12CP		3,104,665	2,376,675	-	376,903	13,480
Class Maximum Demands	NCP		557,120	418,306	27,455	50,927	2,510
Sum of the Individual Customer Demands	SICD		7,399,616	5,856,627	417,503	607,688	20,872



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Allocation Factors</b>							
<b>Energy Allocation Factors</b>							
Energy Usage by Class	E01	Energy	0.060643	0.065396	0.009834	0.008626	0.010908
<b>Demand Allocation Factors</b>							
Purchase Power -- Average 12 CP	D01	12CP	0.038902	0.049570	0.007653	0.006769	0.005848
Station Equipment -- Maximum Class Demand	D02	NCP	0.030473	0.049013	0.008859	0.009789	0.005835
Primary Distribution Plant -- Maximum Class Demand	D03	NCP	0.030473	0.049013	0.008859	0.009789	0.005835
Services	SERV		0.000059	0.000076	0.001204	0.000144	0.000558
Misc. Service Revenue	MISCSERV		0.000059	0.000076	0.001204	0.000144	0.000558
Residential & Commercial Rev	RCRev		6,421,394	6,850,008	-	-	
<b>Customer Allocation Factors</b>							
Primary Distribution Plant -- Average Number of Customers	C01	Cust01	0.000028	0.000127	0.002010	0.000241	0.000326
Customer Services -- Average Number of Customers	C02	Cust02	0.000028	0.000127	0.002010	0.000241	0.000326
Meter Costs -- Weighted Cost of Meters	C03		0.001247	0.005610	0.005940	0.002348	0.000389
Lighting Systems -- Lighting Customers	C04	Cust04	-	-	-	-	1.000000
Meter Reading and Billing -- Weighted Cost	C05	Cust05	0.000028	0.000127	0.002010	0.000241	0.000326
Load Management	C06	Cust06	0.000028	0.000127	0.002010	0.000241	0.000326
<b>Other Allocation Factors</b>							
Rev	R01		6,421,394	6,850,008	1,666,788	1,119,040	4,346,340
Energy	E01		75,495,061	81,411,983	11,928,714	10,463,040	13,231,343
Loss Factor			0.025	0.025	0	0.050	0.050
Energy Including Losses	Energy		77,430,832	83,499,470	12,556,541	11,013,726	13,927,729
Customers (Monthly Bills)			24	108	1,704	204	276
Average Customers (Bills/12)	Cust01		2	9	142	17	23
Average Customers (Lighting = Lights)	Cust02		2	9	142	17	23
Average Customers (Lighting =45 Lights per Cust)	Cust03		2	9	142	17	23
Lighting	Cust04		-	-	-	-	1
Average Customers	Cust05		2	9	142	17	23
Load Management	Cust06		2	9	142	17	23
Winter CP Demands	WCP		89,981	123,177	18,372	18,829	18,155
Summer CP Demands	SCP		30,796	30,722	5,388	2,186	-
12 Month Sum of Coincident Demands	12CP		120,778	153,899	23,761	21,015	18,155
Class Maximum Demands	NCP		16,977	27,306	4,935	5,454	3,251
Sum of the Individual Customer Demands	SICD		165,995	179,775	67,432	47,447	36,278

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service		Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP		Large Power Rate (500 KW to 4,999 KW) LP-1	
				A						
<b>Allocation Factors (continued)</b>										
Transmission Residual Demand Allocator	TRDA		3,104,665	2,376,675		-	376,903		13,480	
Transmission Plant In Service			\$ -							
Customer Specific Assignment										
Transmission Residual	TRDA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Total	TA1		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Plant Allocator	T01	TA1	-	-	-	-	-	-	-	-
Transmission Residual Demand Allocator	TOMDA		3,104,665	2,376,675		-	376,903		13,480	
Transmission Plant In Service			\$ -							
Customer Specific Assignment										
Transmission Residual	TOMDA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Total	TOMA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission O&M Allocator	T02	TOMA	-	-	-	-	-	-	-	-
Distribution Residual Demand Allocator	DDA		7,399,616	5,856,627		417,503	607,688		20,872	
Distribution Plant In Service			\$ 134,014,239							
Customer Specific Assignment										
Distribution Residual	DOMDA		\$ 134,014,239	\$ 106,069,208.5	\$ 7,561,378	\$ 11,005,814	\$ 378,009			
Distribution Total	DT1		\$ 134,014,239	\$ 106,069,208.5	\$ 7,561,378	\$ 11,005,814	\$ 378,009			
Distribution Plant Allocator	DA1	DT1	1.000000	0.79148	0.05642	0.08212	0.00282			
Distribution Residual Demand Allocator	DOMDA		7,399,616	5,856,627.32		417,503	607,688		20,872	
Distribution Plant In Service			\$ 134,014,239							
Customer Specific Assignment										
Distribution Residual	DOMDA		\$ 134,014,239	\$ 106,069,208.5	\$ 7,561,378	\$ 11,005,814	\$ 378,009			
Distribution Total	DOMA		\$ 134,014,239	\$ 106,069,208.5	\$ 7,561,378	\$ 11,005,814	\$ 378,009			
Distribution O&M Allocator	DOM	DOMA	1.000000	0.79148	0.05642	0.08212	0.00282			
Substation Residual Demand Allocator	SDA		3,104,665	2,376,675		-	376,903		13,480	
Substation Plant In Service			\$ 1,014,233							
Customer Specific Assignment										
Substation Residual	SDA		\$ 1,014,233	\$ 776,413	\$ -	\$ 123,127	\$ 4,404			
Substation Total	ST1		\$ 1,014,233	\$ 776,413	\$ -	\$ 123,127	\$ 4,404			
Substation Plant Allocator	SA1	ST1	1.000000	0.76552	-	0.12140	0.00434			
Substation Residual Demand Allocator	SOMDA		\$ 3,104,665	2,376,675		-	376,903		13,480	
Substation Plant In Service			\$ 1,014,233							
Customer Specific Assignment										
Substation Residual	SOMDA		\$ 1,014,233	\$ 776,413	\$ -	\$ 123,127	\$ 4,404			
Substation Total	STOM		\$ 1,014,233	\$ 776,413	\$ -	\$ 123,127	\$ 4,404			
Substation O&M Allocator	SOMA	STOM	1.000000	0.76552	-	0.12140	0.00434			

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW)		Large Power Rate (500 KW to 2,999 KW)		Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			LP-2	LP-3	LP-2	LP-3			
<b>Allocation Factors (continued)</b>									
Transmission Residual Demand Allocator	TRDA			120,778		153,899	23,761	21,015	18,155
Transmission Plant In Service									
Customer Specific Assignment									
Transmission Residual		TRDA	\$	-	\$	-	\$	-	\$
Transmission Total	TA1		\$	-	\$	-	\$	-	\$
Transmission Plant Allocator	T01	TA1		-		-		-	
Transmission Residual Demand Allocator	TOMDA			120,778		153,899	23,761	21,015	18,155
Transmission Plant In Service									
Customer Specific Assignment									
Transmission Residual		TOMDA	\$	-	\$	-	\$	-	\$
Transmission Total	TOMA		\$	-	\$	-	\$	-	\$
Transmission O&M Allocator	T02	TOMA		-		-		-	
Distribution Residual Demand Allocator	DDA			165,995		179,775	67,432	47,447	36,278
Distribution Plant In Service									
Customer Specific Assignment									
Distribution Residual		DOMDA	\$	3,006,336	\$	3,255,901	\$	1,221,267	\$
Distribution Total	DT1		\$	3,006,336	\$	3,255,901	\$	1,221,267	\$
Distribution Plant Allocator	DA1	DT1		0.02243		0.02430		0.00911	
Distribution Residual Demand Allocator	DOMDA			165,995		179,775	67,432	47,447	36,278
Distribution Plant In Service									
Customer Specific Assignment									
Distribution Residual		DOMDA	\$	3,006,336	\$	3,255,901	\$	1,221,267	\$
Distribution Total	DOMA		\$	3,006,336	\$	3,255,901	\$	1,221,267	\$
Distribution O&M Allocator	DOM	DOMA		0.02243		0.02430		0.00911	
Substation Residual Demand Allocator	SDA			120,778		153,899	23,761	21,015	18,155
Substation Plant In Service									
Customer Specific Assignment									
Substation Residual		SDA	\$	39,456	\$	50,276	\$	7,762	\$
Substation Total	ST1		\$	39,456	\$	50,276	\$	7,762	\$
Substation Plant Allocator	SA1	ST1		0.03890		0.04957		0.00765	
Substation Residual Demand Allocator	SOMDA			120,778		153,899	23,761	21,015	18,155
Substation Plant In Service									
Customer Specific Assignment									
Substation Residual		SOMDA	\$	39,456	\$	50,276	\$	7,762	\$
Substation Total	STOM		\$	39,456	\$	50,276	\$	7,762	\$
Substation O&M Allocator	SOMA	STOM		0.03890		0.04957		0.00765	

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Allocation Factors (continued)</b>							
Customer Services Demand	CSD		7,399,616	5,856,627	417,503	607,688	20,872
Customer Services Allocator	CSA	CSD	1.000000	0.79148	0.05642	0.08212	0.00282
Purchased Power Residual Demand Allocator	PPDRA		2,816,508	2,376,675	-	376,903	-
Purchased Power Demand Costs			\$ 32,193,190				
Customer Specific Assignment			\$ 3,569,206	\$ -	\$ -	\$ -	\$ 206,344
Purchased Power Demand Residual		PPDRA	\$ 28,623,984.555	\$ 24,153,986	\$ -	\$ 3,830,438	\$ -
Purchased Power Demand Total		PPDT	\$ 32,193,190	\$ 24,153,986	\$ -	\$ 3,830,438	\$ 206,344
Purchased Power Demand Allocator	PPDA	PPDT	1.000000	0.75028	-	0.11898	0.00641
Purchased Power Residual Energy Allocator	PPERA		1,055,221,937	766,561,470	69,966,370	183,071,000	-
Purchased Power Energy Costs			\$ 76,848,015				
Customer Specific Assignment			\$ 8,732,767	-	-	-	518,845
Purchased Power Energy Residual		PPERA	\$ 68,115,247	\$ 49,482,031	\$ 4,516,374	\$ 11,817,350	\$ -
Purchased Power Energy Total		PPET	\$ 76,848,015	\$ 49,482,031	\$ 4,516,374	\$ 11,817,350	\$ 518,845
Purchased Power Energy Allocator	PPEA	PPET	1.000000	0.64389	0.05877	0.15378	0.00675

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Allocation Factors (continued)</b>							
Customer Services Demand	CSD		165,995	179,775	67,432	47,447	36,278
Customer Services Allocator	CSA	CSD	0.02243	0.02430	0.00911	0.00641	0.00490
Purchased Power Residual Demand Allocator	PPDRA		-	-	23,761	21,015	18,155
Purchased Power Demand Costs							
Customer Specific Assignment			\$ 1,664,143	\$ 1,698,718	\$ -	\$ -	-
Purchased Power Demand Residual		PPDRA	\$ -	\$ -	241,477	213,573	184,512
Purchased Power Demand Total		PPDT	\$ 1,664,143	\$ 1,698,718	\$ 241,477	\$ 213,573	\$ 184,512
Purchased Power Demand Allocator		PPDA	0.05169	0.05277	0.00750	0.00663	0.00573
Purchased Power Residual Energy Allocator	PPERA		-	-	11,928,714	10,463,040	13,231,343
Purchased Power Energy Costs							
Customer Specific Assignment			3,945,992	4,267,931	-	-	-
Purchased Power Energy Residual		PPERA	\$ -	\$ -	770,006	675,396	854,092
Purchased Power Energy Total		PPET	\$ 3,945,992	\$ 4,267,931	\$ 770,006	\$ 675,396	\$ 854,092
Purchased Power Energy Allocator		PPEA	0.05135	0.05554	0.01002	0.00879	0.01111

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Operating Expenses</b>							
Purchased Power Demand			\$ 32,193,190	\$ 24,153,986	\$ -	\$ 3,830,438	\$ 206,344
Purchased Power Energy			\$ 76,848,015	\$ 49,482,031	\$ 4,516,374	\$ 11,817,350	\$ 518,845
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand		0.50	\$ 21,516,689	\$ 17,023,102	\$ 1,199,097	\$ 1,777,428	\$ 61,094
Distribution Customer		0.50	\$ 21,225,272	\$ 18,090,427	\$ 1,907,183	\$ 275,702	\$ 1,844
Total			\$ 151,783,165	\$ 108,749,546	\$ 7,622,655	\$ 17,700,917	\$ 788,127
<b>Pro-Forma Operating Expenses</b>							
Purchased Power Demand			\$ 22,887,884	\$ 17,828,233	\$ (669,502)	\$ 2,582,936	\$ 153,071
Purchased Power Energy			\$ 57,230,520	\$ 36,073,300	\$ 3,120,813	\$ 9,762,722	\$ 464,770
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 22,345,345	\$ 17,678,775	\$ 1,254,237	\$ 1,802,901	\$ 61,672
Distribution Customer			\$ 22,042,704	\$ 18,737,219	\$ 1,961,576	\$ 300,830	\$ 2,415
Total			\$ 124,506,453	\$ 90,317,527	\$ 5,667,124	\$ 14,449,390	\$ 681,928
		Target	\$ 24,121,611				
		Variance	\$ -				
<b>Rate Base</b>							
Production & Purchased Power Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Production & Purchased Power Energy			\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 109,501,204	\$ 86,646,016	\$ 6,131,166	\$ 9,025,508	\$ 310,137
Distribution Customer			\$ 113,514,984	\$ 90,280,903	\$ 9,438,603	\$ 1,419,868	\$ 9,126
Total			\$ 223,016,188	\$ 176,926,919	\$ 15,569,769	\$ 10,445,376	\$ 319,263
<b>Revenue Requirement Calculated at a Rate of Return of <span style="border: 1px solid black; padding: 2px;">6.00%</span></b>							
Production & Purchased Power Demand			\$ 22,887,884	\$ 17,828,233	\$ (669,502)	\$ 2,582,936	\$ 153,071
Production & Purchased Power Energy			\$ 57,230,520	\$ 36,073,300	\$ 3,120,813	\$ 9,762,722	\$ 464,770
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 28,915,739	\$ 22,877,790	\$ 1,622,125	\$ 2,344,458	\$ 80,281
Distribution Customer			\$ 28,853,937	\$ 24,154,338	\$ 2,527,920	\$ 386,027	\$ 2,962
Total			\$ 137,888,079	\$ 100,933,662	\$ 6,601,355	\$ 15,076,143	\$ 701,085
		Target	\$ 137,888,079				
		Variance	\$ -				

**SOUTH KENTUCKY R.E.C.C.**  
**Cost of Service Study**  
**Class Allocation**

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW) LP-2	Large Power Rate (500 KW to 2,999 KW) LP-3	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
<b>Operating Expenses</b>							
Purchased Power Demand			\$ 1,664,143	\$ 1,698,718	\$ 241,477	\$ 213,573	\$ 184,512
Purchased Power Energy			\$ 3,945,992	\$ 4,267,931	\$ 770,006	\$ 675,396	\$ 854,092
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand		0.50	\$ 487,038	\$ 529,436	\$ 195,695	\$ 138,060	\$ 105,738
Distribution Customer		0.50	\$ 3,717	\$ 16,342	\$ 49,213	\$ 10,027	\$ 870,816
Total			\$ 6,100,891	\$ 6,512,427	\$ 1,256,391	\$ 1,037,055	\$ 2,015,157
<b>Pro-Forma Operating Expenses</b>							
Purchased Power Demand			\$ 1,271,280	\$ 1,279,352	\$ 134,939	\$ 144,283	\$ 163,292
Purchased Power Energy			\$ 2,832,997	\$ 3,086,687	\$ 554,067	\$ 510,077	\$ 825,087
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 491,639	\$ 534,690	\$ 199,563	\$ 140,136	\$ 181,731
Distribution Customer			\$ 8,256	\$ 21,524	\$ 53,030	\$ 12,075	\$ 945,780
Total			\$ 4,604,172	\$ 4,922,253	\$ 941,599	\$ 806,571	\$ 2,115,890
Target Variance							
Production & Purchased Power Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Production & Purchased Power Energy			\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 2,470,194	\$ 2,681,466	\$ 996,661	\$ 702,423	\$ 537,633
Distribution Customer			\$ 18,646	\$ 78,669	\$ 229,957	\$ 47,573	\$ 11,991,639
Total			\$ 2,488,840	\$ 2,760,134	\$ 1,226,618	\$ 749,996	\$ 12,529,272
<b>Revenue Requirement Calculated at a Rate of Return of</b>							
			<b>6.00%</b>				
Production & Purchased Power Demand			\$ 1,271,280	\$ 1,279,352	\$ 134,939	\$ 144,283	\$ 163,292
Production & Purchased Power Energy			\$ 2,832,997	\$ 3,086,687	\$ 554,067	\$ 510,077	\$ 825,087
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 639,858	\$ 695,586	\$ 259,366	\$ 182,284	\$ 213,991
Distribution Customer			\$ 9,374	\$ 26,245	\$ 66,828	\$ 14,929	\$ 1,665,314
Total			\$ 4,753,510	\$ 5,087,869	\$ 1,015,200	\$ 851,573	\$ 2,867,683
Target Variance							

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Operating Expenses-Unit Costs</b>							
Production & Purchased Power Demand (per KWH or KW)				0.02326	(0.00957)	4.25	7.33
Purchased Power Energy (per KWH)				0.04706	0.04460	0.05333	0.04726
Transmission Demand (per KWH or KW)				-	-	-	-
Distribution Demand (per KWH or KW)				0.02306	0.01793	2.97	2.95
Distribution Customer (per Customer)				23.97	33.53	56.21	201.22
<b>Rate Base-Unit Costs</b>							
Production & Purchased Power Demand (per KWH or KW)				-	-	-	-
Purchased Power Energy (per KWH)				-	-	-	-
Transmission Demand (per KWH or KW)				-	-	-	-
Distribution Demand (per KWH or KW)				0.11303	0.08763	14.85	14.86
Distribution Customer (per Customer)				115.52	161.34	265.30	760.51



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW) LP-2	Large Power Rate (500 KW to 2,999 KW) LP-3	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
<b>Operating Expenses-Unit Costs</b>							
Production & Purchased Power Demand (per KWH or KW)			7.66	7.12	0.01131	0.01379	
Purchased Power Energy (per KWH)			0.03753	0.03791	0.04645	0.04875	
Transmission Demand (per KWH or KW)			-	-	-	-	
Distribution Demand (per KWH or KW)			2.96	2.97	0.01673	0.01339	
Distribution Customer (per Customer)			343.99	199.30	31.12	59.19	
<b>Rate Base-Unit Costs</b>							
Production & Purchased Power Demand (per KWH or KW)			-	-	-	-	
Purchased Power Energy (per KWH)			-	-	-	-	
Transmission Demand (per KWH or KW)			-	-	-	-	
Distribution Demand (per KWH or KW)			14.88	14.92	0.08355	0.06713	
Distribution Customer (per Customer)			776.92	728.42	134.95	233.20	

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Unit Revenue Requirement @ Current Class Revenues</b>	Various			-4.57%	16.87%	24.59%	45.96%
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)				0.023257	(0.009569)	4.250434	7.333847
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-
Production & Purchased Power Energy (Per KWH)				0.047059	0.044604	0.053328	0.047256
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)				-	-	-	-
Transmission Demand Margin (Per KWH or KW)				-	-	-	-
Total Transmission Demand (Per KWH or KW)				-	-	-	-
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)				0.023062	0.017926	2.966823	2.954796
Distribution Demand Margin (Per KWH or KW)				(0.005162)	0.014785	0.012121	0.014492
Total Distribution Demand (Per KWH or KW)				0.017901	0.032711	2.978944	2.969288
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)				23.97	33.53	56.21	201.22
Distribution Customer Margin (Per Customer Per Month)				(5.27)	27.22	65.23	349.52
Total Distribution Customer (Per Customer Per Month)				18.70	60.75	121.44	550.74

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Unit Revenue Requirement @ Current Class Revenues</b>	Various		10.52%	9.95%	32.55%	9.53%	
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)			7.658530	7.116407	0.011312	0.013790	
Production & Purchased Power Demand Margin (Per KWH or KW)			-	-	-	-	
Production & Purchased Power Energy (Per KWH)			0.037526	0.037914	0.046448	0.048750	
Production & Purchased Power Energy Margin (Per KWH)			-	-	-	-	
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)			-	-	-	-	
Transmission Demand Margin (Per KWH or KW)			-	-	-	-	
Total Transmission Demand (Per KWH or KW)			-	-	-	-	
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)			2.961765	2.974216	0.016730	0.013393	
Distribution Demand Margin (Per KWH or KW)			0.003443	0.003279	0.027200	0.006397	
Total Distribution Demand (Per KWH or KW)			2.965208	2.977494	0.043929	0.019790	
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)			343.99	199.30	31.12	59.19	
Distribution Customer Margin (Per Customer Per Month)			81.75	72.51	43.93	22.22	
Total Distribution Customer (Per Customer Per Month)			425.73	271.81	75.05	81.41	

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Unit Revenue Requirement @ Total System Rate of Return</b>	0.20%			0.20%	0.20%	0.20%	0.20%
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)				0.023257	(0.009569)	4.25	7.33
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-
Production & Purchased Power Energy (Per KWH)				0.047059	0.044604	0.053328	0.047256
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)				-	-	-	-
Transmission Demand Margin (Per KWH or KW)				-	-	-	-
Total Transmission Demand (Per KWH or KW)				-	-	-	-
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)				0.023062	0.017926	2.97	2.95
Distribution Demand Margin (Per KWH or KW)				0.000229	0.000177	0.03	0.03
Total Distribution Demand (Per KWH or KW)				0.023291	0.018104	3.00	2.98
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)				23.97	33.53	56.21	201.22
Distribution Customer Margin (Per Customer Per Month)				0.23	0.33	0.54	1.54
Total Distribution Customer (Per Customer Per Month)				24.21	33.86	56.75	202.76

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Unit Revenue Requirement @ Total System Rate of Return</b>	0.20%		0.20%	0.20%	0.20%	0.20%	
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)			7.66	7.12	0.011312	0.013790	
Production & Purchased Power Demand Margin (Per KWH or KW)			-	-	-	-	
Production & Purchased Power Energy (Per KWH)			0.037526	0.037914	0.046448	0.048750	
Production & Purchased Power Energy Margin (Per KWH)			-	-	-	-	
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)			-	-	-	-	
Transmission Demand Margin (Per KWH or KW)			-	-	-	-	
Total Transmission Demand (Per KWH or KW)			-	-	-	-	
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)			2.96	2.97	0.016730	0.013393	
Distribution Demand Margin (Per KWH or KW)			0.03	0.03	0.000169	0.000136	
Total Distribution Demand (Per KWH or KW)			2.99	3.00	0.016899	0.013529	
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)			343.99	199.30	31.12	59.19	
Distribution Customer Margin (Per Customer Per Month)			1.57	1.47	0.27	0.47	
Total Distribution Customer (Per Customer Per Month)			345.56	200.77	31.39	59.66	

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Unit Revenue Requirement @ Specified Rate of Return</b>	6.00%			6.00%	6.00%	6.00%	6.00%
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)				0.023257	(0.009569)	4.25	7.33
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-
Production & Purchased Power Energy (Per KWH)				0.047059	0.044604	0.053328	0.047256
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)				-	-	-	-
Transmission Demand Margin (Per KWH or KW)				-	-	-	-
Total Transmission Demand (Per KWH or KW)				-	-	-	-
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)				0.023062	0.017926	2.97	2.95
Distribution Demand Margin (Per KWH or KW)				0.006782	0.005258	0.89	0.89
Total Distribution Demand (Per KWH or KW)				0.029845	0.023184	3.86	3.85
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)				23.97	33.53	56.21	201.22
Distribution Customer Margin (Per Customer Per Month)				6.93	9.68	15.92	45.63
Total Distribution Customer (Per Customer Per Month)				30.91	43.21	72.13	246.86

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate	Large Power Rate	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
			(5,000 KW to 9,999 KW) LP-2	(500 KW to 2,999 KW) LP-3			
<b>Unit Revenue Requirement @ Specified Rate of Return</b>	6.00%		6.00%	6.00%	6.00%	6.00%	
<b>Production &amp; Purchased Power</b>							
Production & Purchased Power Demand (Per KWH or KW)			7.66	7.12	0.011312	0.013790	
Production & Purchased Power Demand Margin (Per KWH or KW)			-	-	-	-	
Production & Purchased Power Energy (Per KWH)			0.037526	0.037914	0.046448	0.048750	
Production & Purchased Power Energy Margin (Per KWH)			-	-	-	-	
<b>Transmission Demand</b>							
Transmission Demand (Per KWH or KW)			-	-	-	-	
Transmission Demand Margin (Per KWH or KW)			-	-	-	-	
Total Transmission Demand (Per KWH or KW)			-	-	-	-	
<b>Distribution Demand</b>							
Distribution Demand (Per KWH or KW)			2.96	2.97	0.016730	0.013393	
Distribution Demand Margin (Per KWH or KW)			0.89	0.89	0.005013	0.004028	
Total Distribution Demand (Per KWH or KW)			3.85	3.87	0.021743	0.017422	
<b>Distribution Customer</b>							
Distribution Customer (Per Customer Per Month)			343.99	199.30	31.12	59.19	
Distribution Customer Margin (Per Customer Per Month)			46.62	43.71	8.10	13.99	
Total Distribution Customer (Per Customer Per Month)			390.60	243.01	39.22	73.18	

SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Total System	Residential, Farm and Non-Farm Service A	Small Commercial Rate B	Large Power Rate (Excess of 50 kVA) LP	Large Power Rate (500 KW to 4,999 KW) LP-1
<b>Summary of Cost-Based Charges</b>							
<b>At Current Class Rate of Return</b>			0.95%	-3.70%	18.31%	21.59%	19.94%
	Customer Charge (\$/month)			18.70	60.75	121.44	550.74
	Energy Charge (\$/kWh)			0.088217	0.067747	0.053328	0.047256
	Demand Charge (\$/kW)			-	-	-	-
<b>At Current Total System Rate of Return</b>			0.20%	0.20%	0.20%	0.20%	0.20%
	Customer Charge (\$/month)			24.21	33.86	56.75	202.76
	Energy Charge (\$/kWh)			0.093607	0.053139	0.053328	0.047256
	Demand Charge (\$/kW)			-	-	-	-
<b>At Specified Total System Rate of Return</b>			6.00%	6.00%	6.00%	6.00%	6.00%
	Customer Charge (\$/month)			30.91	43.21	72.13	246.86
	Energy Charge (\$/kWh)			0.100161	0.058220	0.053328	0.047256
	Demand Charge (\$/kW)			-	-	8.11	11.18



SOUTH KENTUCKY R.E.C.C.  
 Cost of Service Study  
 Class Allocation

Description	Name	Allocation Vector	Large Power Rate (5,000 KW to 9,999 KW) LP-2	Large Power Rate (500 KW to 2,999 KW) LP-3	Optional Power Service OPS	All Electric Schools AES	Lighting Lights
<b>Summary of Cost-Based Charges</b>							
<b>At Current Class Rate of Return</b>			12.89%	12.24%	33.87%	11.01%	
	Customer Charge (\$/month)		425.73	271.81	75.05	81.41	
	Energy Charge (\$/kWh)		0.037526	0.037914	0.101690	0.082330	
	Demand Charge (\$/kW)		-	-	-	-	
<b>At Current Total System Rate of Return</b>			0.20%	0.20%	0.20%	0.20%	
	Customer Charge (\$/month)		345.56	200.77	31.39	59.66	
	Energy Charge (\$/kWh)		0.037526	0.037914	0.074659	0.076069	
	Demand Charge (\$/kW)		-	-	-	-	
<b>At Specified Total System Rate of Return</b>			6.00%	6.00%	6.00%	6.00%	
	Customer Charge (\$/month)		390.60	243.01	39.22	73.18	
	Energy Charge (\$/kWh)		0.037526	0.037914	0.079503	0.079962	
	Demand Charge (\$/kW)		11.51	10.99	-	-	

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

Rate Class	Code	Average Customers	kWh	Revenue	12 - Month Individual Customer Demand	Sum of Individual Customer Max Demand	Class Demand During Peak Month	Sum of Coincident Demands	Summer Coincident Demands	Winter Coincident Demands
Residential, Farm and Non-Farm Service	A	65,129	766,561,470	\$ 98,317,803	5,856,627	810,258	418,306	2,376,675	516,656	1,860,019
Small Commercial Rate	B	4,875	69,966,370	\$ 10,181,476	417,503	43,616	27,455	-	-	-
Large Power Rate (Excess of 50 kVA)	LP	446	183,071,000	\$ 19,913,480	607,688	54,785	50,927	376,903	97,776	279,127
Large Power Rate (500 KW to 4,999 KW)	LP-1	1	9,835,173	\$ 851,696	20,872	1,797	2,510	13,480	3,875	9,605
Large Power Rate (5,000 KW to 9,999 KW)	LP-2	2	75,495,061	\$ 6,421,394	165,995	14,057	16,977	120,778	30,796	89,981
Large Power Rate (500 KW to 2,999 KW)	LP-3	9	81,411,983	\$ 6,850,008	179,775	19,241	27,306	153,899	30,722	123,177
Optional Power Service	OPS	142	11,928,714	\$ 1,666,788	67,432	6,227	4,935	23,761	5,388	18,372
All Electric Schools	AES	17	10,463,040	\$ 1,119,040	47,447	5,375	5,454	21,015	2,186	18,829
Lighting	Lights	23	13,231,343	\$ 4,346,340	36,278	3,251	3,251	18,155	-	18,155
Total		70,644	1,221,964,154	\$ 149,668,025	7,399,616	958,606	557,120	3,104,665	687,399	2,417,266
Total excl Lighting		70,644								

**SOUTH KENTUCKY R.E.C.C.**

Summary of Billing Determinants and Demand Analysis

<b>Rate Class</b>	<b>Code</b>	<b>Rate Class</b>	<b>Average Customers</b>	<b>kWh</b>	<b>% KWH</b>	<b>Revenue</b>	<b>% Revenue</b>
Residential, Farm and Non-Farm Service	A	Residential, Farm ar	65,129	766,561,470	62.73%	\$ 98,317,803	65.69%
Small Commercial Rate	B	Small Commercial R	4,875	69,966,370	5.73%	\$ 10,181,476	6.80%
Large Power Rate (Excess of 50 kVA)	LP	Large Power Rate (E	446	183,071,000	14.98%	\$ 19,913,480	13.31%
Large Power Rate (500 KW to 4,999 KW)	LP-1	Large Power Rate (E	1	9,835,173	0.80%	\$ 851,696	0.57%
Large Power Rate (5,000 KW to 9,999 KW)	LP-2	Large Power Rate (E	2	75,495,061	6.18%	\$ 6,421,394	4.29%
Large Power Rate (500 KW to 2,999 KW)	LP-3	Large Power Rate (E	9	81,411,983	6.66%	\$ 6,850,008	4.58%
Optional Power Service	OPS	Optional Power Serv	142	11,928,714	0.98%	\$ 1,666,788	1.11%
All Electric Schools	AES	All Electric Schools	17	10,463,040	0.86%	\$ 1,119,040	0.75%
Lighting	Lights	Lighting	23	13,231,343	1.08%	\$ 4,346,340	2.90%
Total		Total	70,644	1,221,964,154	100.00%	\$ 149,668,025	100.00%
Total excl Lighting		Total excl Lighting	70,644				

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

<b>Rate Schedule</b>	<b>Code</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>
<b>Residential, Farm and Non-Farm Service</b>	<b>A</b>	65,156	65,238	65,337	65,349	65,479	64,841	64,922	65,002	65,067
Energy Usage (kWh)		98,305,788	98,008,781	64,507,984	56,119,572	45,485,046	49,558,205	57,785,616	67,624,412	60,150,781
Average Demand		132,131	145,846	86,704	77,944	61,136	68,831	77,669	90,893	83,543
Diversified Load Factor		31.59%	63.49%	39.09%	53.71%	39.01%	48.24%	38.60%	45.46%	53.66%
Non-Coincident Demand		418,306	229,716	221,804	145,120	156,703	142,683	201,230	199,934	155,678
Coincidence Factor		95.00%	95.00%	90.00%	90.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Coincident Demand		397,390	218,230	199,623	130,608	148,868	135,549	191,169	189,938	147,894
Individual Customer Load Factor		18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Sum of Individual Customer Demands		734,064	810,258	481,690	433,021	339,643	382,394	431,494	504,961	464,126
<b>Small Commercial Rate</b>	<b>B</b>	4,810	4,802	5,032	5,042	5,047	4,801	4,827	4,844	4,843
Energy Usage (kWh)		6,452,177	6,741,305	5,137,456	5,898,939	5,715,094	5,410,886	5,925,910	6,875,442	6,414,030
Average Demand		8,672	10,032	6,905	8,193	7,682	7,515	7,965	9,241	8,908
Diversified Load Factor		31.59%	63.49%	39.09%	53.71%	39.01%	48.24%	38.60%	45.46%	53.66%
Non-Coincident Demand		27,455	15,800	17,665	15,254	19,689	15,579	20,636	20,328	16,600
Coincidence Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Coincident Demand		-	-	-	-	-	-	-	-	-
Individual Customer Load Factor		23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%
Sum of Individual Customer Demands		37,706	43,616	30,023	35,622	33,398	32,674	34,630	40,179	38,732
<b>Large Power Rate (Excess of 50 kVA)</b>	<b>LP</b>	486	484	341	341	345	474	477	479	478
Energy Usage (kWh)		14,383,680	17,111,461	14,634,018	13,425,569	13,321,844	15,270,573	15,747,321	16,969,828	17,512,567
Average Demand		19,333	25,463	19,669	18,647	17,906	21,209	21,166	22,809	24,323
Diversified Load Factor		50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Non-Coincident Demand		38,666	50,927	39,339	37,293	35,811	42,418	42,332	45,618	48,646
Coincidence Factor		75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Coincident Demand		28,999	38,195	29,504	27,970	26,859	31,814	31,749	34,213	36,485
Individual Customer Load Factor		39.24%	51.18%	38.72%	35.52%	34.15%	42.22%	42.30%	45.46%	44.40%
Sum of Individual Customer Demands		49,263	49,753	50,804	52,491	52,436	50,235	50,036	50,178	54,785

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

<u>Rate Schedule</u>	<u>Code</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>	<u>SIC Max Demand</u>	<u>During Peak Month</u>	<u>Sum of Coin Demand</u>	<u>Summer Coin Demand</u>	<u>Winter Coin Demand</u>
<b>Residential, Farm and Non-Farm Service</b>	<b>A</b>	65,051	65,007	65,097	65,129					
Energy Usage (kWh)		45,426,448	51,885,020	71,703,817	766,561,470					
Average Demand		61,057	72,063	96,376	87,507					
Diversified Load Factor		40.81%	26.34%	38.71%						
Non-Coincident Demand		149,629	273,601	248,946	2,543,350		418,306			
Coincidence Factor		90.00%	90.00%	95.00%						
Coincident Demand		134,666	246,241	236,498	2,376,675			2,376,675	516,656	1,860,019
Individual Customer Load Factor		18.00%	18.00%	18.00%						
Sum of Individual Customer Demands		339,206	400,347	535,423	5,856,627	810,258				
<b>Small Commercial Rate</b>	<b>B</b>	4,822	4,818	4,815	4,875					
Energy Usage (kWh)		5,022,374	4,907,965	5,464,792	69,966,370					
Average Demand		6,751	6,817	7,345	7,987					
Diversified Load Factor		40.81%	26.34%	38.71%						
Non-Coincident Demand		16,543	25,881	18,973	230,403		27,455			
Coincidence Factor		0.00%	0.00%	0.00%						
Coincident Demand		-	-	-	-					
Individual Customer Load Factor		23.00%	23.00%	23.00%						
Sum of Individual Customer Demands		29,350	29,637	31,935	417,503	43,616				
<b>Large Power Rate (Excess of 50 kVA)</b>	<b>LP</b>	480	482	481	446					
Energy Usage (kWh)		15,528,902	14,973,352	14,191,885	183,071,000					
Average Demand		20,872	20,796	19,075	20,899					
Diversified Load Factor		50.00%	50.00%	50.00%						
Non-Coincident Demand		41,744	41,593	38,150	502,537		50,927			
Coincidence Factor		75.00%	75.00%	75.00%						
Coincident Demand		31,308	31,194	28,613	376,903			376,903	97,776	279,127
Individual Customer Load Factor		41.37%	42.36%	39.61%						
Sum of Individual Customer Demands		50,455	49,093	48,159	607,688	54,785				

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

Rate Schedule	Code	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Large Power Rate (500 KW to 4,999 KW)</b>	<b>LP-1</b>	1	1	1	1	1	1	1	1	1
Energy Usage (kWh)		703,090	741,543	662,834	660,723	709,537	881,767	896,522	1,075,112	1,084,126
Average Demand		945	1,103	891	918	954	1,225	1,205	1,445	1,506
Diversified Load Factor		60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Non-Coincident Demand		1,575	1,839	1,485	1,529	1,589	2,041	2,008	2,408	2,510
Coincidence Factor		60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Coincident Demand		945	1,103	891	918	954	1,225	1,205	1,445	1,506
Individual Customer Load Factor		53.50%	63.20%	49.59%	52.46%	53.62%	69.43%	70.82%	84.63%	87.95%
Sum of Individual Customer Demands		1,766	1,746	1,797	1,749	1,778	1,764	1,701	1,708	1,712
<b>Large Power Rate (5,000 KW to 9,999 KW)</b>	<b>LP-2</b>	2	2	2	2	2	2	2	2	2
Energy Usage (kWh)		5,941,558	6,070,298	5,847,925	6,056,306	5,974,417	6,452,834	6,782,840	6,188,476	7,334,155
Average Demand		7,986	9,033	7,860	8,412	8,030	8,962	9,117	8,318	10,186
Diversified Load Factor		60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Non-Coincident Demand		13,310	15,055	13,100	14,019	13,384	14,937	15,195	13,863	16,977
Coincidence Factor		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Coincident Demand		9,317	10,539	9,170	9,813	9,368	10,456	10,636	9,704	11,884
Individual Customer Load Factor		58.17%	64.26%	55.98%	59.92%	57.20%	65.50%	66.28%	60.86%	74.47%
Sum of Individual Customer Demands		13,729	14,057	14,042	14,039	14,038	13,684	13,755	13,666	13,678
<b>Large Power Rate (500 KW to 2,999 KW)</b>	<b>LP-3</b>	9	9	9	9	9	9	9	9	9
Energy Usage (kWh)		8,865,523	9,174,797	8,123,534	6,983,141	5,294,023	5,459,753	5,399,071	5,285,908	5,734,784
Average Demand		11,916	13,653	10,919	9,699	7,116	7,583	7,257	7,105	7,965
Diversified Load Factor		60.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Non-Coincident Demand		19,860	27,306	21,837	19,398	14,231	15,166	14,514	14,209	15,930
Coincidence Factor		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Coincident Demand		13,902	19,114	15,286	13,578	9,962	10,616	10,160	9,947	11,151
Individual Customer Load Factor		101.25%	118.83%	95.88%	85.67%	65.58%	40.04%	42.31%	36.93%	42.21%
Sum of Individual Customer Demands		11,769	11,489	11,388	11,322	10,851	18,940	17,150	19,241	18,869
<b>Optional Power Service</b>	<b>OPS</b>	157	157	90	89	89	160	160	160	160
Energy Usage (kWh)		1,018,260	1,326,624	1,011,725	744,077	718,243	954,768	1,014,496	1,206,061	1,148,060
Average Demand		1,369	1,974	1,360	1,033	965	1,326	1,364	1,621	1,595
Diversified Load Factor		40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Non-Coincident Demand		3,422	4,935	3,400	2,584	2,413	3,315	3,409	4,053	3,986
Coincidence Factor		65.00%	65.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	65.00%
Coincident Demand		2,224	3,208	1,700	1,292	1,207	1,658	1,704	2,026	2,591
Individual Customer Load Factor		25.24%	35.88%	23.81%	18.82%	17.24%	23.91%	23.60%	29.35%	25.61%
Sum of Individual Customer Demands		5,423	5,502	5,712	5,492	5,600	5,546	5,777	5,523	6,227
<b>All Electric Schools</b>	<b>AES</b>	17	17	17	17	17	17	17	17	17
Energy Usage (kWh)		874,640	1,282,720	910,240	822,900	723,800	854,400	658,860	735,160	1,057,520
Average Demand		1,176	1,909	1,223	1,143	973	1,187	886	988	1,469
Diversified Load Factor		35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Non-Coincident Demand		3,359	5,454	3,496	3,265	2,780	3,390	2,530	2,823	4,197
Coincidence Factor		75.00%	75.00%	50.00%	25.00%	25.00%	25.00%	25.00%	25.00%	50.00%
Coincident Demand		2,519	4,090	1,748	816	695	848	633	706	2,098
Individual Customer Load Factor		34.42%	81.99%	46.98%	30.05%	27.09%	34.51%	18.69%	20.68%	27.32%
Sum of Individual Customer Demands		3,415	2,328	2,604	3,803	3,591	3,439	4,738	4,778	5,375
<b>Lighting</b>	<b>Lights</b>	23	24	24	24	24	21	21	21	21
Kwh's		1,102,313	1,092,233	1,085,078	1,093,069	1,087,262	1,111,559	1,116,953	1,104,844	1,104,154
Average Demand		1,482	1,625	1,458	1,518	1,461	1,544	1,501	1,485	1,534
Diversified Load Factor		50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Non-Coincident Demand		2,963	3,251	2,917	3,036	2,923	3,088	3,003	2,970	3,067
Coincidence Factor		100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Coincident Demand		2,963	3,251	2,917	3,036	-	-	-	-	-
Individual Customer Load Factor		50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Sum of Individual Customer Demands		2,963	3,251	2,917	3,036	2,923	3,088	3,003	2,970	3,067

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

<u>Rate Schedule</u>	<u>Code</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>	<u>SIC</u> <u>Max Demand</u>	<u>During</u> <u>Peak Month</u>	<u>Sum of</u> <u>Coin Demand</u>	<u>Summer</u> <u>Coin Demand</u>	<u>Winter</u> <u>Coin Demand</u>
<b>Large Power Rate (500 KW to 4,999 KW)</b>	<b>LP-1</b>	1	1	1	1					
Energy Usage (kWh)		949,903	809,726	660,290	9,835,173					
Average Demand		1,277	1,125	887	1,123					
Diversified Load Factor		60.00%	60.00%	60.00%						
Non-Coincident Demand		2,128	1,874	1,479	22,467		2,510			
Coincidence Factor		60.00%	60.00%	60.00%						
Coincident Demand		1,277	1,125	887	13,480			13,480	3,875	9,605
Individual Customer Load Factor		75.35%	65.38%	51.13%						
Sum of Individual Customer Demands		1,694	1,720	1,736	20,872	1,797				
<b>Large Power Rate (5,000 KW to 9,999 KW)</b>	<b>LP-2</b>	2	2	2	2					
Energy Usage (kWh)		6,531,964	6,440,265	5,874,023	75,495,061					
Average Demand		8,780	8,945	7,895	8,618					
Diversified Load Factor		60.00%	60.00%	60.00%						
Non-Coincident Demand		14,633	14,908	13,159	172,539		16,977			
Coincidence Factor		70.00%	70.00%	70.00%						
Coincident Demand		10,243	10,436	9,211	120,778			120,778	30,796	89,981
Individual Customer Load Factor		63.88%	64.72%	57.44%						
Sum of Individual Customer Demands		13,744	13,821	13,744	165,995	14,057				
<b>Large Power Rate (500 KW to 2,999 KW)</b>	<b>LP-3</b>	9	9	9	9					
Energy Usage (kWh)		5,519,998	7,893,524	7,677,927	81,411,983					
Average Demand		7,419	10,963	10,320	9,294					
Diversified Load Factor		50.00%	50.00%	50.00%						
Non-Coincident Demand		14,839	21,926	20,640	219,856		27,306			
Coincidence Factor		70.00%	70.00%	70.00%						
Coincident Demand		10,387	15,349	14,448	153,899			153,899	30,722	123,177
Individual Customer Load Factor		39.45%	57.47%	94.95%						
Sum of Individual Customer Demands		18,809	19,077	10,869	179,775	19,241				
<b>Optional Power Service</b>	<b>OPS</b>	160	160	159	142					
Energy Usage (kWh)		999,375	890,641	896,384	11,928,714					
Average Demand		1,343	1,237	1,205	1,362					
Diversified Load Factor		40.00%	40.00%	40.00%						
Non-Coincident Demand		3,358	3,093	3,012	40,979		4,935			
Coincidence Factor		65.00%	65.00%	65.00%						
Coincident Demand		2,183	2,010	1,958	23,761			23,761	5,388	18,372
Individual Customer Load Factor		23.67%	22.32%	22.24%						
Sum of Individual Customer Demands		5,674	5,541	5,417	67,432	6,227				
<b>All Electric Schools</b>	<b>AES</b>	17	17	17	17					
Energy Usage (kWh)		930,680	776,460	835,660	10,463,040					
Average Demand		1,251	1,078	1,123	1,194					
Diversified Load Factor		35.00%	35.00%	35.00%						
Non-Coincident Demand		3,574	3,081	3,209	41,158		5,454			
Coincidence Factor		60.00%	75.00%	75.00%						
Coincident Demand		2,144	2,311	2,407	21,015			21,015	2,186	18,829
Individual Customer Load Factor		24.96%	23.04%	30.50%						
Sum of Individual Customer Demands		5,012	4,682	3,683	47,447	5,375				
<b>Lighting</b>	<b>Lights</b>	22	22	23	23					
Kwh's		1,142,822	1,097,357	1,093,699	13,231,343					
Average Demand		1,536	1,524	1,470	1,510					
Diversified Load Factor		50.00%	50.00%	50.00%						
Non-Coincident Demand		3,072	3,048	2,940	36,278		3,251			
Coincidence Factor		0.00%	100.00%	100.00%						
Coincident Demand		-	3,048	2,940	18,155			18,155	-	18,155
Individual Customer Load Factor		50.00%	50.00%	50.00%						
Sum of Individual Customer Demands		3,072	3,048	2,940	36,278	3,251				

**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

<u>Rate Schedule</u>	<u>Code</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Sales		137,647,029	141,549,762	101,920,794	91,804,296	79,029,266	85,954,745	95,327,589	107,065,243	101,540,177
Metered CP		458,260	297,731	260,839	188,032	197,912	192,165	247,255	247,979	213,609
Purchases		168,661,072	115,088,601	100,217,701	85,734,490	87,460,256	93,153,400	114,662,067	110,466,746	91,396,551
Calculated CP		458,260	297,731	260,839	188,032	197,912	192,165	247,255	247,979	213,609
Difference		(0)	0	0	0	0	0	0	0	0



**SOUTH KENTUCKY R.E.C.C.**  
 Summary of Billing Determinants and Demand Analysis

<u>Rate Schedule</u>	<u>Code</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>	<u>SIC Max Demand</u>	<u>During Peak Month</u>	<u>Sum of Coin Demand</u>	<u>Summer Coin Demand</u>	<u>Winter Coin Demand</u>
Sales		82,052,466	89,674,310	108,398,477	1,221,964,154					
Metered CP		192,208	311,713	296,962	3,104,665					
Purchases		88,998,942	106,202,749	127,029,000	1,289,071,575	95%				
Calculated CP		192,208	311,713	296,962	3,104,665	100%				
Difference		0	(0)	(0)	0					

**SOUTH KENTUCKY R.E.C.C.  
Purchased Power**

#	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1														
2	Billing Demand (kW)	473,510	313,542	266,160	205,152	203,045	198,903	249,768	251,939	227,157	197,477	314,827	300,256	3,201,736
3	Energy (kWh)	168,661,072	115,088,601	100,217,701	85,734,490	87,460,256	93,153,400	114,662,067	110,466,746	91,396,551	88,998,942	106,202,749	127,029,000	1,289,071,575
4	Demand Charge	\$ 3,096,972	\$ 2,053,791	\$ 1,745,801	\$ 1,362,469	\$ 1,350,133	\$ 1,322,912	\$ 1,655,893	\$ 1,670,263	\$ 1,507,591	\$ 1,298,633	\$ 2,067,537	\$ 1,968,474	\$ 21,100,469
5	Energy Charge	\$ 7,731,246	\$ 5,254,943	\$ 4,570,861	\$ 3,913,172	\$ 4,081,322	\$ 4,361,301	\$ 5,407,508	\$ 5,184,938	\$ 4,277,255	\$ 4,049,240	\$ 4,845,077	\$ 5,794,043	\$ 59,470,906
6	Metering Point	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 6,191	\$ 74,292
7	Sub/Wheeling Charge	\$ 144,424	\$ 146,543	\$ 146,543	\$ 146,543	\$ 146,543	\$ 144,424	\$ 144,424	\$ 144,424	\$ 144,424	\$ 144,424	\$ 144,424	\$ 144,424	\$ 1,741,564
8	Fuel Adjustment Clause	\$ 1,459,952	\$ 1,692,954	\$ 1,077,099	\$ 213,924	\$ 768,552	\$ 426,371	\$ 783,838	\$ 1,233,070	\$ 945,281	\$ 985,847	\$ 855,148	\$ 799,426	\$ 11,241,462
9	Environmental Surcharge	\$ 2,060,911	\$ 1,402,458	\$ 816,532	\$ 832,802	\$ 1,130,702	\$ 1,170,831	\$ 1,548,373	\$ 1,597,519	\$ 1,042,433	\$ 959,036	\$ 1,383,341	\$ 1,563,905	\$ 15,508,843
10	<b>SUBTOTAL</b>	<b>\$ 14,499,696</b>	<b>\$ 10,556,880</b>	<b>\$ 8,363,027</b>	<b>\$ 6,475,101</b>	<b>\$ 7,483,443</b>	<b>\$ 7,432,030</b>	<b>\$ 9,546,227</b>	<b>\$ 9,836,405</b>	<b>\$ 7,923,175</b>	<b>\$ 7,443,371</b>	<b>\$ 9,301,718</b>	<b>\$ 10,276,463</b>	<b>\$ 109,137,536</b>
11	Direct Load Control	\$ (9,005)	\$ (9,036)	\$ (9,092)	\$ (9,102)	\$ (9,166)	\$ (8,803)	\$ (8,824)	\$ -	\$ -	\$ (8,903)	\$ (8,966)	\$ (8,988)	\$ (89,885)
12	Direct Load Surcharge	\$ (1,493)	\$ (1,384)	\$ (984)	\$ (1,343)	\$ (1,632)	\$ (1,646)	\$ (1,708)	\$ -	\$ -	\$ (1,317)	\$ (1,566)	\$ (1,613)	\$ (14,686)
13	Direct Load Total Charge	\$ (10,498)	\$ (10,420)	\$ (10,076)	\$ (10,445)	\$ (10,798)	\$ (10,449)	\$ (10,532)	\$ -	\$ -	\$ (10,220)	\$ (10,532)	\$ (10,601)	\$ (104,571)
14	Green Power KWH	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100	169,200
15	Green Power Charge	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353	\$ 4,236
16	EV Credit	\$ -	\$ -	\$ -	\$ (3)	\$ (6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9)
17	RECs	\$ 297	\$ 327	\$ 336	\$ 334	\$ 325	\$ 367	\$ 379	\$ 279	\$ 299	\$ 367	\$ 367	\$ 327	\$ 4,004
18	Panel Production Credit	\$ (199)	\$ (168)	\$ (308)	\$ (351)	\$ (366)	\$ (376)	\$ (420)	\$ (490)	\$ (423)	\$ (362)	\$ (320)	\$ (262)	\$ (4,045)
19	<b>TOTAL</b>	<b>\$ 14,489,649</b>	<b>\$ 10,546,972</b>	<b>\$ 8,353,332</b>	<b>\$ 6,464,992</b>	<b>\$ 7,472,957</b>	<b>\$ 7,421,925</b>	<b>\$ 9,536,007</b>	<b>\$ 9,836,547</b>	<b>\$ 7,923,404</b>	<b>\$ 7,433,509</b>	<b>\$ 9,291,586</b>	<b>\$ 10,266,280</b>	<b>\$ 109,037,160</b>
20														
21	Billing Demand (kW)	473,510	313,542	266,160	205,152	203,045	198,903	249,768	251,939	227,157	197,477	314,827	300,256	3,201,736
22	CP Demand (kW)	458,260	297,731	260,839	188,032	197,912	192,165	247,255	247,979	213,609	192,208	311,713	296,962	3,104,665
23	NCP Demand (kW)	481,970	322,640	272,634	221,602	217,034	222,588	266,680	267,062	247,717	214,847	319,709	310,813	3,365,296
24	Contract Demand kW	22,245	22,245	22,245	22,245	22,245	22,895	22,245	22,245	22,245	22,245	22,245	22,245	267,590
25														
26	SubTotal Demand \$	\$ 4,484,134	\$ 3,048,000	\$ 2,388,454	\$ 2,014,884	\$ 2,181,288	\$ 2,176,026	\$ 2,735,532	\$ 2,779,389	\$ 2,283,666	\$ 2,024,670	\$ 3,048,157	\$ 3,057,432	\$ 32,221,631
27	SubTotal Energy \$	\$ 10,015,562	\$ 7,508,880	\$ 5,974,573	\$ 4,460,217	\$ 5,302,155	\$ 5,256,004	\$ 6,810,695	\$ 7,057,016	\$ 5,639,509	\$ 5,418,701	\$ 6,253,561	\$ 7,219,031	\$ 76,915,905
28	SubTotal \$	\$ 14,499,696	\$ 10,556,880	\$ 8,363,027	\$ 6,475,101	\$ 7,483,443	\$ 7,432,030	\$ 9,546,227	\$ 9,836,405	\$ 7,923,175	\$ 7,443,371	\$ 9,301,718	\$ 10,276,463	\$ 109,137,536
29	Variance \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	SubTotal Demand %	0.31	0.29	0.29	0.31	0.29	0.29	0.29	0.28	0.29	0.27	0.33	0.30	<b>0.30</b>
31	SubTotal Energy %	0.69	0.71	0.71	0.69	0.71	0.71	0.71	0.72	0.71	0.73	0.67	0.70	<b>0.70</b>
32														
33	Estimated ES Demand Share	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
34	Estimated ES Energy Share	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
35														
36	Reconciliation													
37														Total (Excluding Panel Production Credit)
38														Acct 555
39														Variance

SOUTH KENTUCKY R.E.C.C.  
Purchased Power

#	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
<b>EKPC Bills Other Than E-2</b>														
10	<u>RATE C - Toyota</u>													
LP2	Billing Demand	7,758	7,758	7,758	7,758	7,758	7,758	7,758	7,758	7,758	7,758	7,758	7,758	93,096
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	3,103,200	3,156,838	3,120,222	3,103,200	3,152,720	3,733,504	3,132,578	3,996,650	3,575,952	3,571,779	3,103,200	3,103,200	39,853,043
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 58,107	\$ 697,284
	Energy \$	\$ 121,778	\$ 125,907	\$ 124,447	\$ 121,274	\$ 125,743	\$ 149,907	\$ 124,940	\$ 159,402	\$ 142,623	\$ 142,457	\$ 122,049	\$ 111,203	\$ 1,571,730
	FAC \$	\$ 26,217	\$ 46,437	\$ 33,574	\$ 7,520	\$ 27,744	\$ 17,099	\$ 21,427	\$ 44,643	\$ 37,011	\$ 39,575	\$ 24,484	\$ 16,586	\$ 342,317
	ES \$	\$ 34,172	\$ 35,305	\$ 23,385	\$ 27,587	\$ 37,664	\$ 41,909	\$ 39,586	\$ 50,831	\$ 36,018	\$ 35,517	\$ 35,751	\$ 33,368	\$ 431,093
	TOTAL \$	\$ 240,274	\$ 265,756	\$ 239,513	\$ 214,488	\$ 249,258	\$ 267,022	\$ 244,060	\$ 312,983	\$ 273,759	\$ 275,656	\$ 240,391	\$ 219,264	\$ 3,042,424
11	<u>RATE B - Armstrong World Industries</u>													
LP3	Billing Demand	2,050	2,050	2,092	2,050	2,050	2,700	2,050	2,055	2,050	2,140	2,050	2,138	25,475
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	1,007,912	1,062,770	1,085,351	1,121,715	1,030,599	1,080,000	910,205	1,069,934	854,126	1,089,868	982,664	905,334	12,200,478
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 15,355	\$ 15,355	\$ 15,774	\$ 15,355	\$ 15,355	\$ 20,223	\$ 15,355	\$ 15,405	\$ 15,355	\$ 16,253	\$ 15,355	\$ 16,233	\$ 191,373
	Energy \$	\$ 40,200	\$ 42,388	\$ 43,288	\$ 44,738	\$ 41,104	\$ 41,541	\$ 36,303	\$ 42,673	\$ 34,066	\$ 43,468	\$ 39,193	\$ 36,108	\$ 485,070
	FAC \$	\$ 8,729	\$ 15,633	\$ 11,678	\$ 2,804	\$ 9,069	\$ 4,679	\$ 6,226	\$ 11,951	\$ 8,840	\$ 12,076	\$ 7,920	\$ 5,722	\$ 105,327
	ES \$	\$ 10,658	\$ 11,241	\$ 7,654	\$ 9,284	\$ 11,664	\$ 12,425	\$ 11,206	\$ 13,579	\$ 8,827	\$ 10,619	\$ 10,913	\$ 10,422	\$ 128,492
	TOTAL \$	\$ 74,942	\$ 84,617	\$ 78,394	\$ 72,181	\$ 77,192	\$ 78,868	\$ 69,090	\$ 83,608	\$ 67,088	\$ 82,416	\$ 73,381	\$ 68,485	\$ 910,262
11	<u>RATE BD - Bosch Berries</u>													
LP3	Billing Demand	8,455	8,436	8,449	500	500	500	500	500	500	8,374	6,457	8,484	51,655
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	4,272,955	3,376,945	1,958,406	282,538	200,000	203,225	217,509	200,000	709,144	2,627,952	3,092,352	4,243,204	21,384,230
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	EDR Credit \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Contract Demand \$	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 44,940
	Excess Demand \$	\$ 79,391	\$ 79,201	\$ 79,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,583	\$ 59,451	\$ 79,680	\$ 455,637
	Interruptible Credit \$ @ (5.6¢)	\$ (42,868)	\$ (42,762)	\$ (42,834)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (42,414)	\$ (31,679)	\$ (43,030)	\$ (245,587)
	Demand \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Energy \$	\$ 170,423	\$ 134,686	\$ 78,109	\$ 11,269	\$ 7,403	\$ 8,105	\$ 8,675	\$ 5,991	\$ 28,283	\$ 104,813	\$ 123,335	\$ 169,236	\$ 850,328
	FAC \$	\$ 37,004	\$ 49,675	\$ 21,072	\$ 706	\$ 1,568	\$ 931	\$ 1,488	\$ 1,389	\$ 7,340	\$ 29,118	\$ 24,924	\$ 26,817	\$ 202,032
	ES \$	\$ 39,934	\$ 34,400	\$ 15,086	\$ 2,320	\$ 2,263	\$ 2,390	\$ 2,693	\$ 2,157	\$ 5,964	\$ 25,712	\$ 31,407	\$ 42,442	\$ 206,768
	TOTAL \$	\$ 287,629	\$ 258,945	\$ 154,509	\$ 18,040	\$ 14,979	\$ 15,171	\$ 16,601	\$ 13,282	\$ 45,332	\$ 199,557	\$ 211,183	\$ 278,890	\$ 1,514,118
	Buy Thru Charges	\$ 8,691	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,691
	Buy Thru Credit	\$ (6,837)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,837)
	TOTAL \$	\$ 289,483	\$ 258,945	\$ 154,509	\$ 18,040	\$ 14,979	\$ 15,171	\$ 16,601	\$ 13,282	\$ 45,332	\$ 199,557	\$ 211,183	\$ 278,890	\$ 1,515,972
9	<u>RATE C - McCreary Federal Prison</u>													
LP1	Billing Demand	1,600	1,600	1,600	1,600	1,600	1,623	1,623	1,600	1,600	1,600	1,600	1,600	19,246
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	741,543	662,834	660,723	709,537	885,148	896,522	1,075,112	1,084,126	949,903	809,726	660,290	703,090	9,838,554
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 11,984	\$ 11,984	\$ 11,984	\$ 11,984	\$ 11,984	\$ 12,156	\$ 12,156	\$ 11,984	\$ 11,984	\$ 11,984	\$ 11,984	\$ 11,984	\$ 144,152
	Energy \$	\$ 29,576	\$ 26,436	\$ 26,352	\$ 28,299	\$ 35,303	\$ 35,757	\$ 42,880	\$ 43,239	\$ 37,886	\$ 32,295	\$ 26,335	\$ 28,042	\$ 392,400
	FAC \$	\$ 6,422	\$ 9,750	\$ 7,109	\$ 1,774	\$ 7,789	\$ 4,106	\$ 7,354	\$ 12,110	\$ 9,831	\$ 8,972	\$ 5,322	\$ 4,444	\$ 84,983
	ES \$	\$ 7,955	\$ 7,380	\$ 4,917	\$ 6,208	\$ 9,804	\$ 9,728	\$ 12,079	\$ 13,056	\$ 9,045	\$ 7,876	\$ 7,624	\$ 7,982	\$ 103,654
	TOTAL \$	\$ 55,937	\$ 55,550	\$ 50,362	\$ 48,265	\$ 64,880	\$ 61,747	\$ 74,469	\$ 80,389	\$ 68,746	\$ 61,127	\$ 51,265	\$ 52,452	\$ 725,189

**SOUTH KENTUCKY R.E.C.C.  
Purchased Power**

#	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
11	<b>RATE B - Wal-Mart Stores East</b>													
LP3	Billing Demand	913	847	800	800	800	800	800	800	800	800	800	800	9,760
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	425,736	321,254	320,000	320,000	323,826	330,608	381,851	368,712	320,000	320,000	320,000	369,839	4,121,826
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 7,120	\$ 6,461	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 5,992	\$ 73,501
	Energy \$	\$ 16,980	\$ 12,813	\$ 12,531	\$ 12,085	\$ 12,915	\$ 13,186	\$ 15,230	\$ 14,706	\$ 12,762	\$ 12,144	\$ 12,524	\$ 14,751	\$ 162,627
	FAC \$	\$ 3,687	\$ 4,726	\$ 3,348	\$ 735	\$ 2,850	\$ 1,514	\$ 2,612	\$ 4,119	\$ 3,312	\$ 3,284	\$ 2,506	\$ 2,337	\$ 35,030
	ES \$	\$ 4,607	\$ 3,677	\$ 2,366	\$ 2,777	\$ 3,873	\$ 3,869	\$ 4,614	\$ 4,812	\$ 3,343	\$ 3,168	\$ 3,673	\$ 4,143	\$ 44,922
	TOTAL \$	\$ 32,394	\$ 27,677	\$ 24,237	\$ 21,589	\$ 25,630	\$ 24,561	\$ 28,448	\$ 29,629	\$ 25,409	\$ 24,588	\$ 24,695	\$ 27,223	\$ 316,080
11	<b>RATE B - Eagle Hardware</b>													
LP3	Billing Demand	2,270	2,270	2,270	2,270	2,270	2,270	2,270	2,270	2,270	2,270	2,270	2,270	27,240
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	934,621	951,475	908,000	908,000	908,000	908,000	908,000	973,640	908,000	1,010,746	908,000	908,000	11,134,482
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 17,002	\$ 204,024
	Energy \$	\$ 37,276	\$ 37,949	\$ 35,784	\$ 35,117	\$ 33,508	\$ 36,192	\$ 34,482	\$ 38,833	\$ 34,510	\$ 40,313	\$ 35,418	\$ 35,016	\$ 434,398
	FAC \$	\$ 8,094	\$ 13,996	\$ -	\$ 2,165	\$ 7,082	\$ 4,155	\$ 5,759	\$ 10,876	\$ 8,725	\$ 11,199	\$ 7,074	\$ 5,450	\$ 84,575
	ES \$	\$ 10,341	\$ 10,563	\$ -	\$ 8,012	\$ 10,251	\$ 10,724	\$ 11,082	\$ 12,935	\$ 9,126	\$ 10,133	\$ 10,394	\$ 10,316	\$ 113,877
	TOTAL \$	\$ 72,713	\$ 79,510	\$ 52,786	\$ 62,296	\$ 67,843	\$ 68,073	\$ 68,325	\$ 79,646	\$ 69,363	\$ 78,647	\$ 69,888	\$ 67,784	\$ 836,874
11	<b>RATE B - Superior Battery</b>													
LP3	Billing Demand	1,450	1,450	1,735	1,450	1,683	1,450	1,932	1,886	1,450	1,450	1,824	1,786	19,546
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	791,550	732,721	906,723	847,867	979,742	976,353	907,483	1,114,425	935,428	965,372	758,899	580,000	10,496,563
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 10,861	\$ 10,861	\$ 13,705	\$ 10,861	\$ 13,186	\$ 10,861	\$ 15,671	\$ 15,212	\$ 10,861	\$ 10,861	\$ 14,594	\$ 14,214	\$ 151,748
	Energy \$	\$ 31,570	\$ 29,224	\$ 36,164	\$ 33,816	\$ 39,076	\$ 38,941	\$ 36,194	\$ 44,448	\$ 37,309	\$ 38,503	\$ 30,268	\$ 22,785	\$ 418,298
	FAC \$	\$ 6,855	\$ 10,778	\$ 9,756	\$ 2,120	\$ 8,622	\$ 4,472	\$ 6,207	\$ 12,448	\$ 9,682	\$ 10,696	\$ 6,117	\$ 3,582	\$ 91,335
	ES \$	\$ 8,172	\$ 7,792	\$ 6,451	\$ 6,907	\$ 10,837	\$ 10,149	\$ 11,243	\$ 13,982	\$ 8,765	\$ 8,883	\$ 8,906	\$ 7,284	\$ 109,371
	TOTAL \$	\$ 57,458	\$ 58,655	\$ 66,076	\$ 53,704	\$ 71,721	\$ 64,423	\$ 69,315	\$ 86,090	\$ 66,617	\$ 68,943	\$ 59,885	\$ 47,865	\$ 770,752
11	<b>RATE B - Somerset Food Service</b>													
LP3	Billing Demand	525	525	525	525	525	525	525	525	525	525	525	525	6,300
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	242,170	230,784	250,257	262,065	292,752	276,504	296,738	306,693	278,098	271,634	254,221	243,480	3,205,396
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 3,932	\$ 47,184
	Energy \$	\$ 9,659	\$ 9,205	\$ 9,981	\$ 10,452	\$ 11,676	\$ 11,028	\$ 11,835	\$ 12,232	\$ 11,092	\$ 10,834	\$ 10,139	\$ 9,711	\$ 127,844
	FAC \$	\$ 2,097	\$ 3,395	\$ 2,693	\$ 655	\$ 2,576	\$ 1,266	\$ 2,030	\$ 3,426	\$ 2,878	\$ 3,010	\$ 2,049	\$ 1,539	\$ 27,614
	ES \$	\$ 2,601	\$ 2,533	\$ 1,797	\$ 2,220	\$ 3,237	\$ 3,034	\$ 3,445	\$ 3,799	\$ 2,712	\$ 2,629	\$ 2,816	\$ 2,725	\$ 33,548
	TOTAL \$	\$ 18,289	\$ 19,065	\$ 18,403	\$ 17,259	\$ 21,421	\$ 19,260	\$ 21,242	\$ 23,389	\$ 20,614	\$ 20,405	\$ 18,936	\$ 17,907	\$ 236,190
10	<b>RATE C - Equity Group KY</b>													
LP2	Billing Demand	5,396	5,396	5,396	5,396	5,396	5,593	5,593	5,593	5,593	5,240	5,396	5,396	65,384
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	2,967,098	2,691,087	2,936,084	2,871,217	2,980,128	3,049,336	3,055,898	3,337,505	2,956,012	2,868,486	2,770,823	2,838,358	35,322,032
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 40,416	\$ 40,416	\$ 40,416	\$ 40,416	\$ 40,416	\$ 41,892	\$ 41,892	\$ 41,892	\$ 41,892	\$ 39,248	\$ 40,416	\$ 40,416	\$ 489,728
	Energy \$	\$ 118,340	\$ 107,331	\$ 117,103	\$ 114,516	\$ 118,859	\$ 121,620	\$ 121,881	\$ 133,113	\$ 117,898	\$ 114,407	\$ 110,512	\$ 113,205	\$ 1,408,785
	FAC \$	\$ 25,695	\$ 39,586	\$ 31,592	\$ 7,178	\$ 26,225	\$ 13,966	\$ 20,902	\$ 37,280	\$ 30,595	\$ 31,783	\$ 22,333	\$ 17,938	\$ 305,073
	ES \$	\$ 30,582	\$ 28,699	\$ 20,462	\$ 23,927	\$ 33,019	\$ 33,188	\$ 35,753	\$ 41,162	\$ 28,843	\$ 27,426	\$ 30,269	\$ 30,795	\$ 364,125
	TOTAL \$	\$ 215,033	\$ 216,032	\$ 209,573	\$ 186,037	\$ 218,519	\$ 210,666	\$ 220,428	\$ 253,447	\$ 219,228	\$ 212,864	\$ 203,530	\$ 202,354	\$ 2,567,711

**SOUTH KENTUCKY R.E.C.C.**  
**Purchased Power**

#	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
11	<b>RATE B - Kroger Limited Partnership 1</b>													
LP3	Billing Demand	500	500	500	500	500	500	557	522	507	500	500	500	6,086
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	223,278	219,802	235,878	242,372	290,237	281,961	323,709	329,709	287,945	256,079	232,383	230,211	3,153,564
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 3,745	\$ 4,314	\$ 3,965	\$ 3,815	\$ 3,745	\$ 3,745	\$ 3,745	\$ 45,799
	Energy \$	\$ 8,905	\$ 8,767	\$ 9,408	\$ 9,667	\$ 11,576	\$ 11,246	\$ 12,911	\$ 13,150	\$ 11,484	\$ 10,213	\$ 9,268	\$ 9,182	\$ 125,777
	FAC \$	\$ 1,934	\$ 3,233	\$ 2,538	\$ 606	\$ 2,554	\$ 1,291	\$ 2,214	\$ 3,683	\$ 2,980	\$ 2,837	\$ 1,873	\$ 1,455	\$ 27,198
	ES \$	\$ 2,418	\$ 2,412	\$ 1,698	\$ 2,069	\$ 3,182	\$ 3,045	\$ 3,763	\$ 4,033	\$ 2,769	\$ 2,484	\$ 2,601	\$ 2,582	\$ 33,056
	TOTAL \$	\$ 17,002	\$ 18,157	\$ 17,389	\$ 16,087	\$ 21,057	\$ 19,327	\$ 23,202	\$ 24,831	\$ 21,048	\$ 19,279	\$ 17,487	\$ 16,964	\$ 231,830
11	<b>RATE B - American Woodmark #1</b>													
LP3	Billing Demand	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,680	1,650	1,650	19,830
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	800,066	784,250	831,964	853,254	837,285	893,603	892,052	920,779	825,227	869,215	822,655	777,240	10,107,590
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,359	\$ 12,658	\$ 12,359	\$ 12,359	\$ 148,607
	Energy \$	\$ 31,910	\$ 31,279	\$ 33,182	\$ 34,031	\$ 33,394	\$ 35,640	\$ 35,579	\$ 36,724	\$ 32,913	\$ 34,668	\$ 32,811	\$ 30,999	\$ 403,130
	FAC \$	\$ 6,929	\$ 11,536	\$ 8,952	\$ 2,133	\$ 7,368	\$ 4,093	\$ 6,102	\$ 10,285	\$ 8,541	\$ 9,631	\$ 6,631	\$ 4,912	\$ 87,113
	ES \$	\$ 8,489	\$ 8,453	\$ 5,896	\$ 7,162	\$ 9,456	\$ 9,741	\$ 10,462	\$ 11,511	\$ 8,153	\$ 8,424	\$ 9,050	\$ 8,664	\$ 105,461
	TOTAL \$	\$ 59,687	\$ 63,627	\$ 60,389	\$ 55,685	\$ 62,577	\$ 61,833	\$ 64,502	\$ 70,879	\$ 61,966	\$ 65,381	\$ 60,851	\$ 56,934	\$ 744,311
11	<b>RATE B - American Woodmark #2</b>													
LP3	Billing Demand	900	900	900	900	900	900	900	900	900	974	900	930	10,904
	CP TOD Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-CP Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract Demand	-	-	-	-	-	-	-	-	-	-	-	-	-
	Billing KWH	476,509	443,533	486,562	456,212	455,966	448,817	448,361	450,892	402,030	482,658	472,115	442,853	5,466,508
	Actual KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Minimum KWH	-	-	-	-	-	-	-	-	-	-	-	-	-
	Demand \$	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 6,741	\$ 7,480	\$ 6,741	\$ 7,040	\$ 81,930
	Energy \$	\$ 19,005	\$ 17,690	\$ 19,406	\$ 18,196	\$ 18,186	\$ 17,901	\$ 17,882	\$ 17,983	\$ 16,035	\$ 19,250	\$ 18,830	\$ 17,663	\$ 218,027
	FAC \$	\$ 4,127	\$ 6,524	\$ 5,235	\$ 1,141	\$ 4,013	\$ 2,056	\$ 3,067	\$ 5,036	\$ 4,161	\$ 5,348	\$ 3,805	\$ 2,799	\$ 47,312
	ES \$	\$ 4,953	\$ 4,742	\$ 3,396	\$ 3,849	\$ 5,151	\$ 4,993	\$ 5,361	\$ 5,770	\$ 4,081	\$ 4,744	\$ 5,132	\$ 4,937	\$ 57,109
	TOTAL \$	\$ 34,826	\$ 35,697	\$ 34,778	\$ 29,927	\$ 34,091	\$ 31,691	\$ 33,051	\$ 35,530	\$ 31,018	\$ 36,822	\$ 34,508	\$ 32,439	\$ 404,378
<b>Subtotals by Wholesale Rate</b>														
<b>RATE C</b>														
	Total Demand	\$ 154,132	\$ 153,337	\$ 139,765	\$ 145,140	\$ 158,799	\$ 163,050	\$ 164,606	\$ 175,012	\$ 156,327	\$ 151,830	\$ 154,693	\$ 153,794	\$ 1,870,487
	Total Energy	\$ 357,112	\$ 384,001	\$ 359,683	\$ 303,650	\$ 373,858	\$ 376,385	\$ 374,351	\$ 471,807	\$ 405,406	\$ 397,817	\$ 340,493	\$ 320,276	\$ 4,464,837
	Total	\$ 511,244	\$ 537,338	\$ 499,448	\$ 448,790	\$ 532,657	\$ 539,435	\$ 538,957	\$ 646,819	\$ 561,733	\$ 549,647	\$ 495,186	\$ 474,070	\$ 6,335,324
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>RATE B</b>														
	Total Demand	\$ 108,458	\$ 107,304	\$ 96,805	\$ 101,355	\$ 112,903	\$ 115,643	\$ 118,072	\$ 122,861	\$ 104,723	\$ 108,573	\$ 111,811	\$ 111,161	\$ 1,319,668
	Total Energy	\$ 258,853	\$ 279,701	\$ 255,647	\$ 227,373	\$ 268,629	\$ 252,393	\$ 259,103	\$ 310,741	\$ 258,400	\$ 287,908	\$ 247,820	\$ 224,440	\$ 3,131,009
	Total	\$ 367,311	\$ 387,005	\$ 352,452	\$ 328,728	\$ 381,532	\$ 368,036	\$ 377,175	\$ 433,602	\$ 363,123	\$ 396,481	\$ 359,631	\$ 335,601	\$ 4,450,677
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>RATE BD</b>														
	Total Demand	\$ 64,228	\$ 60,824	\$ 49,294	\$ 5,137	\$ 5,103	\$ 5,179	\$ 5,361	\$ 5,039	\$ 7,323	\$ 55,341	\$ 50,361	\$ 65,860	\$ 379,051
	Total Energy	\$ 225,255	\$ 198,121	\$ 105,215	\$ 12,903	\$ 9,876	\$ 9,992	\$ 11,240	\$ 8,243	\$ 38,009	\$ 144,216	\$ 160,822	\$ 213,030	\$ 1,136,921
	Total	\$ 289,483	\$ 258,945	\$ 154,509	\$ 18,040	\$ 14,979	\$ 15,171	\$ 16,601	\$ 13,282	\$ 45,332	\$ 199,557	\$ 211,183	\$ 278,890	\$ 1,515,972
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL B + BD</b>														
	Total Demand	\$ 172,687	\$ 168,128	\$ 146,098	\$ 106,492	\$ 118,005	\$ 120,822	\$ 123,432	\$ 127,900	\$ 112,046	\$ 163,915	\$ 162,172	\$ 177,021	\$ 1,698,718
	Total Energy	\$ 484,107	\$ 477,822	\$ 360,863	\$ 240,276	\$ 278,506	\$ 262,385	\$ 270,344	\$ 318,984	\$ 296,409	\$ 432,123	\$ 408,642	\$ 437,470	\$ 4,267,931
	Total	\$ 656,794	\$ 645,950	\$ 506,961	\$ 346,768	\$ 396,511	\$ 383,207	\$ 393,776	\$ 446,884	\$ 408,455	\$ 596,038	\$ 570,814	\$ 614,491	\$ 5,966,649
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.  
Purchased Power**

#	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
<b>TOTAL B + BD + C</b>														
	Total Demand	\$ 326,819	\$ 321,465	\$ 285,864	\$ 251,632	\$ 276,805	\$ 283,872	\$ 288,038	\$ 302,912	\$ 268,373	\$ 315,745	\$ 316,866	\$ 330,815	\$ 3,569,206
	Total Energy	\$ 841,219	\$ 861,823	\$ 720,545	\$ 543,926	\$ 652,363	\$ 638,770	\$ 644,695	\$ 790,791	\$ 701,815	\$ 829,940	\$ 749,134	\$ 757,746	\$ 8,732,767
	<b>Total</b>	<b>\$ 1,168,038</b>	<b>\$ 1,183,288</b>	<b>\$ 1,006,409</b>	<b>\$ 795,558</b>	<b>\$ 929,168</b>	<b>\$ 922,642</b>	<b>\$ 932,733</b>	<b>\$ 1,093,703</b>	<b>\$ 970,188</b>	<b>\$ 1,145,685</b>	<b>\$ 1,066,000</b>	<b>\$ 1,088,561</b>	<b>\$ 12,301,973</b>
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotals by Retail Rate</b>														
<b>LP1</b>														
	Total Demand	\$ 16,757	\$ 16,412	\$ 14,934	\$ 15,709	\$ 17,866	\$ 17,993	\$ 19,403	\$ 19,818	\$ 17,411	\$ 16,710	\$ 16,558	\$ 16,773	\$ 206,344
	Total Energy	\$ 39,180	\$ 39,138	\$ 35,428	\$ 32,556	\$ 47,014	\$ 43,754	\$ 55,066	\$ 60,571	\$ 51,335	\$ 44,417	\$ 34,707	\$ 35,679	\$ 518,845
	<b>Total</b>	<b>\$ 55,937</b>	<b>\$ 55,550</b>	<b>\$ 50,362</b>	<b>\$ 48,265</b>	<b>\$ 64,880</b>	<b>\$ 61,747</b>	<b>\$ 74,469</b>	<b>\$ 80,389</b>	<b>\$ 68,746</b>	<b>\$ 61,127</b>	<b>\$ 51,265</b>	<b>\$ 52,452</b>	<b>\$ 725,189</b>
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>LP2</b>														
	Total Demand	\$ 137,375	\$ 136,925	\$ 124,831	\$ 129,431	\$ 140,933	\$ 145,057	\$ 145,202	\$ 155,195	\$ 138,916	\$ 135,121	\$ 138,135	\$ 137,021	\$ 1,664,143
	Total Energy	\$ 317,932	\$ 344,863	\$ 324,255	\$ 271,094	\$ 326,844	\$ 332,631	\$ 319,286	\$ 411,235	\$ 354,071	\$ 353,399	\$ 305,786	\$ 284,597	\$ 3,945,992
	<b>Total</b>	<b>\$ 455,307</b>	<b>\$ 481,788</b>	<b>\$ 449,086</b>	<b>\$ 400,525</b>	<b>\$ 467,777</b>	<b>\$ 477,688</b>	<b>\$ 464,488</b>	<b>\$ 566,430</b>	<b>\$ 492,987</b>	<b>\$ 488,520</b>	<b>\$ 443,921</b>	<b>\$ 421,618</b>	<b>\$ 5,610,135</b>
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>LP3</b>														
	Total Demand	\$ 172,687	\$ 168,128	\$ 146,098	\$ 106,492	\$ 118,005	\$ 120,822	\$ 123,432	\$ 127,900	\$ 112,046	\$ 163,915	\$ 162,172	\$ 177,021	\$ 1,698,718
	Total Energy	\$ 484,107	\$ 477,822	\$ 360,863	\$ 240,276	\$ 278,506	\$ 262,385	\$ 270,344	\$ 318,984	\$ 296,409	\$ 432,123	\$ 408,642	\$ 437,470	\$ 4,267,931
	<b>Total</b>	<b>\$ 656,794</b>	<b>\$ 645,950</b>	<b>\$ 506,961</b>	<b>\$ 346,768</b>	<b>\$ 396,511</b>	<b>\$ 383,207</b>	<b>\$ 393,776</b>	<b>\$ 446,884</b>	<b>\$ 408,455</b>	<b>\$ 596,038</b>	<b>\$ 570,814</b>	<b>\$ 614,491</b>	<b>\$ 5,966,649</b>
	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SOUTH KENTUCKY R.E.C.C.  
Meter Costs**

<b>#</b>	<b>Rate</b>	<b>Rate Code</b>	<b>Installed Meters</b>	<b>Avg Meter Cost</b>	<b>Total Cost</b>	<b>Allocation Factor</b>
1	Residential, Farm and Non-Farm Service	A	65,129	\$ 196	\$ 12,765,284	65.44%
2	Small Commercial Rate	B	4,875	\$ 1,072	\$ 5,226,000	26.79%
3	Large Power Rate (Excess of 50 kVA)	LP	446	\$ 2,694	\$ 1,201,524	6.16%
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	1	\$ 12,160	\$ 12,160	0.06%
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	2	\$ 12,160	\$ 24,320	0.12%
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	9	\$ 12,160	\$ 109,440	0.56%
7	Optional Power Service	OPS	142	\$ 816	\$ 115,872	0.59%
8	All Electric Schools	AES	17	\$ 2,694	\$ 45,798	0.23%
9	Lighting	Lights	23	\$ 330	\$ 7,590	0.04%
10	<b>Total</b>		<b>70,644</b>	<b>\$ 276.15</b>	<b>\$ 19,507,988</b>	<b>100.00%</b>

**SOUTH KENTUCKY R.E.C.C.**  
**Service Costs**

<b>#</b>	<b>Rate</b>	<b>Rate Code</b>	<b>Average Number of Services</b>	<b>Average Service Cost</b>	<b>Total Cost</b>	<b>Allocation Factor</b>
1	Residential, Farm and Non-Farm Service	A	65,129	\$ 1,660	\$ 108,114,140	91.91%
2	Small Commercial Rate	B	4,875	\$ 1,660	\$ 8,092,500	6.88%
3	Large Power Rate (Excess of 50 kVA)	LP	446	\$ 2,634	\$ 1,174,764	1.00%
4	Large Power Rate (500 KW to 4,999 KW)	LP-1	1	\$ 2,634	\$ 2,634	0.00%
5	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	2	\$ 3,471	\$ 6,942	0.01%
6	Large Power Rate (500 KW to 2,999 KW)	LP-3	9	\$ 997	\$ 8,973	0.01%
7	Optional Power Service	OPS	142	\$ 997	\$ 141,574	0.12%
8	All Electric Schools	AES	17	\$ 997	\$ 16,949	0.01%
9	Lighting	Lights	23	\$ 2,854	\$ 65,642	0.06%
10	<b>Total</b>		<b>70,644</b>	<b>\$ 1,665.03</b>	<b>\$ 117,624,118</b>	<b>100.00%</b>



**SOUTH KENTUCKY R.E.C.C.**  
**Zero Intercept & Minimum System Analyses**

**Account 365 - Overhead Conductors and Devices**

Description	Size	Cost	Quantity	Actual Unit Cost (\$ per Unit)	Linear Regression Inputs		
					y^n^0.5	n^0.5	xn^0.5
WIRE, #4 ACSR	41.74	58,001.27	1,066,690	0.05	56.16	1,032.81	43,109.36
WIRE, #2 ACSR	66.37	17,556,921.38	37,417,869	0.47	2,870.18	6,117.01	405,980.15
WIRE, #2 ACSR, 7/1 ALUM	66.37	8.05	364	0.02	0.42	19.08	1,266.24
WIRE, #1/0 ACSR	105.53	2,686,518.95	8,427,155	0.32	925.44	2,902.96	306,351.88
WIRE, #3/0 ACSR	167.80	91,234.16	289,237	0.32	169.64	537.81	90,244.11
WIRE, #4/0 ACSR	211.59	648,415.26	1,661,156	0.39	503.09	1,288.86	272,712.13
WIRE, #394.5 AAA-MEPB	394.50	49,005.08	99,002	0.49	155.75	314.65	124,127.78
WIRE, #336.4 MCM ACSR	336.40	5,497,621.16	4,160,474	1.32	2,695.28	2,039.72	686,163.15
1/0 AERIAL CODED CABLE-MEPB	105.53	7,244.95	2,970	2.44	132.94	54.50	5,751.20
WIRE, #9 1/2 D COPPERWELD CU	13.09	1,720.81	256,445	0.01	3.40	506.40	6,629.84
WIRE, #8A COPPERWELD CU	16.51	204,328.86	3,866,428	0.05	103.91	1,966.32	32,462.03
WIRE, #6A COPPERWELD CU	26.25	170,604.68	2,331,004	0.07	111.74	1,526.76	40,079.04
WIRE, #4A COPPERWELD CU	41.74	47,050.78	604,373	0.08	60.52	777.41	32,449.27
WIRE, #6 H.D. CU	26.25	17,911.06	380,661	0.05	29.03	616.98	16,196.27
WIRE, #4 H.D. CU	41.74	10,400.30	150,184	0.07	26.84	387.54	16,175.74
WIRE, #2 H.D. CU	66.37	5,468.42	75,996	0.07	19.84	275.67	18,296.19
WIRE, #2 STRANDED CU	66.37	17,711.91	187,335	0.09	40.92	432.82	28,725.97
WIRE, #1/0 STRANDED CU	105.53	13,575.55	85,426	0.16	46.45	292.28	30,844.31
WIRE, #1/0 W.P. CU	105.53	5,184.72	12,069	0.43	47.19	109.86	11,593.53
WIRE, #2/0 W.P. CU	133.07	2,177.25	8,368	0.26	23.80	91.48	12,173.00
WIRE, #4/0 W.P. CU	211.59	10,581.65	4,606	2.30	155.92	67.87	14,360.22
WIRE, #2 W.P. CU	66.37	1,187.71	2,576	0.46	23.40	50.75	3,368.51
WIRE, #4 W.P. CU	41.74	23,208.32	134,078	0.17	63.38	366.17	15,283.80
WIRE, #250 MCM W.P. CU	250.00	122.62	43	2.85	18.70	6.56	1,639.36
WIRE, #350 MCM W.P. CU	250.00	54.46	45	1.21	8.12	6.71	1,677.05
WIRE, #500 MCM W.P. CU	500.00	3,453.43	185	18.67	253.90	13.60	6,800.74
WIRE, #750 MCM W.P. CU	750.00	10,940.19	665	16.45	424.24	25.79	19,340.70
WIRE, #1000 MCM W.P. CU	1,000.00	586.25	87	6.74	62.85	9.33	9,327.38
WIRE, DUPLEX #6	52.50	347,278.80	252,396	1.38	691.25	502.39	26,376.49
WIRE, TRIPLEX #2	199.11	4,615,139.62	3,098,449	1.49	2,621.88	1,760.24	350,476.34
WIRE, QUADRAPLEX #4/0	846.37	207,690.73	45,471	4.57	973.98	213.24	180,478.92
TOTAL		\$ 32,311,348.38	64,621,807				

**Zero Intercept Linear Regression Results**

Size Coefficient (\$ per MCM)	0.00377
Zero Intercept (\$ per Unit)	0.14276
R-Square	0.8691

**LINEST Array**

0.00377	0.14276
0.00053	0.06531
0.86910	337.92628

**Plant Classification**

Total Number of Units	64,621,807
Zero Intercept (\$/Unit)	\$ 0.14
Minimum System (\$/Unit)	\$ 0.01
Use Min System (M) or Zero Intercept (Z)?	Z
Zero Intercept or Min System Cost (\$)	\$ 9,225,377
Total Cost of Sample	\$ 32,311,348
Percentage of Total	0.2855
Percentage Classified as Customer-Related	28.55%
Percentage Classified as Demand-Related	71.45%

**SOUTH KENTUCKY R.E.C.C.**  
**Zero Intercept & Minimum System Analyses**

**Account 367 - Underground Conductors and Devices**

Description	Size	Cost	Quantity	Actual	Linear Regression Inputs		
				Unit Cost (\$ per Unit)	$y \cdot n^{0.5}$	$n^{0.5}$	$xn^{0.5}$
WIRE, #1/0 SOLID 25 KV	105.53	129,685.70	19,975	6.49	917.59	141.33	14,915.01
WIRE, 4 W PRIMARY	41.74	99,649.68	109,415	0.91	301.26	330.78	13,806.73
WIRE, #4/0 ALUM.	211.59	2,876.05	1,839	1.56	67.07	42.88	9,073.82
WIRE, #350 MCM PRIMARY	350.00	20,224.96	2,811	7.19	381.47	53.02	18,556.60
WIRE, #4/0 URD SEC TPX	634.78	1,232,587.14	155,651	7.92	3,124.22	394.53	250,435.83
WIRE, #350MCM URD SEC TPX	1,050.00	565,806.80	61,413	9.21	2,283.17	247.82	260,207.29
WIRE, #350MCM URD SEC QUAD	1,400.00	97,899.35	6,158	15.90	1,247.56	78.47	109,862.10
WIRE, #4/0 URD SEC QUAD	846.37	35,503.52	2,870	12.37	662.72	53.57	45,341.95
WIRE, #2 COPPER URD - MEPB	66.37	1,334.73	1,500	0.89	34.46	38.73	2,570.46
WIRE, #2 AL URD TPX-MEPB	66.37	1,712.90	27	63.44	329.65	5.20	344.86
CABLE PRI 25KV 1/0STR 260MIL EPR	260.00	5,228,042.67	1,131,043	4.62	4,915.86	1,063.51	276,511.31
WIRE, EPR #1/0 STR 25KV-345 MIL	345.00	41,094.10	6,114	6.72	525.55	78.19	26,976.26
CABLE PRI 25KV UG500AL 260EPR	260.00	141,928.60	13,114	10.82	1,239.37	114.52	29,774.26
CABLE PRI 25KV UG 500AL 345 EPR	345.00	12,399.14	2,610	4.75	242.70	51.09	17,625.41
CABLE PRI 25KV UG750 260MIL	260.00	36,746.25	1,143	32.15	1,086.90	33.81	8,790.15
<b>TOTAL</b>		<b>\$ 7,647,491.59</b>	<b>1,515,683</b>				

**Zero Intercept Linear Regression Results**

Size Coefficient (\$ per MCM)	0.00796
Zero Intercept (\$ per Unit)	2.50837
R-Square	0.9476

**LINEST Array**

0.00796	2.50837
0.00162	0.62208
0.94763	427.55045

**Plant Classification**

Total Number of Units	1,515,683
Zero Intercept (\$/Unit)	\$ 2.51
Minimum System (\$/Unit)	\$ 0.89
Use Min System (M) or Zero Intercept (Z)?	Z
Zero Intercept or Min System Cost (\$)	\$ 3,801,898
Total Cost of Sample	\$ 7,647,492
Percentage of Total	0.4971
Percentage Classified as Customer-Related	49.71%
Percentage Classified as Demand-Related	50.29%

**SOUTH KENTUCKY R.E.C.C.**  
**Zero Intercept & Minimum System Analyses**

**Account 368 - Line Transformers**

Description	Size	Cost	Quantity	Actual	Linear Regression Inputs			NARUC CAM	
				Unit Cost (\$ per Unit)	y^n^0.5	n^0.5	xn^0.5	Incl?	Qty
TRANS - 1 KVA 120V CONV	1.00	37,060.00	50	741.20	5,241.08	7.07	7.07	1	50
TRANS - 1 1/2 KVA 7200/120-240V	1.50	30,402.28	150	202.68	2,482.34	12.25	18.37	1	150
TRANS - 3 KVA 7200/120-240V CSP	3.00	28,436.17	289	98.40	1,672.72	17.00	51.00	1	289
TRANS - 3 KVA CONV	3.00	4,171.42	61	68.38	534.10	7.81	23.43	1	61
TRANS - 5 KVA 7200/120-240V	5.00	77,188.95	542	142.42	3,315.55	23.28	116.40	1	542
TRANS - 7 1/2 KVA 7200/120-240V	7.50	4,654.30	28	166.23	879.58	5.29	39.69	1	28
TRANS - 10 KVA	10.00	2,767,449.22	10,941	252.94	26,457.64	104.60	1,045.99	1	10,941
TRANS - 15 KVA	15.00	11,925,391.05	21,574	552.77	81,190.89	146.88	2,203.21	1	21,574
TRANS - 15 KVA 14400/120-240V	15.00	838,994.47	1,051	798.28	25,879.61	32.42	486.29	1	1,051
TRANS - 25 KVA	25.00	10,505,706.18	15,837	663.36	83,481.22	125.85	3,146.13	1	15,837
TRANS - 25 KVA 14400/120-240V	25.00	417,223.94	370	1,127.63	21,690.44	19.24	480.88	1	370
TRANS - 37 1/2 KVA	37.50	294,301.80	451	652.55	13,858.13	21.24	796.38	1	451
TRANS PAD - 10 KVA 1PH	10.00	2,916.00	2	1,458.00	2,061.92	1.41	14.14	1	2
TRANS PAD - 25 KVA 1PH	25.00	1,516,939.33	955	1,588.42	49,087.00	30.90	772.58	1	955
TRANS - 50 KVA	50.00	2,090,753.75	1,991	1,050.10	46,856.22	44.62	2,231.03	1	1,991
TRANS - 50 KVA 14400	50.00	87,131.00	51	1,708.45	12,200.78	7.14	357.07	1	51
TRANS PAD - 50 KVA 1PH	50.00	1,859,193.08	1,048	1,774.04	57,430.67	32.37	1,618.64	1	1,048
TRANS - 75 KVA	75.00	458,443.53	332	1,380.85	25,160.36	18.22	1,366.57	0	-
TRANS PAD - 75 KVA	75.00	180,934.00	73	2,478.55	21,176.72	8.54	640.80	0	-
TRANS - 100 KVA	100.00	431,735.95	268	1,610.96	26,372.47	16.37	1,637.07	0	-
TRANS PAD - 100 KVA	100.00	27,159.00	6	4,526.50	11,087.62	2.45	244.95	0	-
TRANS PAD - 150 KVA 3PH	150.00	210,053.08	34	6,178.03	36,023.81	5.83	874.64	0	-
TRANS - 167 KVA	167.00	430,191.11	177	2,430.46	32,335.14	13.30	2,221.79	0	-
TRANS PAD - 167 KVA 1PH	167.00	21,109.00	3	7,036.33	12,187.29	1.73	289.25	0	-
TRANS PAD - 225 KVA 3PH	225.00	49,455.00	12	4,121.25	14,276.43	3.46	779.42	0	-
TRANS - 250 KVA	250.00	115,253.75	37	3,114.97	18,947.60	6.08	1,520.69	0	-
TRANS PAD - 250 KVA	250.00	5,982.00	1	5,982.00	5,982.00	1.00	250.00	0	-
TRANS PAD - 300 KVA	300.00	300,424.69	41	7,327.43	46,918.45	6.40	1,920.94	0	-
MEPB - TRANS - 333 KVA	333.00	30,610.89	7	4,372.98	11,569.83	2.65	881.04	0	-
AUTO TRANS - 333 KVA	333.00	139,262.17	45	3,094.71	20,759.98	6.71	2,233.83	0	-
MEPB - TRANS - 500 KVA	500.00	47,926.38	11	4,356.94	14,450.35	3.32	1,658.31	0	-
TRANS PAD - 500 KVA	500.00	317,547.07	33	9,622.64	55,277.85	5.74	2,872.28	0	-
TRANS PAD - 750 KVA 3PH	750.00	163,027.00	11	14,820.64	49,154.49	3.32	2,487.47	0	-
TRANS PAD - 1000 KVA 3PH	1,000.00	164,149.85	12	13,679.15	47,385.98	3.46	3,464.10	0	-
AUTO TRANS - 1000 KVA	1,000.00	438,561.85	56	7,831.46	58,605.29	7.48	7,483.31	0	-
TRANS PAD - 1500 KVA 3PH	1,500.00	1,111,241.02	62	17,923.24	141,127.75	7.87	11,811.01	0	-
2000 KVA 3PH DV TRANSF(PM)480Y/277	1,500.00	51,460.00	1	51,460.00	51,460.00	1.00	1,500.00	0	-
TRANS PAD - 2500 KVA 3PH	2,500.00	626,268.79	23	27,229.08	130,586.07	4.80	11,989.58	0	-
<b>TOTAL</b>		<b>\$ 37,808,709.07</b>	<b>56,636</b>						<b>55,391</b>

**Zero Intercept Linear Regression Results**

Size Coefficient (\$ per MCM)	11.47074
Zero Intercept (\$ per Unit)	376.22538
R-Square	0.9170

**LINEST Array**

11.47074	376.22538
0.70467	60.62616
0.91701	13,784.93523

**Plant Classification**

Total Number of Units	*	55,391	* Only single-phase up to 50 KVA should be included in the Customer-related component per NARUC CAM
Zero Intercept (\$/Unit)	\$	376.23	
Minimum System (\$/Unit)	\$	68.38	
Use Min System (M) or Zero Intercept (Z)?		Z	
Zero Intercept or Min System Cost (\$)	\$	20,839,500	
Total Cost of Sample	\$	37,808,709	
Percentage of Total		0.5512	
Percentage Classified as Customer-Related		55.12%	
Percentage Classified as Demand-Related		44.88%	

Description	Acct	Demand	Customer	Method
Overhead Conductors and Devices	365	0.7145	0.2855	Z
Underground Conductors and Devices	367	0.5029	0.4971	Z
Line Transformers	368	0.4488	0.5512	Z

**SOUTH KENTUCKY RECC  
Present and Proposed Rates**

#	Item	Code	Avg kWh/Mon	Test Year Revenue	Present Revenue	Proposed Revenue	Incr(Decr)	Incr(Decr)	Avg Bill Incr per Mon
1									
2	Residential, Farm and Non-Farm Service	A	993	\$ 99,359,691	\$ 99,359,691	\$ 110,126,690	\$ 10,766,999	10.8%	\$ 13.78
3	Small Commercial Rate	B	1,228	\$ 10,467,629	\$ 10,467,629	\$ 10,467,629	\$ -	0.0%	\$ -
4	Large Power Rate (Excess of 50 kVA)	LP	34,325	\$ 19,702,737	\$ 19,702,737	\$ 19,702,737	\$ -	0.0%	\$ -
5	Large Power Rate (500 KW to 4,999 KW)	LP-1	819,598	\$ 851,696	\$ 851,696	\$ 851,696	\$ -	0.0%	\$ -
6	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	3,145,628	\$ 6,128,168	\$ 6,128,168	\$ 6,128,168	\$ -	0.0%	\$ -
7	Large Power Rate (500 KW to 2,999 KW)	LP-3	753,956	\$ 7,019,633	\$ 7,019,633	\$ 7,019,633	\$ -	0.0%	\$ -
8	Optional Power Service	OPS	7,089	\$ 1,672,718	\$ 1,672,718	\$ 1,672,718	\$ -	0.0%	\$ -
9	All Electric Schools	AES	51,336	\$ 1,119,849	\$ 1,119,849	\$ 1,119,849	\$ -	0.0%	\$ -
10	Lighting	Lights	NA	\$ 3,780,694	\$ 4,132,912	\$ 4,132,912	\$ -	0.0%	\$ -
11	Total Revenue			\$ 150,455,032	\$ 150,455,032	\$ 161,222,031	\$ 10,766,999	7.2%	
12	Target Revenue Increase						\$ 10,767,835		
13	Rate Rounding Variance \$						\$ (836)		
14	Rate Rounding Variance %						-0.01%		

**SOUTH KENTUCKY RECC**  
**Present and Proposed Rates**

#	Classification	Code	Billing Component	Billing Units	Test Year Rate	Test Year Revenue	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase \$	%
1	Residential, Farm and Non-Farm Service	A	Consumer Charge	781,546	17.50	\$ 13,677,055	17.50	\$ 13,677,055	30.75	\$ 24,032,540	\$ 10,355,485	75.7%
2			Energy Charge per kWh	776,442,718	0.08635	\$ 67,045,829	0.09816	\$ 76,215,617	0.09869	\$ 76,627,132	\$ 411,515	0.5%
3			Total Base Rates			\$ 80,722,884		\$ 89,892,672		\$ 100,659,671	\$ 10,766,999	12.0%
4			FAC			\$ 7,519,383		\$ (1,650,405)		\$ (1,650,405)	\$ -	0.0%
5			ES			\$ 10,696,513		\$ 10,696,513		\$ 10,696,513	\$ -	0.0%
6			Prepay Fees	46,345	9.00	\$ 417,105	9.00	\$ 417,105		\$ 417,105	\$ -	0.0%
7			Envirowatts + NM			\$ 3,806		\$ 3,806		\$ 3,806	\$ -	0.0%
8			Total Riders			\$ 18,636,807		\$ 9,467,019		\$ 9,467,019	\$ -	0.0%
9			TOTAL REVENUE			\$ 99,359,691		\$ 99,359,691		\$ 110,126,690	\$ 10,766,999	10.8%
10			Average	993.47		\$ 127.13		\$ 127.13		\$ 140.91	\$ 13.78	10.8%
11	Small Commercial Rate	B	Consumer Charge	58,503	40.00	\$ 2,340,120	40.00	\$ 2,340,120	40.00	\$ 2,340,120	\$ -	0.0%
12			Energy Charge per kWh	71,852,702	0.08742	\$ 6,281,363	0.09923	\$ 7,129,944	0.09923	\$ 7,129,944	\$ -	0.0%
13			Total Base Rates			\$ 8,621,483		\$ 9,470,064		\$ 9,470,064	\$ -	0.0%
14			FAC			\$ 714,020		\$ (134,560)		\$ (134,560)	\$ -	0.0%
15			ES			\$ 1,132,092		\$ 1,132,092		\$ 1,132,092	\$ -	0.0%
16			Misc Adj			\$ -		\$ -		\$ -	\$ -	0.0%
17			Envirowatts + NM			\$ 33		\$ 33		\$ 33	\$ -	0.0%
18			Total Riders			\$ 1,846,145		\$ 997,565		\$ 997,565	\$ -	0.0%
19			TOTAL REVENUE			\$ 10,467,629		\$ 10,467,629		\$ 10,467,629	\$ -	0.0%
20			Average	1,228.19		\$ 178.92		\$ 178.92		\$ 178.92	\$ -	0.0%
21	Large Power Rate (Excess of 50 kVA)	LP	Consumer Charge	5,348	70.00	\$ 374,360	70.00	\$ 374,360	70.00	\$ 374,360	\$ -	0.0%
22			Demand Charge per kW	607,688	7.78	\$ 4,727,810	7.78	\$ 4,727,810	7.78	\$ 4,727,810	\$ -	0.0%
23			Energy Charge per kWh	183,572,086	0.05804	\$ 10,654,524	0.06985	\$ 12,822,510	0.06985	\$ 12,822,510	\$ -	0.0%
24			Total Base Rates			\$ 15,756,694		\$ 17,924,680		\$ 17,924,680	\$ -	0.0%
25			FAC			\$ 1,836,585		\$ (331,401)		\$ (331,401)	\$ -	0.0%
26			ES			\$ 2,109,459		\$ 2,109,459		\$ 2,109,459	\$ -	0.0%
27			Misc Adj			\$ -		\$ -		\$ -	\$ -	0.0%
28			Other			\$ -		\$ -		\$ -	\$ -	0.0%
29			Total Riders			\$ 3,946,044		\$ 1,778,057		\$ 1,778,057	\$ -	0.0%
30			TOTAL REVENUE			\$ 19,702,737		\$ 19,702,737		\$ 19,702,737	\$ -	0.0%
31			Average	34,325.37		\$ 3,684.13		\$ 3,684.13		\$ 3,684.13	\$ -	0.0%

**SOUTH KENTUCKY RECC  
Present and Proposed Rates**

#	Classification	Code	Billing Component	Billing Units	Test Year Rate	Test Year Revenue	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	
38	Large Power Rate (500 KW to 4,999 KW)	LP-1	Metering Charge	12	225.00	\$ 2,700	225.00	\$ 2,700	225.00	\$ 2,700	\$ -	0.0%	
39			Substation Charge 500-999 kW	-	373.20	\$ -	373.20	\$ -	373.20	\$ -	\$ -	\$ -	0.0%
40			Substation Charge 1000-2999 kW	12	1,118.42	\$ 13,421	1,118.42	\$ 13,421	1,118.42	\$ 13,421	\$ -	\$ -	0.0%
41			Substation Charge 3000-7499 kW	-	2,811.45	\$ -	2,811.45	\$ -	2,811.45	\$ -	\$ -	\$ -	0.0%
42			Demand Charge per kW	20,872	6.54	\$ 136,502	6.54	\$ 136,502	6.54	\$ 136,502	\$ -	\$ -	0.0%
43			Energy Charge per kWh	9,835,173	0.05196	\$ 511,036	0.06377	\$ 627,189	0.06377	\$ 627,189	\$ -	\$ -	0.0%
44			Total Base Rates			\$ 663,658	\$ 779,812	\$ 779,812	\$ -	\$ -	\$ -	\$ -	0.0%
45			FAC			\$ 97,955	\$ (18,199)	\$ (18,199)	\$ -	\$ -	\$ -	\$ -	0.0%
46			ES			\$ 90,083	\$ 90,083	\$ 90,083	\$ -	\$ -	\$ -	\$ -	0.0%
47			Misc Adj			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
48	Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%		
49	Total Riders			\$ 188,037	\$ 71,884	\$ 71,884	\$ -	\$ -	\$ -	\$ -	0.0%		
50	TOTAL REVENUE			\$ 851,696	\$ 851,696	\$ 851,696	\$ -	\$ -	\$ -	\$ -	0.0%		
51	Average			819,597.75	\$ 70,974.66	\$ 70,974.66	\$ 70,974.66	\$ -	\$ -	\$ -	0.0%		
52													
53	Large Power Rate (5,000 KW to 9,999 KW)	LP-2	Metering Charge	24	160.00	\$ 3,840	160.00	\$ 3,840	160.00	\$ 3,840	\$ -	0.0%	
54			Substation Charge 3000-7499 kW	24	2,811.45	\$ 67,475	2,811.45	\$ 67,475	2,811.45	\$ 67,475	\$ -	\$ -	0.0%
55			Substation Charge 7500-14799 kW	0	3,382.50	\$ -	3,382.50	\$ -	3,382.50	\$ -	\$ -	\$ -	0.0%
56			Demand Charge per kW	165,995	6.59	\$ 1,093,909	6.59	\$ 1,093,909	6.59	\$ 1,093,909	\$ -	\$ -	0.0%
57			Energy Charge-First 400 - per kWh	20,000,000	0.05196	\$ 1,039,200	0.06377	\$ 1,275,400	0.06377	\$ 1,275,400	\$ -	\$ -	0.0%
58			Energy Charge-All Remaining - per kWh	55,495,061	0.04484	\$ 2,488,399	0.05665	\$ 3,143,795	0.05665	\$ 3,143,795	\$ -	\$ -	0.0%
59			Total Base Rates			\$ 4,692,822	\$ 5,584,419	\$ 5,584,419	\$ -	\$ -	\$ -	\$ -	0.0%
60			FAC			\$ 767,028	\$ (124,569)	\$ (124,569)	\$ -	\$ -	\$ -	\$ -	0.0%
61			ES			\$ 664,310	\$ 664,310	\$ 664,310	\$ -	\$ -	\$ -	\$ -	0.0%
62			Misc Adj			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
63	Other			\$ 4,008	\$ 4,008	\$ 4,008	\$ -	\$ -	\$ -	\$ -	0.0%		
64	Total Riders			\$ 1,435,346	\$ 543,749	\$ 543,749	\$ -	\$ -	\$ -	\$ -	0.0%		
65	TOTAL REVENUE			\$ 6,128,168	\$ 6,128,168	\$ 6,128,168	\$ -	\$ -	\$ -	\$ -	0.0%		
66				3,145,627.54	255,340.34	255,340.34	255,340.34	-	0.0%				
67													
68	Large Power Rate (500 KW to 2,999 KW)	LP-3	Metering Charge	108	151.21	\$ 16,331	151.21	\$ 16,331	151.21	\$ 16,331	\$ -	0.0%	
69			Substation Charge 500-999 kW	54	381.08	\$ 20,578	381.08	\$ 20,578	381.08	\$ 20,578	\$ -	\$ -	0.0%
70			Substation Charge 1000-2999 kW	54	1,142.01	\$ 61,669	1,142.01	\$ 61,669	1,142.01	\$ 61,669	\$ -	\$ -	0.0%
71			Demand Charge per kW - Contract	159,045	7.55	\$ 1,200,790	7.55	\$ 1,200,790	7.55	\$ 1,200,790	\$ -	\$ -	0.0%
72			Demand Charge per kW - Excess	20,730	9.37	\$ 194,240	9.37	\$ 194,240	9.37	\$ 194,240	\$ -	\$ -	0.0%
73			Energy Charge per kWh	81,427,271	0.04919	\$ 4,005,407	0.06100	\$ 4,967,064	0.06100	\$ 4,967,064	\$ -	\$ -	0.0%
74			Total Base Rates			\$ 5,499,015	\$ 6,460,671	\$ 6,460,671	\$ -	\$ -	\$ -	\$ -	0.0%
75			FAC			\$ 811,492	\$ (150,164)	\$ (150,164)	\$ -	\$ -	\$ -	\$ -	0.0%
76			ES			\$ 709,126	\$ 709,126	\$ 709,126	\$ -	\$ -	\$ -	\$ -	0.0%
77			Misc Adj			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
78	Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%		
79	Total Riders			\$ 1,520,618	\$ 558,961	\$ 558,961	\$ -	\$ -	\$ -	\$ -	0.0%		
80	TOTAL REVENUE			\$ 7,019,633	\$ 7,019,633	\$ 7,019,633	\$ -	\$ -	\$ -	\$ -	0.0%		
81	Average			753,956.21	\$ 64,996.60	\$ 64,996.60	\$ 64,996.60	\$ -	\$ -	\$ -	0.0%		
82													
83													
84													
85													

**SOUTH KENTUCKY RECC**  
**Present and Proposed Rates**

#	Classification	Code	Billing Component	Billing Units	Test Year Rate	Test Year Revenue	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase \$	%
86	Optional Power Service	OPS										
87			Consumer Charge	1,701	51.83	\$ 88,163	51.83	\$ 88,163	51.83	\$ 88,163	\$ -	0.0%
88			Energy Charge per kWh	12,058,802	0.10680	\$ 1,287,880	0.11861	\$ 1,430,295	0.11861	\$ 1,430,295	\$ -	0.0%
89			Total Base Rates			\$ 1,376,043	\$ 1,518,457	\$ 1,518,457	\$ 1,518,457	\$ -	0.0%	
90			FAC			\$ 116,525	\$ (25,889)	\$ (25,889)	\$ (25,889)	\$ -	0.0%	
91			ES			\$ 180,150	\$ 180,150	\$ 180,150	\$ 180,150	\$ -	0.0%	
92			Misc Adj			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
93			Other			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
94			Total Riders			\$ 296,675	\$ 154,261	\$ 154,261	\$ 154,261	\$ -	0.0%	
95			TOTAL REVENUE			\$ 1,672,718	\$ 1,672,718	\$ 1,672,718	\$ 1,672,718	\$ -	0.0%	
96				7,089.24		983.37	983.37	983.37	983.37	-	0.0%	
97												
98	All Electric Schools	AES										
99			Consumer Charge	204	86.07	\$ 17,558	86.07	\$ 17,558	86.07	\$ 17,558	\$ -	0.0%
100			Energy Charge per kWh	10,472,630	0.08430	\$ 882,843	0.09611	\$ 1,006,524	0.09611	\$ 1,006,524	\$ -	0.0%
101			Total Base Rates			\$ 900,401	\$ 1,024,083	\$ 1,024,083	\$ 1,024,083	\$ -	0.0%	
102			FAC			\$ 102,282	\$ (21,399)	\$ (21,399)	\$ (21,399)	\$ -	0.0%	
103			ES			\$ 117,165	\$ 117,165	\$ 117,165	\$ 117,165	\$ -	0.0%	
104			Prepay Daily Charges			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
105			Other			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
106			Total Riders			\$ 219,448	\$ 95,766	\$ 95,766	\$ 95,766	\$ -	0.0%	
107			TOTAL REVENUE			\$ 1,119,849	\$ 1,119,849	\$ 1,119,849	\$ 1,119,849	\$ -	0.0%	
108			Average	51,336.42		\$ 5,489.45	\$ 5,489.45	\$ 5,489.45	\$ 5,489.45	\$ -	0.0%	
109												
110	Lighting	STL-DSTL-OLS										
111			Total Base Rates			\$ 3,736,520	\$ 3,736,505	\$ 3,736,505	\$ 3,736,505	\$ -	0.0%	
112			FAC			\$ 8,292	\$ 8,307	\$ 8,307	\$ 8,307	\$ -	0.0%	
113			ES			\$ 35,882	\$ 388,100	\$ 388,100	\$ 388,100	\$ -	0.0%	
114			Misc Adj			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
115			Other			\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	
116			Total Riders			\$ 44,174	\$ 396,407	\$ 396,407	\$ 396,407	\$ -	0.0%	
117			TOTAL REVENUE			\$ 3,780,694	\$ 4,132,912	\$ 4,132,912	\$ 4,132,912	\$ -	0.0%	
118												
119												
120												
121	TOTALS		Total Base Rates			\$ 121,969,521	\$ 136,391,364	\$ 147,158,363	\$ 147,158,363	\$ 10,766,999	\$ 0	
122			FAC			\$ 11,973,562	\$ (2,448,280)	\$ (2,448,280)	\$ (2,448,280)	\$ -	\$ -	
123			ES			\$ 15,734,779	\$ 16,086,997	\$ 16,086,997	\$ 16,086,997	\$ -	\$ -	
124			Misc Adj			\$ 417,105	\$ 417,105	\$ 417,105	\$ 417,105	\$ -	\$ -	
125			Other			\$ 7,847	\$ 7,847	\$ 7,847	\$ 7,847	\$ -	\$ -	
126			Total Riders			\$ 28,133,293	\$ 14,063,669	\$ 14,063,669	\$ 14,063,669	\$ -	0.0%	
127			TOTAL REVENUE			\$ 150,102,814	\$ 150,455,032	\$ 161,222,031	\$ 161,222,031	\$ 10,766,999	7.2%	

FAC Roll in 0.01181

Target Variance \$ 10,767,835  
\$ (836)

**SOUTH KENTUCKY RECC**  
**Estimated Monthly Rate Increase by KWH**  
**Residential**

#	Monthly kWh	Present Rates				Proposed Rates				Increase	
		Customer	Energy	Riders	Total	Customer	Energy	Riders	Total	\$	%
		\$ 17.50	0.09816	0.012193		\$ 30.75	0.09869	0.012193			
1	-	\$ 17.50	\$ -	\$ -	\$ 17.50	\$ 30.75	\$ -	\$ -	\$ 30.75	\$ 13.25	75.7%
2	100	\$ 17.50	\$ 9.82	\$ 1.22	\$ 28.54	\$ 30.75	\$ 9.87	\$ 1.22	\$ 41.84	\$ 13.30	46.6%
3	200	\$ 17.50	\$ 19.63	\$ 2.44	\$ 39.57	\$ 30.75	\$ 19.74	\$ 2.44	\$ 52.93	\$ 13.36	33.8%
4	300	\$ 17.50	\$ 29.45	\$ 3.66	\$ 50.61	\$ 30.75	\$ 29.61	\$ 3.66	\$ 64.01	\$ 13.41	26.5%
5	400	\$ 17.50	\$ 39.26	\$ 4.88	\$ 61.64	\$ 30.75	\$ 39.48	\$ 4.88	\$ 75.10	\$ 13.46	21.8%
6	500	\$ 17.50	\$ 49.08	\$ 6.10	\$ 72.68	\$ 30.75	\$ 49.35	\$ 6.10	\$ 86.19	\$ 13.52	18.6%
7	600	\$ 17.50	\$ 58.90	\$ 7.32	\$ 83.71	\$ 30.75	\$ 59.21	\$ 7.32	\$ 97.28	\$ 13.57	16.2%
8	700	\$ 17.50	\$ 68.71	\$ 8.53	\$ 94.75	\$ 30.75	\$ 69.08	\$ 8.53	\$ 108.37	\$ 13.62	14.4%
9	800	\$ 17.50	\$ 78.53	\$ 9.75	\$ 105.78	\$ 30.75	\$ 78.95	\$ 9.75	\$ 119.46	\$ 13.67	12.9%
10	900	\$ 17.50	\$ 88.34	\$ 10.97	\$ 116.82	\$ 30.75	\$ 88.82	\$ 10.97	\$ 130.54	\$ 13.73	11.8%
11	1,000	\$ 17.50	\$ 98.16	\$ 12.19	\$ 127.85	\$ 30.75	\$ 98.69	\$ 12.19	\$ 141.63	\$ 13.78	10.8%
12	1,100	\$ 17.50	\$ 107.98	\$ 13.41	\$ 138.89	\$ 30.75	\$ 108.56	\$ 13.41	\$ 152.72	\$ 13.83	10.0%
13	1,200	\$ 17.50	\$ 117.79	\$ 14.63	\$ 149.92	\$ 30.75	\$ 118.43	\$ 14.63	\$ 163.81	\$ 13.89	9.3%
14	1,300	\$ 17.50	\$ 127.61	\$ 15.85	\$ 160.96	\$ 30.75	\$ 128.30	\$ 15.85	\$ 174.90	\$ 13.94	8.7%
15	1,400	\$ 17.50	\$ 137.42	\$ 17.07	\$ 171.99	\$ 30.75	\$ 138.17	\$ 17.07	\$ 185.99	\$ 13.99	8.1%
16	1,500	\$ 17.50	\$ 147.24	\$ 18.29	\$ 183.03	\$ 30.75	\$ 148.04	\$ 18.29	\$ 197.07	\$ 14.05	7.7%
17	1,600	\$ 17.50	\$ 157.06	\$ 19.51	\$ 194.06	\$ 30.75	\$ 157.90	\$ 19.51	\$ 208.16	\$ 14.10	7.3%
18	1,700	\$ 17.50	\$ 166.87	\$ 20.73	\$ 205.10	\$ 30.75	\$ 167.77	\$ 20.73	\$ 219.25	\$ 14.15	6.9%
19	1,800	\$ 17.50	\$ 176.69	\$ 21.95	\$ 216.14	\$ 30.75	\$ 177.64	\$ 21.95	\$ 230.34	\$ 14.20	6.6%
20	1,900	\$ 17.50	\$ 186.50	\$ 23.17	\$ 227.17	\$ 30.75	\$ 187.51	\$ 23.17	\$ 241.43	\$ 14.26	6.3%
21	2,000	\$ 17.50	\$ 196.32	\$ 24.39	\$ 238.21	\$ 30.75	\$ 197.38	\$ 24.39	\$ 252.52	\$ 14.31	6.0%
22	2,100	\$ 17.50	\$ 206.14	\$ 25.60	\$ 249.24	\$ 30.75	\$ 207.25	\$ 25.60	\$ 263.60	\$ 14.36	5.8%
23	2,200	\$ 17.50	\$ 215.95	\$ 26.82	\$ 260.28	\$ 30.75	\$ 217.12	\$ 26.82	\$ 274.69	\$ 14.42	5.5%
24	2,300	\$ 17.50	\$ 225.77	\$ 28.04	\$ 271.31	\$ 30.75	\$ 226.99	\$ 28.04	\$ 285.78	\$ 14.47	5.3%
25	2,400	\$ 17.50	\$ 235.58	\$ 29.26	\$ 282.35	\$ 30.75	\$ 236.86	\$ 29.26	\$ 296.87	\$ 14.52	5.1%
26	2,500	\$ 17.50	\$ 245.40	\$ 30.48	\$ 293.38	\$ 30.75	\$ 246.73	\$ 30.48	\$ 307.96	\$ 14.58	5.0%
27	2,600	\$ 17.50	\$ 255.22	\$ 31.70	\$ 304.42	\$ 30.75	\$ 256.59	\$ 31.70	\$ 319.05	\$ 14.63	4.8%
28	2,700	\$ 17.50	\$ 265.03	\$ 32.92	\$ 315.45	\$ 30.75	\$ 266.46	\$ 32.92	\$ 330.13	\$ 14.68	4.7%
29	2,800	\$ 17.50	\$ 274.85	\$ 34.14	\$ 326.49	\$ 30.75	\$ 276.33	\$ 34.14	\$ 341.22	\$ 14.73	4.5%
30	2,900	\$ 17.50	\$ 284.66	\$ 35.36	\$ 337.52	\$ 30.75	\$ 286.20	\$ 35.36	\$ 352.31	\$ 14.79	4.4%
31	3,000	\$ 17.50	\$ 294.48	\$ 36.58	\$ 348.56	\$ 30.75	\$ 296.07	\$ 36.58	\$ 363.40	\$ 14.84	4.3%

\* 993 kWh Average Residential Monthly Usage



**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 11**

**807 KAR 5:001 Section 16(4)(d)**  
**Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*A statement estimating the effect that each new rate will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.*

**Response:**

South Kentucky is requesting a revenue increase of \$10,766,999, or 7.16%, to achieve an Operating Times Interest Earned Ratio (“OTIER”) of 1.85. For the statement of the effect on revenues for each new rate, see Exhibit 10 of the Application, the Direct Testimony of John Wolfram, specifically Exhibit JW-9.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**  
**Exhibit 12**

**807 KAR 5:001 Section 16(4)(e)**  
**Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*If the utility provides electric, gas, water, or sewer service, the effect upon the average bill for each customer classification to which the proposed rate change will apply.*

**Response:**

The effect upon the average bill for each customer classification to which the proposed rate change will apply is as follows:

Rate Class		Average Usage (kWh)	Increase	
			Dollars	Percent
A	Residential, Farm and Non-Farm Service	993	\$ 13.78	10.84%
B	Small Commercial Rate	1,228	\$ -	0.00%
LP	Large Power Rate (Excess of 50 kVA)	34,325	\$ -	0.00%
LP-1	Large Power Rate (500 KW to 4,999 KW)	819,598	\$ -	0.00%
LP-2	Large Power Rate (5,000 KW to 9,999 KW)	3,145,628	\$ -	0.00%
LP-3	Large Power Rate (500 KW to 2,999 KW)	753,956	\$ -	0.00%
OPS	Optional Power Service	7,089	\$ -	0.00%
AES	All Electric Schools	51,336	\$ -	0.00%
Lights	Lighting	NA	\$ -	0.00%

**Case No. 2024-00402**  
**Application-Exhibit 12**  
*No Attachment*

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 13**

**807 KAR 5:001 Section 16(4)(g)  
Sponsoring Witness: John Wolfram**

**Description of Filing Requirements:**

*A detailed analysis of customer's bills whereby revenues from the present and proposed rates can be readily determined for each customer class.*

**Response:**

The analysis of customer bills by rate schedule, reflecting present and proposed rates, can be found in Exhibit 10 of the Application, John Wolfram's Direct Testimony, Exhibit JW-9.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 14**

**807 KAR 5:001 Section 16(4)(h)**  
**Sponsoring Witness: John Wolfram**

**Description of Filing Requirements:**

*A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.*

**Response:**

The revenue requirement in this case is based on achieving an Operating Times Interest Earned Ratio ("OTIER") of 1.85. A summary of South Kentucky's determination of its revenue requirement based on this OTIER can be found in Exhibit 10 of the Application, John Wolfram's Direct Testimony, specifically Exhibit JW-2.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**  
**Exhibit 15**

**807 KAR 5:001 Section 16(4)(i)**  
**Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*A reconciliation of the rate base and capital used to determine its revenue requirements*

**Response:**

Please see attached for the reconciliation of rate base and capital used to determine the revenue requirements.

Revenue requirements were determined on the basis of achieving an OTIER of 1.85. Please see the testimony of John Wolfram provided at Exhibit 10 and, in particular, Exhibit JW-2. The rate base is calculated as part of the cost of service study ("COSS"); this is provided in Exhibit JW-4.

**South Kentucky R.E.C.C.**  
**Case No. 2024-00402**  
**Reconciliation of Rate Base & Capital**

1	Rate Base	\$ 226,980,250
2		
3	Total Capitalization	\$ 314,974,873
4		
5	Difference to be reconciled	\$ 87,994,623
6		
7	Assets not included in Rate Base	
8	Other Property & Investments	\$ 94,595,086
9	Cash and Temp Investments	\$ 11,594,581
10	AR	\$ 4,687,231
11	MS	\$ 3,089,698
12	Prep	\$ 610,202
13	Other Cur & Accr Assets	\$ 9,452,520
14	Other Assets & Debits	\$ 1,956,152
15	Subtotal	\$ 125,985,470
16		
17	Liabilities not included in rate base	
18	Other NonCurrent Liabilities	\$ (7,285,094)
19	Current and Accrued Liabilities	\$ (25,946,647)
20	Other Liab and Credits	\$ (443,327)
21	Subtotal	\$ (33,675,068)
22		
23	Included in Rate Base	
24	CWC Allowance	\$ 4,010,278
25	Materials & Supplies	\$ 2,663,714
26	PrePayments	\$ 433,774
27	Deposits	\$ (2,791,987)
28		\$ 4,315,779
29		
30	Total Reconciling Items	\$ 87,994,623
31		
32	Difference	\$ 0

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 16**

**807 KAR 5:001 Section 16(4)(j)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*A current chart of accounts if more detailed than the Uniform System of Accounts.*

**Response:**

Please see attached current chart of accounts.

01/16/2025 3:53:04 pm

Page: 1

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	107.0	CONST WORK IN PROGRESS-INDIRECT	Asset			Active
0	107.11	CONST WIP - (SCADA)	Asset			Active
0	107.2	CONST WORK IN PROGRESS-F A	Asset			Active
0	107.21	YEAR END ACCOUNT FOR TIMING ISSUES	Asset			Active
0	107.3	CONST WORK IN PROGRESS-SP EQUIP	Asset			Active
0	107.86	CONSTRUCT WIP-MONT CONSTRUCT OFF	Asset			Active
0	107.87	CONST WIP-GENERATOR TRSFR SWITCH	Asset			Active
0	107.88	CWIP-UPGRADE WIRELESS ACCESS PTS	Asset			Active
0	107.89	CWIP-PCIPOS HDWRE INFRASTRUC CHG	Asset			Active
0	107.91	CONSTRUCT WIP-VOLTAGE REDUCTION	Asset			Active
0	107.93	CONST WIP-SCADA 2020WORKPLAN	Asset			Active
0	107.95	CWIP MULTIFACTOR AUTHENTICATION	Asset			Active
0	107.96	CWIP DATA COMM FREQUENCY UPGRADE	Asset			Active
0	107.97	CWIP - SCADA SERVER REPLACEMENTS	Asset			Active
0	107.98	CWIP-NISC SOFTWARE IMPLENTATION	Asset			Active
0	107.99	ASSET CLEARING ACCOUNT	Asset			Active
0	108.6	ACC PROV FOR DEPR-DIST PLANT	Asset			Active
0	108.7	ACC PROV FOR DEPR-OFFICE FURN	Asset			Active
0	108.71	ACC PROV FOR DEPR-TRANS EQUIP	Asset			Active
0	108.72	ACC PROV FOR DEPR-TOOLS POWER DR	Asset			Active
0	108.73	ACC PROV FOR DEPR-STR & IMPR	Asset			Active
0	108.74	ACC PROV FOR DEPR-LAB EQUIP	Asset			Active
0	108.75	ACC PROV FOR DEPR-COMM EQUIP	Asset			Active
0	108.76	ACC PROV FOR DEPR-MISC EQUIP	Asset			Active
0	108.77	ACC PROV FOR DEPR-STORES EQUIP	Asset			Active
0	108.78	ACC PROV FOR DEPR-TOOL,SH,GAR EQ	Asset			Active
0	108.79	ACC PROV FOR DEPR-COMP & PROC EQ	Asset			Active
0	108.8	RETIREMENT WORK IN PROGRESS	Asset			Active
0	108.9	ACC PROV FOR DEPR-COMPUTER - AVL	Asset			Active
0	114.0	ELECTRIC PLANT ACQUISITION	Asset			Active
0	121.0	NONUTILITY PROPERTY (FARM LAND)	Asset			Active
0	121.2	NONUTILITY PROP (T S & C BARN)	Asset			Active
0	122.0	ACC PROV FOR DEPR-NONUT PROP	Asset			Active
0	123.1	PATR CAP FROM EAST KENTUCKY POWER - G&T	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.11	PATRONAGE CAPITAL-NRUCFC	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.12	PATR CAP-ASSOC ORG - UUS	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active



01/16/2025 3:53:04 pm

Page: 2

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	123.13	PATR CAP - EAST KY ELEC COOP (KAEC)	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.14	PATR CAP-ASSOC ORG - SEDC(MERIDAN)	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.15	PATR CAP-ASSOC ORG - NISC	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.16	PATR CAP-ASSOC ORG - FEDERATED	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.17	PATR CAP-ASSOC ORG - NRTC	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.18	PATR CAP-ASSOC ORG - DUO	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.19	PATR CAP-ASSOC ORG - HIGHLAND TELEPHONE	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.22	INVEST IN CTC'S - CFC	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.23	OTHER INVEST IN ASSOC ORG	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	123.24	INVEST CTC NON-INTEREST BEARING	Asset		PAT - PATRONAGE FROM OTHER ORGANIZAT	Active
0	124.0	OTHER INVESTMENTS	Asset			Active
0	124.01	OTHER INVEST-ECONOMIC DEV LOANS	Asset			Active
0	124.1	OTHER INVEST-ECONOMIC DEV GRANTS	Asset			Active
0	131.1	CASH-GENERAL-CUMBERLAND SECURITY	Asset			Active
0	131.15	CASH-PAYROLL-CUMBERLAND SECURITY	Asset			Active
0	131.2	CASH-CONST FUND-TR(CUMB SECURITY	Asset			Active
0	131.4	TRANSFER OF FUNDS	Asset			Active
0	131.41	TRANSFER OF FUNDS-DIRECT DEPOSIT	Asset			Active
0	131.42	TRANSFR OF FUNDS-DIR DEPOSIT-HSA	Asset			Active
0	131.92	CASH CLEARING-INCOMM PAYMENTS	Asset			Active
0	131.93	CASH CLEARING-BANK PAYMENTS TO CITIZENS	Asset			Active
0	131.94	CASH CLRNG-CASH/CHK RUSSELL OFF/KIOSK	Asset			Active
0	131.95	CASH CLRNG-CASH/CHCK MONTICELLO OFF/KSK	Asset			Active
0	131.96	CASH CLRNG-CASH/CHK ALBANY OFFICE/KIOSK	Asset			Active
0	131.97	CASH CLRNG-CASH/CHK WHITLEY CITY OFF/KSK	Asset			Active
0	131.98	CASH CLEARING-ELECTRONIC PAYMENTS	Asset			Active
0	131.99	CASH CLRNG-CASH/CHK SOMERSET OFF/KIOSK	Asset			Active
0	135.0	WORKING FUNDS	Asset			Active
0	135.12	WORKING FUNDS(TEMPORARY ADVANCE)	Asset			Active
0	136.0	TEMP CASH INVEST-CFC COMM PAPERS	Asset			Active
0	136.02	TEMP INVEST-RCCU	Asset			Active
0	136.04	TEMP CASH INVEST-CFC SELECT NOTE	Asset			Active
0	136.05	TEMP CASH INVEST-CFC MEDIUM NOTE	Asset			Active
0	136.06	TEMP INVEST-CFC COMM PAPERS-COC	Asset			Active
0	136.07	TEMP INVEST-CFC SELECT NOTE-COC	Asset			Active
0	136.11	TEMP INVEST-UNITED CUMB BANK-MC	Asset			Active

01/16/2025 3:53:04 pm

Page: 3

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	136.12	TEMP INVEST-1ST & FARMERS-ALBANY	Asset			Active
0	136.13	TEMP INVEST-MONTICELLO BANKING	Asset			Active
0	136.14	TEMP INVEST-1ST NATL BK OF R SPG	Asset			Active
0	136.19	TEMP INVEST-CUMB SECURITY (C CR)	Asset			Active
0	136.28	TEMP INVEST-ECON DEV GRANT FUNDS	Asset			Active
0	142.1	CUSTOMER ACCTS REC - ELECTRIC	Asset			Active
0	142.12	CUSTOMER ACCTS REC-SUBSIDY	Asset			Active
0	142.13	CUSTOMER ACCTS REC-CRISIS	Asset			Active
0	142.14	CUST ACCTS REC-SUMMER COOLING	Asset			Active
0	142.17	CUST ACCTS REC-COLLECTION-OUEXCH	Asset			Active
0	142.21	CUST ACCTS REC - ARRANGEMENTS	Asset			Active
0	142.31	CUST ACCTS REC-FUEL COST ADJ	Asset			Active
0	142.32	CUST ACCTS REC-ENVIRO SCHG MATCH	Asset			Active
0	142.98	CAPITAL CREDIT CLEARING	Asset			Active
0	142.99	AR HOLDING GL	Asset			Active
0	143.0	OTHER ACCOUNTS RECEIVABLE	Asset			Active
0	143.02	OTHER ACCTS REC-RETIREE INSURANC	Asset			Active
0	143.05	OTHER A/R-EMPLOYEE HEALTH INS	Asset			Active
0	143.14	OTHER ACCTS REC-CANCER INS	Asset			Active
0	143.16	OTHER ACCTS REC-METLIFE DEP LIFE	Asset			Active
0	143.17	OTHER ACCTS REC-DENTAL INSURANCE	Asset			Active
0	143.24	OTHER ACCTS REC - ASG LIFE	Asset			Active
0	143.25	OTHER A/R-GUARDIAN LIFE/METLIFE	Asset			Active
0	143.3	OTHER A/C REC-EMP CLOTHING PURCH	Asset			Active
0	143.33	OTHER ACCTS REC-EAST KY INCENTIV	Asset			Active
0	143.34	OTHER ACCTS REC - ACRE/AEC PAC	Asset			Active
0	143.41	OTHER A/R - ETS MAINTENANCE	Asset			Active
0	143.43	OTHER A/R - EAST KY-SIMPLE SAVER	Asset			Active
0	143.44	OTHER A/R - ANTHEM VISION INS	Asset			Active
0	143.45	OTHER A/R-EASTKY-SMARTTHERMOSTAT	Asset			Active
0	143.98	OTHER ACCTS REC-PERSONAL CC CHARGES	Asset			Active
0	143.99	OTHER ACCTS REC-RETIREE INSURANCE INV'S	Asset			Active
0	144.1	ACC PROV FOR UNCL CUST ACCT-CR	Asset			Active
0	151.0	FUEL STOCK	Asset			Active
0	154.1	PLANT MATERIAL & OPER SUPPLIES	Asset			Active
0	154.2	VEHICLE PARTS INVENTORY	Asset			Active

01/16/2025 3:53:04 pm

Page: 4

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	155.11	MERCHANDISE INV (WATER HEATERS)	Asset			Active
0	155.2	MERCHANDISE INV - ETS HEATERS	Asset			Active
0	163.0	STORES EXPENSE UNDISTRIBUTED	Asset			Active
0	165.1	PREPAYMENTS - INSURANCE	Asset			Active
0	165.11	PREPAYMNTS-NRECA DUES/RETIREMENT	Asset			Active
0	165.12	PREPYMNTS-HARTFORD 24HR ACCIDENT	Asset			Active
0	165.2	PREPAYMENTS - KAEC DUES	Asset			Active
0	165.22	PREPAYMNTS-SPARE TRANSFORMER PROG	Asset			Active
0	165.23	OTHER PREPAYMENTS (DP MAINT)	Asset			Active
0	171.0	INTEREST & DIVIDEND REC (CFC)	Asset			Active
0	172.0	RENT REC (JOINT POLE USE-NET)	Asset			Active
0	173.0	ACCRUED UTILITY REV(UNBILLED)	Asset			Active
0	182.3	OTHER REG ASSET-DEF METER RETIRE	Asset			Active
0	182.31	OTHER REG ASSET-ENVRMTAL SURCHG	Asset			Active
0	182.32	OTHER REG ASSET-RATE CASE - 6/22	Asset			Active
0	182.33	OTHER REG ASSET-RATE CASE-7/24	Asset			Active
0	184.21	CLEARING ACCOUNT-GENERAL PLANT	Asset			Active
0	184.22	EMPLOYEE PENSION&BENEFIT-CLEARNG	Asset			Active
0	184.4	TRANSPORTATION EXPENSE-CLEARING	Asset			Active
0	184.99	UNPRODUCTIVE PAY	Asset			Active
0	186.0	MISC DEF DEBITS- RETIREMENT EXP	Asset			Active
0	186.03	MISC DEF DEBITS - OTHER	Asset			Active
0	186.05	MISC DEF DR-FRNG BENE ALL OTHERS	Asset			Active
0	186.06	MISC DEF DR - MEDICAL EXPENSE	Asset			Active
0	186.07	MISC DEF DR - DENTAL EXPENSE	Asset			Active
0	186.08	MISC DEF DR - LIFE INS EXPENSE	Asset			Active
0	186.11	MISC DEF DEBITS-RS PREPAYMENT	Asset			Active
0	186.13	MISC DEF DEBITS-MINOR MAT ISSUED	Asset			Active
0	186.15	MISC DEF DEBITS - LTD EXPENSE	Asset			Active
0	186.18	MISC DEF DR - SAVINGS EXPENSE	Asset			Active
0	186.22	MISC DEF DR - SHORT TERM DISABILTY	Asset			Active
0	186.23	MISC DEF DR - FML ABSENCE MANAGEMENT	Asset			Active
0	200.0	MEMBERSHIPS ISSUED	Liability			Active
0	201.1	PATRONS CAP CREDITS - ASSIGNED	Liability			Active
0	201.2	PATRONAGE CAPITAL ASSIGNABLE	Liability			Active
0	208.0	DONATED CAPITAL	Liability			Active

01/16/2025 3:53:04 pm

Page: 5

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	214.3	ACCR OTHER COMPREHENSIVE INCOME	Liability			Active
0	217.0	RETIRED CAPITAL CR-FORFEIT GAINS	Liability			Active
0	217.1	RETIRED CAP CR(UNCLAIMED REFUNDS	Liability			Active
0	217.2	RETIRED CAP CR(RETIRE NO CHECK)	Liability			Active
0	219.1	OPERATING MARGINS	Liability			Active
0	219.11	OPERATING MARGINS-ACCTNG CHG2016	Liability			Active
0	219.2	NON-OPERATING MARGINS	Liability			Active
0	219.3	OTHER MARGINS - PRIOR YEARS LOSS	Liability			Active
0	224.12	OTHER L T D - CFC	Liability			Active
0	224.13	CFC NOTES EXECUTED - DEBIT	Liability			Active
0	224.14	OTHER LTD-MORTGAGE NOTES PAYABLE	Liability			Active
0	224.16	LTD-REA ECON DEV NOTES EXECUTED	Liability			Active
0	224.17	REA NOTES EXECUTED-ECON DEV-DR	Liability			Active
0	224.18	OTHER L T D - GRANT FUNDS	Liability			Active
0	224.19	OTHER LTD - COBANK	Liability			Active
0	224.2	COBANK NOTES EXECUTED - DEBIT	Liability			Active
0	224.21	CURRENT MATURITIES-LTD-COBANK	Liability			Active
0	224.22	CURRENT MATURITIES-LTD-CFC	Liability			Active
0	224.24	RUS - LONG-TERM DEBT-FFB LOANS	Liability			Active
0	224.25	RUS - FFB NOTES EXECUTED - DEBIT	Liability			Active
0	224.26	CURRENT MATURITIES-LTD-ECON DEV	Liability			Active
0	224.3	L T D - REA CONST NOTES EXECUTED	Liability			Active
0	224.31	CURRENT MATURITIES=LTD-RUS	Liability			Active
0	224.32	CURRENT MATURITIES-LTD-CITY MONT	Liability			Active
0	224.33	CURRENT MATURITIES-LTD-FFB	Liability			Active
0	224.4	REA NOTES EXECUTED-CONST-DEBIT	Liability			Active
0	224.6	ADV PAYMENTS UNAPPLIED-LTD-DEBIT	Liability			Active
0	228.3	ACC PROV FOR PENSIONS & BENEFITS	Liability			Active
0	231.11	NOTES PAYABLE - CFC SHORT TERM	Liability			Active
0	232.0	ACCOUNTS PAYABLE - GENERAL	Liability			Active
0	232.1	ACCOUNTS PAYABLE - EAST KY POWER	Liability			Active
0	232.13	ACCTS PAYABLE - ELEC PMT REFUNDS	Liability			Active
0	232.14	A/P - KY SALES AND USE TAX	Liability			Active
0	232.16	ACCOUNTS PAYABLE - EFTPS	Liability			Active
0	232.2	A/P - EMPLOYER'S 401-K	Liability			Active
0	232.21	A/P - NRECA EMPLOYEE LOANS	Liability			Active

01/16/2025 3:53:04 pm

Page: 6

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	232.22	A/P - 401K EMPLOYEE - PRETAX	Liability			Active
0	232.23	A/P - 401K EMPLOYEE - AFTERTAX	Liability			Active
0	232.25	A/P - CHARITY JEAN FUNDRAISER	Liability			Active
0	232.26	A/P-EMPLOYEE 401K - ROTH	Liability			Active
0	232.3	ACCOUNTS PAYABLE - OTHER	Liability			Active
0	232.4	ACCOUNTS PAYABLE - REA	Liability			Active
0	232.5	ACCOUNTS PAYABLE - CFC	Liability			Active
0	232.51	ACCOUNTS PAYABLE - COBANK	Liability			Active
0	232.71	ACCOUNTS PAYABLE - CREDIT UNION	Liability			Active
0	232.72	ACCOUNTS PAYABLE - CHILD SUPPORT	Liability			Active
0	232.73	ACCOUNTS PAYABLE - UNION DUES	Liability			Active
0	232.98	UNINVOICED MATERIAL	Liability			Active
0	235.0	CUSTOMER DEPOSITS	Liability			Active
0	235.1	CUSTOMER DEPOSITS - CONTRACT	Liability			Active
0	236.1	ACCRUED PROPERTY TAXES	Liability			Active
0	236.11	ACCRUED PSC ASSESSMENT	Liability			Active
0	236.2	ACC U S SOC SEC - UNEMPLOYMENT	Liability			Active
0	236.4	ACC STATE SOC SEC - UNEMPLOYMENT	Liability			Active
0	236.5	ACCRUED KY SALES TAX - CONSUMERS	Liability			Active
0	236.51	ACCRUED KY SALES TAX-PREPAYMENT	Liability			Active
0	236.52	ACCRUED TN SALES TAX-CONSUMERS	Liability			Active
0	236.7	ACCRUED TAXES-SCHOOL(PULASKI)	Liability			Active
0	236.71	ACCRUED TAXES-SCHOOL(ADAIR)	Liability			Active
0	236.72	ACCRUED TAXES-SCHOOL(CASEY)	Liability			Active
0	236.73	ACCRUED TAXES-SCHOOL(CLINTON)	Liability			Active
0	236.74	ACCRUED TAXES-SCHOOL(CUMBERLAND)	Liability			Active
0	236.75	ACCRUED TAXES-SCHOOL(LAUREL)	Liability			Active
0	236.76	ACCRUED TAXES-SCHOOL(LINCOLN)	Liability			Active
0	236.77	ACCRUED TAXES-SCHOOL(MCCREARY)	Liability			Active
0	236.78	ACCRUED TAXES-SCHOOL(ROCKCASTLE)	Liability			Active
0	236.79	ACCRUED TAXES-SCHOOL(RUSSELL)	Liability			Active
0	236.8	ACCRUED TAXES-SCHOOL(WAYNE)	Liability			Active
0	236.82	ACCRUED TAXES-SCHOOL(SOMERSET)	Liability			Active
0	236.83	ACCRUED TAX-SCHOOL(SCIENCE HILL)	Liability			Active
0	237.11	INTEREST ACCR-FFB LOANS	Liability			Active
0	237.2	INT ACCRUED-CITY OF MONT-LTD	Liability			Active

01/16/2025 3:53:04 pm

Page: 7

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	237.31	OTHER INTEREST ACC (CFC-LTD)	Liability			Active
0	237.33	INTEREST ACCR-CONSUMER DEPOSITS	Liability			Active
0	238.1	PATRONAGE CAPITAL PAYABLE	Liability			Active
0	241.2	ACCRUED STATE INCOME TAX-EMPL	Liability			Active
0	241.21	LOCAL TAX W/H-CITY OF RUSSELL SP	Liability			Active
0	241.22	LOCAL TAX W/H - PULASKI COUNTY	Liability			Active
0	241.23	LOCAL TAX W/H - RUSSELL COUNTY	Liability			Active
0	241.25	LOCAL TAX W/H - CLINTON COUNTY	Liability			Active
0	241.26	LOCAL TAX W/H - LINCOLN COUNTY	Liability			Active
0	241.27	LOCAL TAX W/H - WAYNE COUNTY	Liability			Active
0	241.28	LOCAL TAX W/H - MCCREARY COUNTY	Liability			Active
0	241.29	LOCAL TAX W/H - JAMESTOWN	Liability			Active
0	241.3	LOCAL TAX W/H - SOMERSET	Liability			Active
0	241.5	MONTICELLO - FRANCHISE TAX	Liability			Active
0	241.51	ALBANY - FRANCHISE TAX	Liability			Active
0	242.2	ACCRUED PAYROLLS	Liability			Active
0	242.4	ACCRUED EMPLOYEES' SICK LEAVE	Liability			Active
0	242.55	MISC ACCR LIAB-AUDIT EXPENSE	Liability			Active
0	242.58	MISC ACCRUED LIABILITY-RIGHT OF WAY	Liability			Active
0	242.99	PAYROLL CLEARING	Liability			Active
0	252.0	CUST ADV CONST (EXCESS OF 1000')	Liability			Active
0	252.01	CUST ADV CONST (QUES PERM SER)	Liability			Active
0	252.05	CUST ADV CONST(M H 300'TO 1000')	Liability			Active
0	252.06	CUST ADV CONST(M H OVER 1000')	Liability			Active
0	252.09	CUST ADV CONST(BARNS,S BLDG,ETC)	Liability			Active
0	252.12	LINE EXTENSION AGREEMENT-TIM JUSTICE	Liability			Active
0	252.13	LINE EXTENSION AGREEMENT-JAMES CARL WARD	Liability			Active
0	252.14	LINE EXTENSION AGREEMENT-KEVIN BERRY	Liability			Active
0	252.15	LINE EXTENSION AGREEMENT-JOHN BURRICHTER	Liability			Active
0	252.16	LINE EXTENSION AGREEMENT-TOM ALLEN	Liability			Active
0	253.06	OTHER DEF CR (METER TEST FEES)	Liability			Active
0	253.13	OTHER DEF CR(SOLAR FARM CREDIT)	Liability			Active
0	253.14	OTHER DEF CR(EV HOME CHARGING)	Liability			Active
0	253.15	OTHER DEF CR(EKP EARNINGS MECHANISM)	Liability			Active
0	254.0	OTHER REG LIAB - ENVRMTL SURCHG	Liability			Active
0	360.0	LAND & LAND RIGHTS (DIST PLANT)	Asset			Active

01/16/2025 3:53:04 pm

Page: 8

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	361.0	STRUCTURE & IMPROVE (DISTPLANT)	Asset			Active
0	362.0	STATION EQUIPMENT	Asset			Active
0	362.01	STATION EQUIPMENT-SCADA TOWERS	Asset			Active
0	362.02	STATION EQUIP-OTHER SCADA EQUIP	Asset			Active
0	364.0	POLES, TOWERS & FIXTURES	Asset			Active
0	365.0	OVERHEAD CONDUCTORS & DEVICES	Asset			Active
0	366.0	UNDERGROUND CONDUIT	Asset			Active
0	367.0	UNDERGROUND CONDUCTORS & DEVICES	Asset			Active
0	368.0	LINE TRANSFORMERS	Asset			Active
0	369.0	SERVICES	Asset			Active
0	370.0	METERS	Asset			Active
0	370.01	METERS - AMR(RESIDENTIAL)	Asset			Active
0	370.03	METERS - AMR(COMMERCIAL)	Asset			Active
0	370.16	METERS-AMR(COMPUTER)	Asset			Active
0	371.0	INSTALLATIONS ON CUST PREMISES	Asset			Active
0	373.0	STREET LIGHTING & SIGNAL SYSTEMS	Asset			Active
0	389.0	LAND & LAND RIGHTS (GEN PLANT)	Asset			Active
0	389.1	LAND & LAND RIGHTS(SOMERSET)	Asset			Active
0	389.11	LAND & LAND RIGHTS(WHITLEY CITY	Asset			Active
0	389.12	LAND & LAND RIGHTS(ALBANY)	Asset			Active
0	389.13	LAND & LAND RIGHTS(MONTICELLO)	Asset			Active
0	389.14	LAND & LAND RIGHTS(RUSSELL SPRGS	Asset			Active
0	389.15	LAND & LAND RIGHTS(SUMERSETBLVD)	Asset			Active
0	390.0	STRUCTURES & IMPROVEMENTS	Asset			Active
0	391.0	OFFICE FURNITURE & EQUIPMENT	Asset			Active
0	391.1	COMPUTER & PROCESSING EQUIPMENT	Asset			Active
0	391.11	COMP & PROCESS EQUIP - AVL	Asset			Active
0	392.0	TRANSPORTATION EQUIPMENT	Asset			Active
0	393.0	STORES EQUIPMENT	Asset			Active
0	394.0	TOOLS, SHOP & GARAGE EQUIPMENT	Asset			Active
0	395.0	LABORATORY EQUIPMENT	Asset			Active
0	396.0	POWER OPERATED EQUIPMENT	Asset			Active
0	397.0	COMMUNICATION EQUIPMENT	Asset			Active
0	398.0	MISCELLANEOUS EQUIPMENT	Asset			Active
0	403.6	DEPR EXPENSE-DISTRIBUTION PLANT	Expense	Operating		Active
0	403.7	DEPR EXPENSE-GENERAL PLANT	Expense	Operating		Active

01/16/2025 3:53:04 pm

Page: 9

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	407.1	AMORTIZTN-UNRECOVERD PLANT-METER	Expense	Operating		Active
0	408.1	TAXES - PROPERTY	Expense	Operating		Active
0	408.11	TAXES - P S C ASSESSMENT	Expense	Operating		Active
0	408.2	TAXES-U S SOC SEC-UNEMPLOYMENT	Expense	Operating		Active
0	408.3	TAXES-U S SOC SEC-FICA	Expense	Operating		Active
0	408.4	KY STATE UNEMPLOYMENT	Expense	Operating		Active
0	408.5	TAXES-SALES/SCHOOL TAX ASSESSED	Expense	Operating		Active
0	415.0	REV FROM MDSG,JOBBING&CONT WORK	Income	Non Operating		Active
0	415.01	REV FROM MDSG - ETS HEATERS	Income	Non Operating		Active
0	415.04	REV FROM MDSG - WATER HEATERS	Income	Non Operating		Active
0	415.2	KY LIVING INSERT - SALES	Income	Non Operating		Active
0	416.02	COST OF MDSG - ETS HEATERS	Expense	Non Operating		Active
0	416.04	COST OF MDSG - WATER HEATERS	Expense	Non Operating		Active
0	417.01	REV NU OPER(METER POLE SERVICE)	Income	Non Operating		Active
0	417.02	REV FROM NON-UT OPER(INT S-12)	Income	Non Operating		Active
0	417.06	REV NU OPER(TEMP SERVICE RENTAL)	Income	Non Operating		Active
0	417.09	ENVIRONMENTAL SURCHARGE	Income	Non Operating		Active
0	417.11	EXP NU OPER-(METER POLE SERVICE)	Income	Non Operating		Active
0	418.03	NONOP RENTAL INCOME(MEPB RENTAL)	Income	Non Operating		Active
0	418.14	NONOP RENTAL INCOME(19 HARDWOOD)	Income	Non Operating		Active
0	418.15	NONOP RENTAL EXP(19 HARDWOOD DR)	Expense	Non Operating		Active
0	418.16	NONOP RENTAL EXP(MEPB RENTAL)	Expense	Non Operating		Active
0	419.0	INTEREST & DIVIDEND INCOME	Income	Non Operating		Active
0	421.0	MISC NONOPERATING INCOME	Income	Non Operating		Active
0	421.01	MISC NONOPER INCOME-FARM INCOME	Income	Non Operating		Active
0	421.02	MISC NONOPER INCOME-FARM EXPENSE	Income	Non Operating		Active
0	421.04	MISC NONOPERATING EXPENSE	Income	Non Operating		Active
0	421.1	GAIN/LOSS - DISPOSAL OF PROPERTY	Income	Non Operating		Active
0	423.0	G & T COOPERATIVE CAPITAL CREDIT	Income	Operating		Active
0	424.0	OTHER CAP CR & PATRON CAP ALLOC	Income	Operating		Active
0	425.0	MISCELLANEOUS AMORTIZATION	Income	Operating		Active
0	426.1	DONATIONS(CHAR, SOCIAL OR COMM)	Expense	Operating		Active
0	426.11	DONATIONS-ROGERS SCHOLARS GOLF	Expense	Operating		Active
0	426.3	PENALTIES	Expense	Operating		Active
0	426.4	EXP FOR CER CIVIC,POL & REL ACT	Expense	Operating		Active
0	426.5	OTHER DEDUCTIONS	Expense	Operating		Active



01/16/2025 3:53:04 pm

Page: 10

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	427.1	INTEREST ON REA CONST LOAN	Expense	Operating		Active
0	427.11	INTEREST ON FFB LOANS	Expense	Operating		Active
0	427.21	INTEREST ON OTHER LTD - CFC	Expense	Operating		Active
0	427.24	INTEREST ON LTD - CITY OF MONT	Expense	Operating		Active
0	427.25	INTEREST ON LTD - COBANK	Expense	Operating		Active
0	427.26	INTEREST ON LTD-CITIZENS PPPLOAN	Expense	Operating		Active
0	431.0	OTHER INTR EXP-INTR ON CONS DEP	Expense	Operating		Active
0	431.1	INTR EXP - CFC SHORT TERM	Expense	Operating		Active
0	431.12	INTEREST EXPENSE - OTHER	Expense	Operating		Active
0	440.1	RESIDENTIAL SALES - RURAL	Income	Operating		Active
0	442.1	COMM & INDUSTRIAL SALES - SMALL	Income	Operating		Active
0	442.2	COMM & INDUSTRIAL SALES-LARGE	Income	Operating		Active
0	442.21	LG COMM OR IND W'OUT DEMAND CHGS	Income	Operating		Active
0	444.0	PUBLIC STREETS & HWY LIGHTING	Income	Operating		Active
0	445.0	SALES TO PUB BLDGS&OTH PUB AUTH	Income	Operating		Active
0	450.1	FORFEITED DISC(LATE PAYMENT CHG)	Income	Operating		Active
0	451.0	MISC SERVICE REVENUES	Income	Operating		Active
0	454.0	RENT FROM ELECTRIC PROPERTY	Income	Operating		Active
0	456.0	OTHER ELECTRIC REVENUE	Income	Operating		Active
0	456.02	OTHER ELEC REV-UNBILLED REVENUE	Income	Operating		Active
0	555.0	PURCHASED POWER	Expense	Operating		Active
0	580.0	OPER SUPERVISION & ENGINEERING	Expense	Operating		Active
0	582.0	STATION EXPENSES	Expense	Operating		Active
0	582.1	STATION EXPENSE - SCADA	Expense	Operating		Active
0	583.0	OVERHEAD LINE EXPENSES	Expense	Operating		Active
0	583.1	POWER QUALITY - OVERHEAD	Expense	Operating		Active
0	583.2	OPER OVERHEAD LINES-PCB COSTS	Expense	Operating		Active
0	583.3	O/H LINE EXP - DCI SENTRY SYSTEM	Expense	Operating		Active
0	583.4	OVERHEAD LINE EXPENSE - PSC INSPECTION	Expense	Operating		Active
0	584.0	UNDERGROUND LINE EXPENSES	Expense	Operating		Active
0	584.1	POWER QUALITY - UNDERGROUND	Expense	Operating		Active
0	586.0	METER EXPENSES	Expense	Operating		Active
0	586.01	METER EXPENSES - AMR	Expense	Operating		Active
0	586.02	METER EXP-SMART GRID ENERGYGRANT	Expense	Operating		Active
0	587.0	CUSTOMER INSTALLATIONS EXPENSE	Expense	Operating		Active
0	587.1	CUSTOMER INSPECTIONS (CREDITS)	Expense	Operating		Active

01/16/2025 3:53:04 pm

Page: 11

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	587.2	CUSTOMER INSPECTION EXPENSE	Expense	Operating		Active
0	587.3	CUSTOMER INST EXP-STRAY VOLTAGE	Expense	Operating		Active
0	588.0	MISC DISTRIBUTION EXPENSE	Expense	Operating		Active
0	588.1	MISC DISTRIBUTION EXP - MAPPING	Expense	Operating		Active
0	590.0	MAINT SUPERVISION & ENGINEERING	Expense	Operating		Active
0	592.0	MAINT OF STATION EQUIPMENT	Expense	Operating		Active
0	592.1	MAINTENANCE - SCADA EQUIPMENT	Expense	Operating		Active
0	593.0	MAINTENANCE OF OVERHEAD LINES	Expense	Operating		Active
0	593.01	MAINT OF OVERHEAD LINES - UAI	Expense	Operating		Active
0	593.1	STORM DAMAGE EXP	Expense	Operating		Active
0	593.11	STORM DAMAGE REIMBURSEMENT	Expense	Operating		Active
0	593.2	MAINT OF OVERHEAD LINES-PCB COST	Expense	Operating		Active
0	593.3	MAINT OF OH LINES-DCI SENTRY SYS	Expense	Operating		Active
0	593.5	MAINT OF OVERHEAD LINES - R/W	Expense	Operating		Active
0	594.0	MAINT OF UNDERGROUND LINES	Expense	Operating		Active
0	595.0	MAINT OF LINE TRANSFORMERS	Expense	Operating		Active
0	596.0	MAINT OF ST LIGHTING&SGL SYSTEM	Expense	Operating		Active
0	596.11	MAINT OF STREET LIGHT(SODIUM)	Expense	Operating		Active
0	596.13	MAINT OF STREET LIGHT(LED)	Expense	Operating		Active
0	597.0	MAINTENANCE OF METERS	Expense	Operating		Active
0	598.0	MAINT OF MISC DISTRIBUTION PLANT	Expense	Operating		Active
0	598.11	MAINT OF SECURITY LIGHT(SODIUM)	Expense	Operating		Active
0	598.12	MAINT OF SECURITY LIGHT(M VAPOR)	Expense	Operating		Active
0	598.13	MAINT SECURITY LIGHT(SODIUM DIR)	Expense	Operating		Active
0	598.14	MAINT SECURITY LIGHT(M VAPOR DIR)	Expense	Operating		Active
0	598.15	MAINT SECURITY LIGHT(M HALIDE)	Expense	Operating		Active
0	598.16	MAINT OF SECURITY LIGHT(LED)	Expense	Operating		Active
0	901.0	SUPERVISION (CUSTOMER ACCOUNTS)	Expense	Operating		Active
0	902.0	METER READING EXPENSE	Expense	Operating		Active
0	902.1	METER READING EXPENSE - CONTRACT	Expense	Operating		Active
0	903.0	CUST RECORDS & COLLECTION EXP	Expense	Operating		Active
0	903.1	CASH - SHORTAGES & OVERAGES	Expense	Operating		Active
0	904.0	UNCOLLECTIBLE ACCOUNTS	Expense	Operating		Active
0	907.0	SUPV(CUST SERV&INFORMATION EXP)	Expense	Operating		Active
0	908.0	CUSTOMER ASSISTANCE EXPENSE	Expense	Operating		Active
0	908.1	CUST ASST EXP-CONTRACT,TUNEUP PR	Expense	Operating		Active

01/16/2025 3:53:04 pm

Page: 12

## GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	908.11	CUST ASST EXP-BUTTON UP REIMBURS	Expense	Operating		Active
0	908.12	CUST ASST EXP-COMMERCIAL&INDUSTR	Expense	Operating		Active
0	909.0	INFORMATIONAL & INSTR ADVT EXP	Expense	Operating		Active
0	910.0	MISC CUST SERV&INFORMATIONAL EXP	Expense	Operating		Active
0	912.0	DEMONSTRATING & SELLING EXPENSES	Expense	Operating		Active
0	920.0	ADMINISTRATIVE&GENERAL SALARIES	Expense	Operating		Active
0	921.0	OFFICE SUPPLIES & EXPENSE	Expense	Operating		Active
0	923.0	OUTSIDE SERVICES EMPLOYED	Expense	Operating		Active
0	923.01	OUTSIDE SERVICE-ECONOMIC DEVELOP	Expense	Operating		Active
0	924.0	PROPERTY INSURANCE	Expense	Operating		Active
0	925.0	INJURIES AND DAMAGES	Expense	Operating		Active
0	925.01	LINEMAN RODEO EXPENSE	Expense	Operating		Active
0	926.99	FRINGE BENEFITS - W-2 REPORTING	Expense	Operating		Active
0	928.0	REGULATORY COMMISSION EXPENSES	Expense	Operating		Active
0	929.0	DUPLICATE CHARGES - CREDIT	Expense	Operating		Active
0	930.1	GENERAL ADVERTISING EXPENSE	Expense	Operating		Active
0	930.11	GEN ADVERTISING (FAIRS & PARADE)	Expense	Operating		Active
0	930.2	MISCELLANEOUS GENERAL EXPENSES	Expense	Operating		Active
0	930.21	DIRECTORS FEES AND MILEAGE	Expense	Operating		Active
0	930.22	DUES & EXPENSE - ASSOC COMPANIES	Expense	Operating		Active
0	930.23	ANNUAL MEETING EXPENSE	Expense	Operating		Active
0	930.24	MISC GEN EXP-CAP CR&OTH FIN NOT	Expense	Operating		Active
0	930.28	MISC GEN EXP-STAFF LEGAL COUNSEL	Expense	Operating		Active
0	930.31	MISC GEN EXP-PEOPLE FUND	Expense	Operating		Active
0	930.39	MISC GEN EXP-SIMPLE SAVER	Expense	Operating		Active
0	935.0	MAINTENANCE OF GENERAL PLANT	Expense	Operating		Active
0	998.0	SUSPENSE DEBIT	Clearing			Active
0	998.1	PROFIT CLEARING - OPERATING	Clearing			Active
0	998.2	PROFIT CLEARING - NON-OPERATING	Clearing			Active
0	999.0	SUSPENSE CREDIT	Clearing			Active

Total Accounts: 426

01/16/2025 3:53:04 pm

# GENERAL LEDGER CHART OF ACCOUNTS

Page: 13

## PARAMETERS ENTERED:

**Division:** All  
**Account:** All  
**Status:** Active  
**Sort By:** Account  
**Departments:** No  
**Activities:** No  
**Financial Information:** No  
**Open Fields:** No  
**Show Comments:** No

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 17**

**807 KAR 5:001 Section 16(4)(k)**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirements:**

*The independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls.*

**Response:**

Please see attached auditor's report.

# **SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**

## **FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

*As of and for the Years Ended December 31, 2023 and 2022*

*And Reports of Independent Auditor*

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**TABLE OF CONTENTS**

---

**REPORT OF INDEPENDENT AUDITOR**..... 1-3

**FINANCIAL STATEMENTS**

Balance Sheets ..... 4  
Statements of Income and Comprehensive Income ..... 5  
Statements of Changes in Members' and Patrons' Equities ..... 6  
Statements of Cash Flows ..... 7  
Notes to the Financial Statements ..... 8-18

**SUPPLEMENTARY INFORMATION**

Schedule of Expenditures of Federal Awards ..... 19  
Notes to the Schedule of Expenditures of Federal Awards ..... 19

**COMPLIANCE SECTION**

Report of Independent Auditor on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Required by *Government Auditing Standards* ..... 20-21  
Report of Independent Auditor on Compliance for the Major Federal Program and  
Report on Internal Control over Compliance Required by the Uniform Guidance ..... 22-23  
Schedule of Findings and Questioned Costs ..... 24  
Summary Schedule of Prior Audit Findings ..... 25  
Report of Independent Auditor on Compliance with Aspects of Contractual Agreements  
and Regulatory Requirements for Electric Borrowers ..... 26-27

## Report of Independent Auditor

To the Board of Directors  
South Kentucky Rural Electric Cooperative Corporation  
Somerset, Kentucky

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of South Kentucky Rural Electric Cooperative Corporation (the "Cooperative") which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and comprehensive income, changes in members' and patrons' equities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cooperative as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Cooperative, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Prior Period Financial Statements**

The financial statements as of December 31, 2022, were audited by MCM CPAs & Advisors LLP, which was acquired by Cherry Bekaert LLP as of October 31, 2023, and whose report dated April 26, 2023, expressed an unmodified opinion on those statements.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cooperative financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") is presented for purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information referred to above is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2024, on our consideration of the Cooperative's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cooperative's internal control over financial reporting and compliance.

*Cherry Bekaert LLP*

Louisville, Kentucky  
April 26, 2024

# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Electric plant in service, net	\$ 218,714,101	\$ 210,277,534
Investments:		
Investments in associated organizations	8,108,024	8,489,529
Investment in East Kentucky Power Cooperative	86,763,368	84,745,272
Total Investments	94,871,392	93,234,801
Current Assets:		
Cash and equivalents	16,997,433	15,616,385
Accounts receivable - customers (net of allowance for credit losses of \$774,837 and \$852,618 in 2022 and 2021, respectively)	6,276,310	9,796,316
Accounts receivable - unbilled	8,962,214	9,864,663
Other receivables	1,473,265	1,851,252
Materials and supplies	2,580,440	2,042,774
Prepayments and other	488,021	509,000
Total Current Assets	36,777,683	39,680,390
Regulatory assets, net	991,372	1,247,874
Deferred Debits:		
Prepayment	70,136	490,951
General plant clearing	-	96,000
Total Deferred Debits	70,136	586,951
<b>Total Assets</b>	<b>\$ 351,424,684</b>	<b>\$ 345,027,550</b>
<b>MEMBERS' AND PATRONS' EQUITIES AND LIABILITIES</b>		
Members' and Patrons' Equities:		
Memberships	\$ 1,222,525	\$ 1,213,436
Patronage capital	157,953,935	158,321,985
Equities	11,821,297	10,208,991
Accumulated other comprehensive margin	(1,926,864)	(2,971,435)
Total Members' and Patrons' Equities	169,070,893	166,772,977
Long-Term Debt and Other Liabilities:		
Long-term debt, less current maturities	147,747,421	139,773,946
Accrued compensated absences	1,434,950	1,581,311
Postretirement benefits obligation	7,387,318	8,565,834
Total Long-Term Debt and Other Liabilities	156,569,689	149,921,091
Current Liabilities:		
Current portion of long-term debt	8,226,253	8,117,947
Accounts payable	13,088,269	15,822,498
Accrued interest	192,669	148,125
Customer guaranty deposits	2,791,987	2,681,345
Other current liabilities	1,095,717	1,164,306
Total Current Liabilities	25,394,895	27,934,221
Deferred Credits:		
Consumer advances for construction	388,945	398,947
Other	262	314
Total Deferred Credits	389,207	399,261
<b>Total Members' and Patrons' Equities and Liabilities</b>	<b>\$ 351,424,684</b>	<b>\$ 345,027,550</b>

The accompanying notes to the financial statements are an integral part of these statements.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<b>2023</b>	<b>%</b>	<b>2022</b>	<b>%</b>
<b>Operating Revenue:</b>				
Sale of electric energy				
Residential	\$ 96,730,150	64.84 %	\$ 106,401,541	66.15 %
Commercial	47,395,460	31.77	49,279,025	30.64
Public authorities and outdoor lighting	2,011,176	1.35	2,069,503	1.29
Total Sale of Electric Energy	<u>146,136,786</u>	<u>97.96</u>	<u>157,750,069</u>	<u>98.08</u>
Other revenue	3,045,066	2.04	3,093,324	1.92
Total Operating Revenue	<u>149,181,852</u>	<u>100.00</u>	<u>160,843,393</u>	<u>100.00</u>
<b>Operating Expenses:</b>				
Cost of power	107,061,154	71.77	120,218,607	74.74
Distribution expense	19,912,066	13.35	13,004,218	8.09
Customer accounts expense	4,586,467	3.07	4,264,156	2.65
Customer services and information expense	510,439	0.34	448,225	0.28
Administrative and general expense	4,041,567	2.71	4,312,848	2.68
Depreciation and amortization	10,424,237	6.99	9,929,186	6.17
Taxes	130,855	0.09	127,723	0.08
Total Operating Expenses	<u>146,666,785</u>	<u>98.32</u>	<u>152,304,963</u>	<u>94.69</u>
Net Operating Margin	<u>2,515,067</u>	<u>1.68</u>	<u>8,538,430</u>	<u>5.31</u>
<b>Nonoperating (Expense) Income:</b>				
Interest expense	(5,532,220)	(3.71)	(5,254,159)	(3.27)
Other margins	1,891,657	1.27	588,273	0.37
Patronage capital	2,443,861	1.64	5,713,797	3.55
Total Nonoperating Margin	<u>(1,196,702)</u>	<u>(0.80)</u>	<u>1,047,911</u>	<u>0.65</u>
Net Margin	<u>1,318,365</u>	<u>0.88</u>	<u>9,586,341</u>	<u>5.96</u>
<b>Other Comprehensive Margin:</b>				
Change in post-retirement benefit obligation and other	1,044,571	0.70	1,874,041	1.17
Comprehensive Margin	<u>\$ 2,362,936</u>	<u>1.58 %</u>	<u>\$ 11,460,382</u>	<u>7.13 %</u>

The accompanying notes to the financial statements are an integral part of these statements.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**STATEMENTS OF CHANGES IN MEMBERS' AND PATRONS' EQUITIES**

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>Memberships</u>	<u>Patronage Capital</u>	<u>Equities</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Total Members' and Patrons' Equities</u>
<b>Balance January 1, 2022</b>	\$ 1,196,930	\$ 147,813,512	\$ 12,315,367	\$ (4,845,476)	\$ 156,480,333
Comprehensive income	-	8,998,068	588,273	1,874,041	11,460,382
Net change in memberships	16,506	-	-	-	16,506
Refunds to estates	-	(408,989)	(213,392)	-	(622,381)
General retirement refund	-	(1,961,290)	1,448,038	-	(513,252)
Recapture of bad debt	-	(63,043)	14,432	-	(48,611)
Transfers to other equity and prior year's income	-	3,943,727	(3,943,727)	-	-
<b>Balance December 31, 2022</b>	<u>1,213,436</u>	<u>158,321,985</u>	<u>10,208,991</u>	<u>(2,971,435)</u>	<u>166,772,977</u>
Comprehensive income	-	(573,293)	1,891,658	1,044,571	2,362,936
Net change in memberships	9,089	-	-	-	9,089
Refunds to estates	-	(383,029)	308,920	-	(74,109)
Transfers to other equity and prior year's income	-	588,272	(588,272)	-	-
<b>Balance, December 31, 2023</b>	<u>\$ 1,222,525</u>	<u>\$ 157,953,935</u>	<u>\$ 11,821,297</u>	<u>\$ (1,926,864)</u>	<u>\$ 169,070,893</u>

The accompanying notes to the financial statements are an integral part of these statements.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**STATEMENTS OF CASH FLOWS**

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>		
Net margins	\$ 1,318,365	\$ 9,586,341
Noncash expenses included in net margins Patronage capital assigned but not paid by associates organizations	(2,443,861)	(5,713,797)
Depreciation and amortization	10,424,237	9,929,186
Credit loss expense	149,026	73,318
Credit loss recapture - patronage capital	-	(48,611)
(Gain) loss on disposition of electric plant in service	(275,743)	(31,848)
Changes in current and non-current assets and liabilities:		
Accounts receivable	4,273,429	(4,091,202)
Other receivables	377,987	772,040
Materials and supplies	(537,666)	(244,272)
Prepayments and other	20,979	(17,767)
Accounts payable	(2,734,229)	2,377,707
Customer guaranty deposits	110,642	920,218
Accrued interest and other current liabilities	(24,045)	177,947
Accrued compensated absences	(146,361)	332,901
Postretirement benefits obligation	(133,945)	(224,002)
Net cash flows from operating activities	<u>10,378,815</u>	<u>13,798,159</u>
<b>Cash flows from investing activities:</b>		
Decrease in deferred debits	510,390	48,000
Decrease in deferred credits	(10,054)	(65,200)
Interest income - other margins	(889,711)	(273,877)
Decrease in advance loan payments unapplied	7,387,855	8,544,241
(Increase) decrease in economic development loan funds	678,660	(101,722)
Proceeds from sale of electric plant in service	364,390	46,496
Additions to electric plant in service	(17,246,508)	(14,453,503)
Removal cost, net	(1,440,016)	(1,353,591)
Patronage capital received from associated organizations	128,610	2,331,599
Net cash flows from investing activities	<u>(10,516,384)</u>	<u>(5,277,557)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from long-term notes payable	10,000,000	10,000,000
Payment of principal on long-term notes payable	(8,416,363)	(9,436,238)
Membership fees, net	9,089	16,506
Refund of patronage capital to members	(383,029)	(2,370,279)
Changes in other patronage capital and equities	308,920	1,249,078
Net cash flows from financing activities	<u>1,518,617</u>	<u>(540,933)</u>
Change in cash and equivalents during the year	1,381,048	7,979,669
Cash and equivalents, beginning of year	15,616,385	7,636,716
Cash and equivalents, end of year	<u>\$ 16,997,433</u>	<u>\$ 15,616,385</u>
<b>Supplemental disclosures of cash flow information:</b>		
Interest paid	<u>\$ 5,487,676</u>	<u>\$ 5,266,840</u>

The accompanying notes to the financial statements are an integral part of these statements.

# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

### Note 1—Nature of operations

South Kentucky Rural Electric Cooperative Corporation (the "Cooperative") is engaged in distributing power to its member consumers throughout eleven south central Kentucky counties and two northern Tennessee counties. The audited financial statements are prepared in accordance with policies prescribed or permitted by the Kentucky Public Service Commission ("PSC") and the United States Department of Agriculture Rural Utilities Services ("RUS"), which conform with generally accepted accounting principles as applied to regulated enterprises.

### Note 2—Summary of significant accounting policies

*Basis of Accounting* – The financial statements in accordance with policies prescribed or permitted by the Kentucky Public Service Commission and the United States Department of Agriculture, Rural Utilities Service ("RUS"), which conform with accounting principles generally accepted in the United States of America ("U.S. GAAP") in all material respects. As a rate-regulated entity, the Cooperative's financial statements reflect actions of regulators that result in the recording of revenues and expenses in different time periods than enterprises that are not rate-regulated in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) Topic 980, *Regulated Operations*. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

*Electric Plant in Service* – Electric plant is stated at original cost, which is the cost when first dedicated to public service. Maintenance and repairs, including the cost of renewals of minor items of property, are charged to maintenance expense accounts. Replacements of property, exclusive of minor items, are charged to the electric plant accounts.

Depreciation is provided using the straight-line method at rates which are designed to amortize the cost of depreciable plant, net of estimated salvage value, over its estimated useful life. Depreciation rates are within the ranges included in RUS Bulletin 183-1 and any rate changes have been approved by RUS for the depreciation rates used by the Cooperative. The depreciation rates have also been approved by the PSC as of June 30, 2022. The composite depreciation rate for distribution plant was approximately 3.34% and 3.35% for 2023 and 2022, respectively. Plant is being depreciated using specific identification straight-line method as follows:

Distribution plant	2.08% - 5.79%
General plant	2.00% - 15.00%

When distribution plant is retired or otherwise disposed of in the normal course of business, an estimate of its cost, together with the cost of removal less salvage, is charged to the accumulated provision for depreciation. Gains and losses resulting from the sale or disposal of general plant are recognized in income currently.

The major classifications of electric plant in service were as follows:

	<b>2023</b>	<b>2022</b>
Distribution plant	\$ 275,177,108	\$ 263,224,496
General plant	42,452,087	42,017,563
Construction in progress	5,305,944	3,378,565
	322,935,139	308,620,624
Accumulated depreciation	104,221,038	98,343,090
Electric plant in service, net	\$ 218,714,101	\$ 210,277,534

# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

---

### Note 2—Summary of significant accounting policies (continued)

*Cash and Equivalents* – For purposes of the statements of cash flows, the Cooperative considers short-term investments having maturities of three months or less at time of purchase to be cash equivalents.

*Accounts Receivable* – Accounts receivable consists of amounts due for sales of electric energy, which were not received by the Cooperative at year-end. The allowance for credit losses is based on the Cooperative's assessment of the collectability of customer accounts receivable. In accordance with ASC Topic 326: *Financial Instruments - Credit Losses*, the Cooperative makes ongoing estimates relating to the collectability of accounts receivable and records an allowance for estimated losses expected from the inability of its customers to make required payments. The Cooperative establishes expected credit losses by evaluating historical levels of credit losses, current and future economic conditions that may affect a customer's ability to pay, and creditworthiness of significant customers. These inputs are used to determine a range of expected credit losses and an allowance is recorded within the range. Accounts receivable are written off when there is no reasonable expectation of recovery. As of December 31, 2023 and 2022, the allowance for credit losses was \$774,837 and \$852,618 respectively.

Additionally, regulatory requirements authorized by the PSC allow the electric supplier to impose a fuel adjustment surcharge upon the Cooperative. In turn, the Cooperative is required to pass on the fuel surcharge to the consumer. Due to the regulatory requirements in calculating the surcharge the Cooperative may experience an over or under recovery of the fuel adjustment surcharge.

Similarly, the PSC has an environmental cost recovery mechanism that allows the electric supplier to recover certain costs incurred in complying with the Federal Clean Air Act as amended and those federal, state, and local environmental requirements which apply to coal combustion wastes and byproducts from facilities utilized for the production of energy from coal. In turn, the Cooperative is required to pass on this environmental cost recovery mechanism to the consumer.

Every six months and every two years, the PSC reviews the outcomes of the cost recovery mechanism for the environmental surcharge and may order an additional recovery or payback amount. The Cooperative records these amounts as a regulatory asset or liability.

The Cooperative records the under or over recovery of the fuel adjustment surcharge and the environmental surcharge on the financial statements.

*Materials and Supplies* – The Cooperative values materials and supplies at average cost.

*Regulatory Asset* – Deferred meter retirement is considered a regulatory asset in accordance with RUS Bulletin 1767B-1. RUS Bulletin 1767B-1 indicates that a regulatory asset results from a rate action of regulatory agencies. Regulatory assets arise from specific expenses or losses that would have been included in net income determinations in one period under the general requirements of the Uniform System of accounts but for it being probable that such items will be included in a different period for purposes of developing the rates the utility is authorized to charge for its utility services.

The deferred meter retirement expense was incurred by the Cooperative through a project to update its meters in conjunction with the Smart Grid Investment Grant provided by the Department of Energy. Per the guidance of the PSC, as mandated in its order dated May 11, 2012 in conjunction with Case No. 2011-00096, the Cooperative has placed the loss on the retirement of the old mechanical meters on its financial statements as a regulatory asset. This loss is to be amortized over a 15-year period. The net amount of the loss at December 31, 2023 and 2022 was \$748,916 and \$936,145, respectively. Amortization expense for the years ended December 31, 2023 and 2022 was \$187,229; deferred meter retirement is displayed on the balance sheets as a regulatory asset, net of the accumulated amortization.



# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

---

### Note 2—Summary of significant accounting policies (continued)

The Cooperative also incurred expenses pertaining to a regulatory rate increase in 2022 in the amount of \$345,365. This expense is to be amortized over a five-year period which commenced in July 2022. The net amount of this deferred expense as of December 31, 2023 and December 31, 2022 was \$242,456 and \$311,729. Amortization expense for the years ended December 31, 2023 and 2022 was \$69,073 and \$34,537. Deferred regulatory rate increase expenses are displayed on the balance sheets as a regulatory asset, net of the accumulated amortization.

*Revenue and Cost of Purchased Power* – The Cooperative records revenue as billed to its consumers based on monthly meter reading cycles. Consumers are required to pay a refundable customer deposit, which may be waived under certain circumstances. The Cooperative's sales are concentrated in an eleven-county area of south-central Kentucky and two northern Tennessee counties. Consumers must pay their bill within 20 days of billing, then are subject to disconnect after another 10 days. Accounts are written off when they are deemed to be uncollectible.

The Cooperative is required to collect, on behalf of the State of Kentucky, sales taxes based on 6% of gross sales from non-residential consumers, a 3% school tax from certain counties on most gross sales, and franchise fees in certain cities. The Cooperative's policy is to exclude sales tax from revenue when collected and expenses when paid and instead, record collection and payment of sales taxes through a liability account.

The Cooperative is one of sixteen members of East Kentucky Power Cooperative ("East Kentucky"). Under a wholesale power agreement, the Cooperative is committed to purchase its electric power and energy requirements from East Kentucky until 2051. The rates charged by East Kentucky are subject to approval of the PSC. The cost of purchased power is recorded monthly during the period in which the energy is consumed, based upon billings from East Kentucky.

*Advertising Costs* – The Cooperative records advertising expenses as they are incurred. Advertising expense amounted to \$32,621 and \$34,752 for the years ended December 31, 2023 and 2022, respectively.

*Investments in Associated Organizations* – The Cooperative follows the method of accounting as prescribed by the RUS Uniform System of Accounts in accounting for its investment in associated organizations. This accounting method results in the Cooperative recognizing income on its pro rata share of the associated organization's net margins in the year such margins are assigned. This accounting method does not provide for similar treatment for any losses of the associated organizations. Rather, such losses would not be assigned to member organizations and no additional margins are assigned until subsequent cumulative margins exceed prior cumulative losses.

*Accrued Compensated Absences* – The Cooperative has a policy to pay available but untaken compensated absences to employees who leave service. Accrued compensated absences presented in the financial statements represent available sick leave at December 31, 2023 and 2022. Paid time off is valued at the employees' current base rate of pay and the unpaid balance is paid out in full upon termination of employment.

*Comprehensive Income* – Comprehensive income is the change in equity of an enterprise during the year from transactions and other events and circumstances arising from non-operating sources. The Cooperative's total comprehensive income includes amounts associated with the change in post-retirement benefits obligation (see Note 10).

*Use of Estimates* – Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

---

### Note 2—Summary of significant accounting policies (continued)

*Revenue Recognition* – Operating revenues consist of income from the sale of electricity which constitutes approximately 98% of the Cooperative's operating revenues. The Cooperative provides services to customers prior to billing and those are recognized as accounts receivable - unbilled on the balance sheets. The unbilled revenue constitutes a contract asset, which is defined as an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. Electricity revenues are recognized over time as energy is delivered based upon month-end meter readings and rates approved by the PSC.

*Recent Accounting Pronouncements* – In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses ("Topic 326"): Measurement of Credit Losses on Financial Instruments*, which introduces the current expected credit loss ("CECL") model and replaces the incurred loss model. Credit losses on financial instruments measured at amortized cost will be determined using a current expected credit loss model which requires the Cooperative to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts.

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments - Credit Losses ("Topic 326"): Troubled Debt Restructurings and Vintage Disclosures*, to eliminate the accounting guidance for troubled debt restructurings by creditors, while enhancing disclosure requirements for certain loan refinancing and restructurings by creditors when a borrower is experiencing financial difficulty. These amendments are intended to improve the decision usefulness of information provided to investors about certain loan refinancings, restructurings, and write-offs.

On January 1, 2023, the Cooperative adopted ASU 2016-13 and ASU 2022-02 effective January 1, 2023 using the modified retrospective approach for all financial assets measured at amortized cost and off-balance sheet credit exposures. Results for the reporting periods beginning after January 1, 2023 are presented under Topic 326 while prior period amounts continue to be reported in accordance with previously applicable U.S. GAAP. No cumulative adjustment to net assets was deemed necessary.

*Subsequent Events* – Subsequent events for the Cooperative have been considered through April 26, 2024, which represents the date the financial statements were available to be issued.

### Note 3—Investments in associated organizations

*East Kentucky Power Cooperative ("East Kentucky")* – The Cooperative's investment of \$86,763,368 and \$84,745,272 as of December 31, 2023 and 2022, respectively, in East Kentucky, the sole supplier of power to the Cooperative, represents the Cooperative's equity ownership interest (approximately 11%) in East Kentucky. The Cooperative owed East Kentucky \$10,270,156 and \$14,103,367 at December 31, 2023 and 2022, respectively. These amounts are included in accounts payable on the balance sheets.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022

**Note 3—Investments in associated organizations (continued)**

*Associated Organizations* – Investments in other associated organizations consisted of:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Cooperative Finance Corporation, capital term certificates	\$ 1,510,200	\$ 1,516,205
Cooperative Finance Corporation, patronage capital	666,711	677,860
United Utility Supply	1,110,264	978,980
Meridian Cooperative, Inc.	435,898	424,671
Other associated organizations	1,123,232	951,434
Rural economic development loans and grants	3,236,924	3,915,584
Non utility property	24,795	24,795
	<u>\$ 8,108,024</u>	<u>\$ 8,489,529</u>

Substantially all of such investments, which consist mainly of patronage capital in the associated organization and capital term certificates are restricted by the respective organization and are not currently available for distribution. The patronage capital will be available to the Cooperative if the Cooperative should terminate its investment in the associated organization. The capital term certificates are not available until the related debt is paid off, currently expected to be between the years 2024 and 2080.

The Capital Term Certificates ("CTC's") were purchased from CFC as a condition of obtaining long-term financing and are recorded at cost. The CTC's bear interest at varying rates between 0% and 5% per annum and are scheduled to mature at varying times from 2024 to 2080. These certificates are required to be maintained under the note agreement with the National Rural Utilities Cooperative Finance Corporation ("NRUCFC") in an amount at least equal to 5% of the original debt issued or guaranteed by NRUCFC until maturity.

United Utility Supply ("United") is a primary supplier of transformers and overhead line materials and supplies. The Cooperative's purchases from United amounted to \$4,375,555 and \$2,578,898 for the years ended December 31, 2023 and 2022, respectively. The Cooperative owed United \$335,919 and \$135,799 at December 31, 2023 and 2022, respectively. These amounts are included in accounts payable on the balance sheets.

Meridian Cooperative, Inc., ("Meridian"), formally Southeastern Data Cooperative, Inc., is a primary supplier of data processing services and computer hardware and software. The Cooperative's purchases from Meridian were \$449,751 and \$1,398,295 for the years ended December 31, 2023 and 2022, respectively. The Cooperative owed Meridian \$0 at December 31, 2023 and 2022. These amounts are included in accounts payable on the balance sheets.

The Cooperative participates in the Rural Economic Development Loan and Grant ("REDLG") program through the United States Department of Agriculture ("USDA"). The USDA via the REDLG program provides zero interest loans and grants to rural communities through RUS borrowers. REDLG assistance promotes rural economic development and job creation projects in accordance with section 313 of the RE Act 7 CFR 1703, Subpart H. The Cooperative currently sponsors two local organizations with loans with a principal amount due of \$940,973 as of December 31, 2023. The Cooperative sponsored three local organizations with loans with a principal amount due of \$1,517,362 as of December 31, 2022.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022

**Note 3—Investments in associated organizations (continued)**

The Cooperative also has a revolving loan fund in which loans are made from the repaid grant funds. There are ten organizations that have received loans with a principal amount due of \$2,295,951 as of December 31, 2023. There were nine organizations that had received loans with a principal amount due of \$2,398,222 as of December 31, 2022. The available cash balance of the rural economic development revolving loan fund was \$830,239 and \$722,799 as of December 31, 2023 and 2022, respectively.

**Note 4—Income tax status**

The Cooperative is exempt from federal and state income taxes under §501(c)(12) of the Internal Revenue Code. The Cooperative recognizes uncertain income tax positions using the "more-likely-than-not" approach as defined in the ASC. No liability for uncertain tax positions has been recorded in the accompanying financial statements.

**Note 5—Lines of credit**

At December 31, 2023 and 2022, the Cooperative had two executed lines-of-credit totaling \$15,000,000 with CFC. The lines-of-credit bear variable interest rates, determined by CFC at the date of draw, and mature May 2025. At December 31, 2023 and 2022, there were no outstanding balances due under the lines of credit.

**Note 6—Long-term debt**

Long-term debt consisted of the following:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
RUS, 0.875% to 2.125%	\$ 2,526,761	\$ 2,794,653
Less advance payment	(16,277,099)	(22,795,174)
	<u>(13,750,338)</u>	<u>(20,000,521)</u>
FFB, 1.118% to 4.422%	147,307,027	150,848,203
Less advance payment	(24,000,000)	(34,000,000)
	<u>123,307,027</u>	<u>116,848,203</u>
CoBank, 3.55%	37,924,277	40,959,707
Economic development loans, 0%	3,506,972	4,090,306
CFC, 4.50% to 6.65%	2,932,402	3,794,198
City of Monticello, 4.75%	2,053,334	2,200,000
	<u>155,973,674</u>	<u>147,891,893</u>
Less current maturities	8,226,253	8,117,947
	<u>\$ 147,747,421</u>	<u>\$ 139,773,946</u>

# SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

### Note 6—Long-term debt (continued)

The aggregate principal maturities of long-term debt as of December 31, 2023 are as follows:

2024	\$ 8,226,253
2025	8,172,157
2026	8,430,659
2027	8,324,941
2028	8,648,340
Thereafter	114,171,324
	<u>\$ 155,973,674</u>

The long-term debt as described above is payable in quarterly, monthly, and annual installments of varying amounts. Substantially all utility plant is pledged as collateral for the above notes. Under the terms of the loan agreements, the Cooperative is required to meet certain financial performance covenants. Management believes the Cooperative is in compliance with these covenants at December 31, 2023.

The Cooperative participates in a RUS sponsored program which provides economic development funds to businesses in Cooperative's service area. The Cooperative serves as a conduit for these funds and is contingently liable if the recipient fails to repay the loan. As such, these amounts are included in the debt service above. These loans carry a 0% interest rate to the Cooperative and the recipients. The loans are secured with bank letters of credit provided by the borrower.

### Note 7—Members' and patrons' equities

Under terms of its long-term debt agreements, return of capital contributions or patronage capital to the Cooperative's members and patrons is restricted to amounts which would not allow total equity to be less than 30% of total assets, except that distributions may be made to estates of deceased members provided that such distributions do not exceed 25% of total patronage capital and margins received in the previous year. Total equity as a percentage of assets can fall below the 30% requirement if the Cooperative has obtained the appropriate waiver from the RUS. The Cooperative is in compliance with these requirements at December 31, 2023 and 2022.

Board policy related to capital credit allocation and retirement allows that annually any member bad debt that has been written off and that remains uncollected for a period of 4 years or more, shall have the bad debt reduced by applying the member capital credit balance to the uncollectible balance. There was no bad debt recapture during 2023. During 2022, this capital credit recapture of bad debt was accomplished for member bad debt written off during 2017. The amount of the recapture recorded as a reduction to bad debt expense in 2022 was \$63,043.

### Note 8—Retirement benefits

Eligible employees of the Cooperative participate in the Retirement Security Plan ("RS Plan"), sponsored by the National Rural Electric Cooperative Association ("NRECA"). The RS Plan is a defined benefit pension plan qualified under Section 401 and tax-exempt under Section 501(a) of the Internal Revenue Code. It is considered a multi-employer plan under the accounting standards. The Plan sponsor's Employer Identification Number is 53-0116145 and the Plan Number is 333.

# **SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

*DECEMBER 31, 2023 AND 2022*

---

### **Note 8—Retirement benefits (continued)**

A unique characteristic of a multi-employer plan compared to a single employer plan is that all the plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

The Cooperative contributions to the RS Plan in 2023 and in 2022 represented less than 5% of the total contributions made to the RS Plan by all participating employers. The Cooperative made contributions to the RS Plan of \$2,750,407 in 2023 and \$2,385,535 in 2022.

For the RS Plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act ("PPA") of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the RS Plan was over 80% funded on January 1, 2023 and over 80% funded on January 1, 2022, based on the PPA funding target and PPA actuarial value of assets on those dates.

Because the provisions of the PPA do not apply to the RS Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the RS Plan and may change as a result of plan experience.

In addition to the above, the Cooperative participates in the NRECA 401(k) plan. The 401(k) plan provides for the Cooperative matching a maximum of 2% of base wages. The Cooperative contributed \$213,412 and \$191,765 for 2023 and 2022, respectively. Participant contributions can be made after one (1) month of employment and vest immediately. The Cooperative makes contributions for participants after one (1) year of employment.

### **Note 9—Deferred debit – prepayment**

At the December 2012 meeting of the I&FS Committee of the NRECA Board of Directors, the Committee approved an option to allow participating cooperatives in the RS Plan to make a contribution prepayment and reduce future required contributions. The prepayment amount is a cooperative's share, as of January 1, 2013, of future contributions required to fund the RS Plan's unfunded value of benefits earned to date using RS Plan actuarial valuation assumptions. The prepayment amount will typically equal approximately 2.5 times a cooperative's annual RS Plan required contribution as of January 1, 2013. After making the prepayment, for most cooperatives the billing rate is reduced by approximately 25%, retroactive to the January 1<sup>st</sup> of the year in which the amount is paid to the RS Plan. The 25% differential in billing rates is expected to continue for approximately 15 years. However, unexpected changes in interest rates, asset returns and other plan experience, plan assumption changes and other factors may have an impact on the differential in billing rates and the 15-year period. At December 31, 2023 and 2022, the Cooperative's prepayment as reflected on the balance sheets is \$70,136 and \$490,951, respectively.

### **Note 10—Postretirement benefits**

The Cooperative provides postretirement medical benefits to its retired employees and their dependents. The Cooperative pays the premiums for retirees based upon years of service and a percentage for dependents. "Employers' Accounting for Postretirement Benefits Other Than Pensions," requires the accrual of the cost of providing certain postretirement benefits over the employees' years of service, rather than on a pay-as-you-go (cash) basis.

In accordance with the provision of ASC Topic 715, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," the Cooperative has recorded an accrued benefit cost for the full benefit obligation as of December 31, 2023 and 2022.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022

**Note 10—Postretirement benefits (continued)**

The following table sets forth the plan's benefit obligation and accrued liability:

	December 31,	
	2023	2022
Benefit obligation	\$ (7,387,318)	\$ (8,565,834)
Fair value of plan assets	-	-
Funded status	<u>\$ (7,387,318)</u>	<u>\$ (8,565,834)</u>
Accrued benefit cost recognized in the balance sheet	\$ (7,387,318)	\$ (8,565,834)
Weighted-average assumptions discounted rate	4.80%	5.00%

For measurement purposes, the health care cost trend rate is assumed to be 7.00% in 2023 and 4.25% 2022 for Pre-65. For Post-65, the healthcare cost trend rate is 0.5% for all years.

Future benefit payments are estimated based on the same assumptions used to measure the benefit obligations of the plans at the end of year 2023 and include estimated future employee service. The following tables provide a statement of the changes in benefit obligations, changes in benefit obligations, changes in plan assets, funded status, additional amounts recognized in the statements of admitted assets, liabilities, and surplus, amounts in surplus that have not been recognized as components of net periodic benefit costs, and other changes recognized in surplus for other postretirement benefits plan for 2023 and 2022:

	December 31,	
	2023	2022
Change in projected benefits obligations		
Benefit obligation - beginning of year	\$ 8,565,834	\$ 10,663,877
Service cost	134,035	173,931
Interest cost	411,014	288,784
Contribution by plan participants	260,365	196,126
Amendments	-	(167,271)
Actuarial loss (gain)	(892,039)	(1,608,730)
Benefits paid	(1,091,891)	(980,883)
Benefit obligation - end of year	<u>\$ 7,387,318</u>	<u>\$ 8,565,834</u>
Components of net periodic benefit cost		
Service cost	\$ 134,035	\$ 173,931
Interest cost	411,014	288,784
Amortization of prior service cost	(14,518)	-
Amortization of unrecognized net loss (gain)	152,533	265,311
Total net periodic benefit cost	<u>\$ 683,064</u>	<u>\$ 728,026</u>

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022

**Note 10—Postretirement benefits (continued)**

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Other changes in plan assets and benefit obligations recognized in other comprehensive income:		
Net gain	\$ (892,038)	\$ (1,608,730)
Prior service credit	-	(167,271)
Amortization of prior service cost	14,518	-
Amortization of net actuarial loss	(152,533)	(265,311)
Total recognized in other comprehensive income	<u>\$ (1,030,053)</u>	<u>\$ (2,041,312)</u>

Amounts recognized in accumulated other comprehensive income related to this plan include net actuarial losses of \$1,926,864 and \$2,971,435 for December 31, 2023 and 2022, respectively.

The Cooperative's contributions to the other postretirement benefits plan are anticipated to be approximately \$645,909 during 2024. Estimated future benefit payments under the other postretirement benefits plans are as follows:

<u>Years Ending December 31,</u>	
2024	\$ 645,909
2025	656,057
2026	599,381
2027	551,807
2028	526,101
2029-2033	2,525,058



**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022

**Note 11—Detail of Deferred Debits and Deferred Credits**

The following is a detail of deferred debits as of December 31.

<u>Description</u>	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Deferred pension prepayment	\$ 70,136	\$ 490,951
General plant clearing account	-	96,000
	<u>\$ 70,136</u>	<u>\$ 586,951</u>

The following is a detail of deferred credits as of December 31.

<u>Description</u>	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Customer advances for construction	\$ 388,945	\$ 398,947
Other	262	314
	<u>\$ 389,207</u>	<u>\$ 399,261</u>

**Note 12—Concentrations**

All of the Cooperative's sales are made in portions of eleven counties in south central Kentucky and two counties in north central Tennessee, which is primarily an agricultural and rural region. Accounts receivable and customer deposits at December 31, 2023 and 2022, were derived from the various classes of customers in approximately the same proportion as the revenues shown in the accompanying statements of income and other comprehensive income.

The Cooperative maintains its cash balances with banks throughout Kentucky. Effective July 21, 2010, the federal deposit insurance coverage provided by the Federal Deposit Insurance Corporation ("FDIC") is \$250,000 per depositor. The Cooperative has implemented a policy whereby it sweeps non-interest-bearing funds from its district accounts to its general funds to maintain balances below the FDIC insured limit of \$250,000. The local bank provides additional FDIC insurance on deposits and repurchase agreements in excess of the FDIC limits in the operating account up to an amount of \$4,000,000. An additional \$1,250,000 of coverage is provided for funds held in the economic development grant fund. As of December 31, 2023, there were no uninsured balances.

**Note 13—Contingencies**

During the course of normal operations, the Cooperative may be subject to possible litigation. However, there are currently no amounts which are deemed as contingent liabilities which should be disclosed or accrued in the financial statements.

## **SUPPLEMENTARY INFORMATION**

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED DECEMBER 31, 2023

Federal grantor Program title Grant name (Assistance Listing)	Federal assistance listing number	Pass-through grantor's number	Pass-through to subrecipients	Federal expenditures
<b><u>U.S. Department of Homeland Security</u></b>				
<i>Passed-through Kentucky Emergency Management</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036*	FEMA-4702-DR-KY	\$ -	\$ 1,221,443
Total expenditures of federal awards			<u>\$ -</u>	<u>\$ 1,221,443</u>

**Notes to Schedule of Expenditures of Federal Awards**

**Note 1—Basis of Presentation**

The schedule of expenditures of federal awards includes the federal grant activity of the Cooperative and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**Note 2—Indirect Cost Rate**

The Cooperative does not use the 10% de minimis indirect rate allowed in the Uniform Guidance, section 414, to allocate federal grants.

## **OTHER REQUIRED REPORTS**

**Report of Independent Auditor on Internal Control over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements  
Required by *Government Auditing Standards***

To the Board of Directors  
South Kentucky Rural Electric Cooperative Corporation  
Somerset, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of South Kentucky Rural Electric Cooperative Corporation (the "Cooperative") as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Cooperative's financial statements and have issued our report thereon dated April 26, 2024.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Cooperative's internal control over financial reporting ("internal control") as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, we do not express an opinion on the effectiveness of the Cooperative's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Cooperative's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cherry Bekaert LLP*

Louisville, Kentucky

April 26, 2024

**Report of Independent Auditor on Compliance for Each Major  
Federal Program and on Internal Control over Compliance  
Required by the Uniform Guidance**

To the Board of Directors  
South Kentucky Rural Electric Cooperative Corporation  
Somerset, Kentucky

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited the South Kentucky Rural Electric Cooperative Corporation's ("the Cooperative"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Cooperative's major federal program for the year ended December 31, 2023. The Cooperative's major Federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Cooperative complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal program for the year ended December 31, 2023.

***Basis for Opinion on Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Cooperative and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Cooperative's compliance.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Cooperative's Federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Cooperative's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Cooperative's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Cooperative's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Cooperative's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Louisville, Kentucky  
April 26, 2024



**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED DECEMBER 31, 2023

---

**Summary of Independent Auditors' Results**

**Financial Statements**

Type of auditors' report issued on whether the financial Statements are presented in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:  
Material weakness(es) identified?     yes   x   no  
Significant deficiency(ies) identified not considered to be material weaknesses?     yes   x   none reported

Noncompliance material to financial statements noted?     yes   x   no

**Federal Awards**

Internal Control over major programs:  
Material weakness(es) identified?     yes   x   no  
Significant deficiency(ies) identified not considered to be material weaknesses?     yes   x   none reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     yes   x   no

Identification of major programs:

<u>ALN Number</u>	<u>Name of Federal Program or Cluster</u>
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?     yes   x   no

**A. Financial Statement Findings**

None.

**B. Finding - Major Federal Award Programs Audit**

None.

**SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

*YEAR ENDED DECEMBER 31, 2023*

---

No prior year findings.

**Report of Independent Auditor on Compliance with Aspects of  
Contractual Agreements and Regulatory Requirements  
for Electric Borrowers**

To the Board of Directors  
South Kentucky Rural Electric Cooperative Corporation  
Somerset, Kentucky

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of South Kentucky Rural Electric Cooperative Corporation (the "Cooperative"), which comprise the balance sheet as of December 31, 2023, and the related statements of income and comprehensive income, changes in members' and patrons' equities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 26, 2024. In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2024, on our consideration of Cooperative's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that the Cooperative failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers and Grantees*, §1773.33 insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Cooperative's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding the Cooperative's accounting and records to indicate that the Cooperative did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;
- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;
- Record and properly price the retirement of plant;
- Seek approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over materials and supplies;
- Prepare accurate and timely Financial and Operating Reports;
- Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;

- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);
- Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and
- Comply with the requirements for the detailed schedule of investments.

Our audit of the financial statements for the periods referred to in the introductory paragraph of this letter comprised audit tests and procedures deemed necessary for the purpose of expressing an opinion on such financial statements as a whole. For none of the periods referred to therein, nor any other period, did we perform audit tests for the purpose of expressing an opinion on individual balances of accounts or summaries of selected transactions, such as those enumerated above and, accordingly, we express no opinion thereon.

The purpose of this report is solely to communicate, in connection with the audit of the financial statements, on compliance with aspects of contractual agreements and the regulatory requirements for electric borrowers based on the requirements of 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers and Grantees*. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Louisville, Kentucky  
April 26, 2024

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 18**

**807 KAR 5:001 Section 16(4)(l)**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*The most recent Federal Energy Regulatory Commission of Federal Communications Commission audit reports.*

**Response:**

South Kentucky is not regulated by the Federal Energy Regulatory Commission or Federal Communications Commission, and therefore has no audit report from these agencies.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 19**

**807 KAR 5:001 Section 16(4)(m)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*The most recent Federal Energy Regulatory Commission (“FERC”) Financial Report, FERC Form No. 1, FERC Financial Report FERC Form No. 2, or Public Service Commission Form T (telephone).*

**Response:**

South Kentucky is not regulated by the Federal Energy Regulatory Commission, and therefore has none of the forms or reports listed in this Filing Requirement.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 20**

**807 KAR 5:001 Section 16(4)(n)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*A summary of the utility's latest depreciation study with schedules by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and test period depreciation rates used by major plant accounts. If the required information has been filed in another commission case, a reference to that case's number shall be sufficient.*

**Response:**

South Kentucky is providing a depreciation study conducted by Jeff Wernert of the Prime Group LLC. The depreciation study, including schedules by major plant accounts, can be found in Exhibit 9, Attachment CB-1.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 21**

**807 KAR 5:001 Section 16(4)(0)**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application.*

**Response:**

South Kentucky RECC used National Information Solutions Cooperative (NISC) IVUE platform for all financial and member/customer information, Microsoft Word, Excel and Adobe Acrobat for the preparation of schedules and exhibits associated with the utility's application.



**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 22**

**807 KAR 5:001 Section 16(4)(q)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*The annual report to shareholders or members and statistical supplements covering the two (2) most recent years from the utility's application filing date.*

**Response:**

Please see attached annual report to members and related information.

# **2022 Annual Report**

# 2022 ANNUAL REPORT



**SUPPORT** | ADVOCATE | EDUCATE





# SUPPORT

**S**outh Kentucky RECC only exists because of the member-owners who own our cooperative.

When South Kentucky RECC was founded in 1938, friends and neighbors banded together to create a new kind of electric utility—one where the voice of every person made a difference.

Electric cooperatives brought electric power to the countryside when no one else would. Today, South Kentucky RECC and more than 900 other electric co-ops across America continue to answer that call. Focusing on customer needs, South Kentucky RECC provides much more than competitively priced, reliable energy. We are committed to supporting our communities and improving the quality of life for the member-owners who live here.

## OUR BOARD

The support and dedication of our board is essential. In addition to their supervision and guidance of South Kentucky RECC, board members receive important education and

training, so they are prepared to support your co-op as we deal with the complex challenges of electric service.

Every member of the South Kentucky RECC board of directors is a member of this co-op, democratically elected by the membership to represent the interests of all members, not special interests or outside agendas. South Kentucky RECC board members are your neighbors, and decisions are made with local concerns and members in mind, not out-of-town shareholders.

## MEMBER SUPPORT

As a cooperative, South Kentucky RECC is your consumer advocate, speaking up for common-sense policies that promote reliable power as cost-effectively as possible.

With the support of our fellow co-ops, we advocate for member interests, such as preventing extra charges from appearing on your bill, promoting a robust mix of energy sources and protecting the not-for-profit cooperative business model.

▲  
Top: Crews prepare for mutual-aid restoration efforts in Georgia and South Carolina. South Kentucky RECC stands ready to lend a hand to sister co-ops.

Above right: South Kentucky RECC employees and their families await the return of veterans aboard Honor Flight 2022 at Blue Grass Airport.

►  
Students at Burnside Elementary Career Day are excited to hear all about being a lineworker from Line Technician Josh Johnson. Photos: SKRECC Staff

On the cover: The sun sets on another day of hard work by South Kentucky RECC lineworkers. Photo: Bernice Flynn/SKRECC member-owner



Amid rampant inflation, South Kentucky RECC is a resource hub for members who need help. We follow the cooperative principle of “Concern for Community.” South Kentucky RECC employees volunteer at the Ronald McDonald House and at the Special Olympics Kentucky, in addition to participating in local community events year-round. South Kentucky RECC sponsored two students for the Washington Youth Tour and gave out eight senior scholarships in 2022. SKRECC also began giving back in another way in 2022 when employees started donating to a “Blue Jeans for a Cause Campaign” and returning those proceeds to local charities.

## COMMUNICATIONS

South Kentucky RECC is committed to open, transparent and helpful communications. In *Kentucky Living*, social media and on [www.skrecc.com](http://www.skrecc.com), we share updates, tips and important information about our communities. We work to combat scam attempts targeting our members, from phone scams to dishonest sales pitches.

As a consumer advocate, South Kentucky RECC is a clearinghouse for reliable information about matters that affect your bill and electric service, such as the rising costs for fuels used to create electricity, energy efficiency ideas to help manage your costs, and protecting the sales tax exemption for utility



services  
at primary  
residences.

South Kentucky RECC supports members with our SmartHub app, Simple Saver program for thermostats and A/C rebates and energy audits when energy usage drastically increases.

## ECONOMIC DEVELOPMENT

In partnership with Kentucky's Touchstone Energy Cooperatives, South Kentucky RECC supports local businesses and works to attract new employers. With some of the most competitive electric rates in the country and our record of reliability and resilience, we have a great story to tell.

## ON THE LINE

All of us at South Kentucky RECC are committed to the safe support of our membership. Though any business benefits from a safety culture, the inherent dangers of electricity require South Kentucky RECC to be especially dedicated to safety.

Our crews follow strict guidelines and receive regular training so that they can return home safely no matter the conditions or tasks at hand.

South Kentucky RECC crews are always ready to lend a hand. SKRECC participated in mutual aid deployments in 2022, sending crews to Georgia and South Carolina to assist with restoration efforts for Hurricane Ian.

## A SUPPORT NETWORK

Many people find support networks in a circle of friends, their extended family, a local church, self-help groups and even online communities. Our cooperative is supported by our members, as well as East Kentucky Power Cooperative, the statewide association Kentucky Electric Cooperatives and the collaboration of more than 900 electric cooperatives across the country.

As South Kentucky RECC provides this annual report of our operations, please know how much we value and rely on your support. We're here for you, too, as we all work together to support our local communities.

Right, South Kentucky RECC Board of Directors, seated from left, Brent Tackett, District 7; Chairperson Cathy Crew Epperson, District 1; Vice-Chairperson Billy Gene Hurd, District 4; standing, from left, Greg Redmon, District 2; Secretary/Treasurer Boris Haynes, District 6; Rick Halloran, District 3; Tommy Nelson Jr., District 5; and South Kentucky RECC President and CEO Kenneth Simmons. Photo: Tommy Wilson Photography

Left, South Kentucky RECC is committed to community. Director of Member Services Doug Hutton, left, presents a donation to April Slagle of From the Heart Ministries of Pulaski County. In June 2022, SKRECC employees began giving back by donating to a "Blue Jeans for a Cause Campaign." Photo: SKRECC Staff



Left, South Kentucky RECC Lead Materials Coordinator Kevin Helton, left, and Materials Coordinator Jordan Milby work alongside Energy Services/Member Engagement Manager Alan Coffey to fill buckets with lightbulbs for eastern Kentucky flood victims. Photo: Morghan Blevins



◀ Safety remains a top priority at South Kentucky RECC. Line Technician Nick Jones prepares to give a safety demonstration to a local school. Please contact SKRECC if you are interested in a member of our team bringing our safety message to your service organization, church group or school. Photo: SKRECC staff

# 2022 South Kentucky RECC YEAR IN REVIEW

## ACTIVE ACCOUNTS

As of December 31, 2022

Adair.....	646
Casey.....	1,840
Clinton.....	6,777
Cumberland.....	22
Laurel.....	5
Lincoln.....	1,267
McCreary.....	6,250
Pulaski.....	29,638
Rockcastle.....	79
Russell.....	10,901
Wayne.....	13,149
Pickett, TN.....	168
Scott, TN.....	20
Total.....	70,762

## ACCOUNTS BILLED

2022..... 70,762

## AVERAGE KWH USAGE

(residential per month)

2022..... 1,052

## MILES OF LINE

2022..... 7,062

## CONSUMERS PER MILE

2022..... 10.02

## FOR INFORMATION AND INQUIRIES

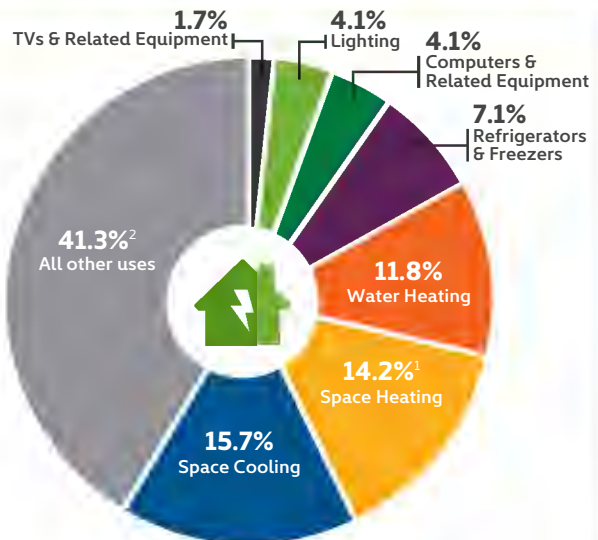
200 Electric Avenue  
Somerset, KY 42501  
(800) 264-5112  
www.skrecc.com

## SERVICE AREA



## How Americans Use Electricity

The latest data from the U.S. Energy Information Administration shows the combined use of clothes washers and dryers, dishwashers, small appliances and other electrical equipment (noted as "all other uses" below) accounts for the largest percentage of electricity consumption in American homes.



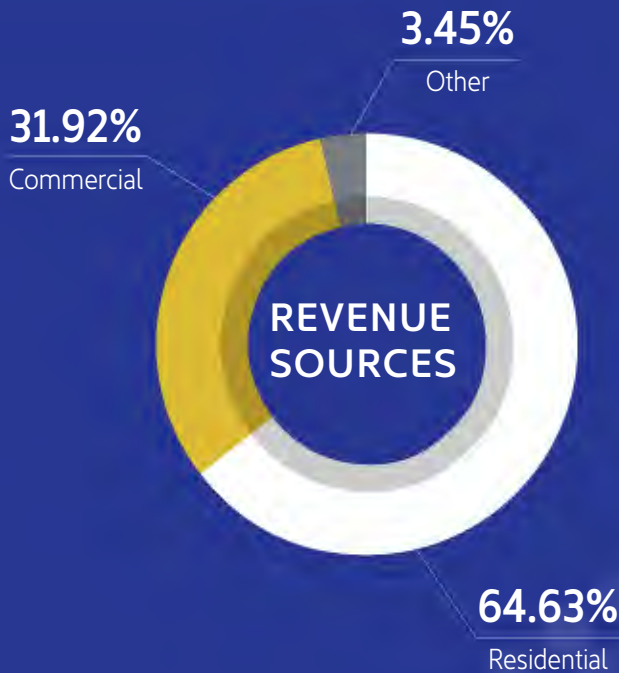
Source: Energy Information Administration 2021

<sup>1</sup>Includes consumption for heat and operating furnace fans and boiler pumps.

<sup>2</sup>Includes miscellaneous appliances, clothes washers and dryers, stoves, dishwashers, heating elements, and motors.



# FINANCIALS



## STATEMENT OF OPERATIONS

As of December 31, 2022

Operating Revenue.....\$160,843,393

### COST OF ELECTRIC SERVICE

Cost of Electricity Purchased from East Kentucky Power ..... \$120,218,607

Cost of Operating the Distribution System ..... \$21,964,089

Depreciation Expense ..... \$9,964,099

Interest Expense on Loans ..... \$5,254,158

Public Service Commission Assessment.....\$127,723

Other Deductions ..... \$30,450

Total Cost of Electric Service..... \$157,559,126

Gross Margins from Electric Service.....\$3,284,267

Non-Operating Income ..... \$6,302,069

Net Margins (Deficit) ..... \$9,586,336

## BALANCE SHEET

As of December 31, 2022

### ASSETS

Total Poles, Wires, and Other Equipment..... \$308,620,624

Loss Accumulated Depreciation.....\$98,343,090

Net Value of Poles, Wires and Other Equipment..... \$210,277,534

Investments in Associated Organizations..... \$93,234,799

Cash and Equivalents ..... \$15,616,384

Accounts and Notes Receivables ..... \$11,647,568

Material in Inventory..... \$2,042,773

Prepaid Expenses.....\$491,392

Other Assets .....\$11,717,097

Total Assets.....\$345,027,547

### LIABILITIES AND MEMBERS' EQUITY

Consumer Deposits ..... \$2,681,345

Members and Other Equities.....\$166,772,976

Long-Term Notes Payable .....\$139,773,946

Notes and Accounts Payable Owed to Vendors ..... \$24,066,120

Other Liabilities ..... \$11,733,160

Total Liabilities and Members' Equity.....\$345,027,547

# SOUTH KENTUCKY RECC ANNUAL MEMBERSHIP DAYS

**June 6, 2023**

Wayne and McCreary county offices

**June 7, 2023**

Russell and Clinton county offices

**June 8, 2023**

Somerset office

**7:30 AM - 4:30 PM**

**ALL TIMES ARE LOCAL**



MORGHAN BLEVINS



PHOTOS: WADE HARRIS



South Kentucky RECC will hold annual Membership Days on June 6, 7 and 8 at its offices from 7:30 a.m. until 4:30 p.m., local time.

On June 6, members can visit the drive-thru at the Wayne and McCreary county offices; on June 7, the drive-thrus will be held at the Russell and Clinton county offices; and the event will wrap up on June 8 when members can drive-thru in Somerset at the headquarters. Office lobbies and drive-thrus will be closed to business transactions in that office the day of the event with the exception of the Somerset drive-thru. It will remain open. Members can still conduct business by telephone.

Members will only be able to register once. When members register, they will receive a bucket and two LED lightbulbs. Their name will be entered into a drawing at each office for several door prizes. Members will also be entered into a drawing for a 2007 Chevrolet Trailblazer. The winner of the Trailblazer will be announced on Friday, June 9.

**MEMBERS, PLEASE BRING YOUR BILL TO ASSIST WITH REGISTRATION**

# SOUTH KENTUCKY RECC IMPLEMENTS NEW ELECTION PROCESS FOR 2023

Since 2013, voting in South Kentucky RECC's director elections has been by mail using an out-of-state balloting company. Increased mailing costs have now made this process very expensive. To save cooperative resources, this year's director election will instead be held by in-person voting in conjunction with member appreciation days in early June. Important aspects of this new voting process are discussed below.

## HOW WILL THE VOTING PROCESS WORK?

Members will register at South Kentucky RECC's member appreciation days to vote in person. Once membership is confirmed, the member will cast his or her vote live by marking a confidential paper ballot that will be counted electronically. Each member is limited to one vote.

## WHO IS ELIGIBLE TO VOTE?

In order to vote, you must be the South Kentucky RECC "member" of record, defined as the applicant designated on the written application for membership in whose name the electric service account is titled.

## IF I'M UNSURE ABOUT WHO THE MEMBER IN MY HOUSEHOLD IS HOW CAN I FIND OUT?

You can contact South Kentucky RECC's Member Service department to find out whether you or another individual in your household is the "member" of record for purposes of voting in the election by calling 1-800-264-5112. This should be done before coming to cast your vote.

## WHEN CAN MEMBERS VOTE?

Live voting will occur during South Kentucky RECC's member appreciation days held at its five district offices June 6-8, 2023.

**OTHER QUESTIONS?  
CALL 1-800-264-5112  
FOR MORE INFORMATION.**



## REMEMBER AND HONOR

South Kentucky RECC offices and drive-thrus will be closed Monday, May 29, in observance of Memorial Day.

In case of emergency or to report an outage, please call 1-800-264-5112 for dispatch.

# DISTRICT 3 CANDIDATE BIOGRAPHIES AND SAMPLE BALLOT

Rick Halloran is a resident of Pulaski County and a graduate of Somerset High School. He is currently serving his 12th year as a South Kentucky RECC director. He served as Chairman of the board during this time. He also sits on the Kentucky Electric Cooperative statewide board of directors where he represents South Kentucky RECC. He completed the director Leadership programs through the National Rural Electric Cooperative Association with a Gold Credential Certificate.



TOMMY WILSON PHOTOGRAPHY

CV is a life long resident of Pulaski County, graduated from Eastern Kentucky University with a BBA degree with an emphasis on Economics. He began a banking career the day after college graduation, retiring after 44 years. He is currently a beef cattle farmer, Auctioneer/Real Estate agent with Ford Brothers/Weichert Realtors.



ANGELA VAUGHT PHOTOGRAPHY

	<b>OFFICIAL BALLOT FOR SOUTH KENTUCKY RECC</b> <b>ELECTION HELD ON</b> <b>June 06, 2023</b>	Precinct <i>SKYRECC</i>
	<b>Instruction Text:</b> Please use a black or blue pen to mark your ballot. To vote for your choice in this contest, completely fill in the box provided to the left of your choice.	
	<b>BOARD of DIRECTORS</b> (Vote for One)	
	<input type="checkbox"/> RICK HALLORAN <input type="checkbox"/> CHARLES V (CV) HANSFORD	
	Sample Ballot: 12000010100011	
	000000001102	
	Sample Ballot	
	7243031129	

SAMPLE

FOR MORE COMPREHENSIVE BIOGRAPHIES OF THE CANDIDATES, VISIT OUR WEBSITE AT [WWW.SKRECC.COM](http://WWW.SKRECC.COM).

# WHY WE TRIM TREES

**M**ay is typically the stormiest month of the year here in Kentucky. When spring's wild winds blow, they can bring down limbs and topple trees—and that can compromise the reliability and safety of your electricity.

Trees falling into power lines due to high winds can knock out power to hundreds of members in a second. Not only do lines come down, but utility poles can snap under the weight of fallen trees, causing lengthy power outages. Downed lines are also a serious safety hazard. Tragedy can happen if a person touches or steps on an energized line that has been pulled to the ground by a fallen tree.

South Kentucky RECC's proactive approach to right-of-way (ROW) maintenance is designed to limit the safety and reliability threats related to trees growing too close to power lines. ROW refers to the land we use to construct, maintain, replace or repair underground and overhead power lines. Clearing the ROW is critical to keeping the power flowing to your home.



**BEFORE**

South Kentucky RECC has recently adopted a new vegetation management plan. Under this plan, South Kentucky RECC is committed to a six-year rotation of vegetation management of our individual ROW circuits. Our entire 7,000 miles of power lines will be cut and maintained on a rotational basis, every six years.



**AFTER**

Not all storm-related outages can be prevented, but we can certainly minimize the damage by keeping the ROW clear. So when you see ROW crews clearing trees, remember that their work is helping South Kentucky RECC provide reliable service to our members.

# FLAGPOLE SAFETY

**Memorial Day, the last Monday in May, honors those who have died in American wars. To mark this day, many people fly the American flag.**

Being patriotic is important, but so is being safe when working with flagpoles. Whether you are installing a fiberglass or a metal flagpole, follow these tips to be safe:

1. Call 811 before digging to install a flagpole.
2. Be overly cautious when working around power lines. Maintain at least a 15-foot clearance around power lines and any nearby trees. Consider both the flagpole and the flag for the 15-foot clearance.
3. If a pole comes in contact with a power line, serious injury or death can occur to anyone holding the pole or standing nearby.
4. Any object touching an overhead power line could serve as a conduit for the electricity should it reach the ground, including humans.
5. A typical residential flagpole, which is installed in the ground, is 20–25 feet tall. When using a 20-foot pole with a recommended maximum flag size of 3x5 feet, the pole should be no closer than 45 feet to any overhead power lines. If you are using a 25-foot pole with a recommended maximum flag size of 4x6 feet, the pole should be no closer than 51 feet from any existing overhead power lines.
6. Check local regulations and building codes before installing a flagpole.



BIRGITKORBER/ADOBE STOCK



**Board of Directors**

Cathy Crew Epperson, Chairperson  
Billy Gene Hurd, Vice Chairperson  
Boris Haynes, Secretary/Treasurer  
Rick Halloran  
Tommy Nelson, Jr.  
Greg Redmon  
Brent Tackett

**President & CEO**

Ken Simmons

**Communications Specialist**

Morghan Blevins

**SKRECC Offices:**

**Clinton County**  
715 Snow Rd., Albany, KY 42602  
(606) 387-6476

**McCreary County**  
51 Center Ave., Whitley City, KY 42653  
(606) 376-5997

**Pulaski County**  
200 Electric Ave., Somerset, KY 42501  
(606) 678-4121

**Russell County**  
2405 N. Main St., Jamestown, KY 42629  
(270) 343-7500

**Wayne County**  
780 N. Main St., Monticello, KY 42633  
(606) 348-6771

**Discovering South Kentucky** is a newsletter insert to *Kentucky Living* magazine and is published by the Kentucky Electric Cooperatives, Louisville, KY, and by South Kentucky Rural Electric Cooperative Corporation, P.O. Box 910, Somerset, KY 42502, (606) 678-4121.

**Address all correspondence to:** Discovering South Kentucky, P.O. Box 910, Somerset, KY 42502.

**Visit [www.skrecc.com/career-opportunities](http://www.skrecc.com/career-opportunities)** to explore exciting career opportunities with the South Kentucky RECC Team.

South Kentucky RECC is an equal opportunity employer and provider.

**Visit [www.skrecc.com](http://www.skrecc.com)** to pay your bill online, to visit our outage center, or for more information about the Co-op Connections Program.

**To report an outage 24/7/365**, please call your local office, (800) 264-5112, or set up your account to be able to text outages. Please do not report outages via social media.

**Plug into South Kentucky RECC. Follow us on social media:**



# THANK YOU!

There are so many to whom we owe a debt of gratitude for their assistance during Windstorm 2023.

To our members: We humbly thank you for the many acts of kindness shown, for your patience, and, most of all, for your prayers as we restored power.

To the many businesses and community groups within our service territory that

reached out to us during this major outage event, we say we are proud to be part of such caring, supportive communities.

This was a challenging time, and it truly warmed our hearts to see so many help us rise to the challenge and get the job done. We are forever grateful.

**The Board of Directors and Employees of South Kentucky RECC**



◀ Artwork sent to SKRECC from some amazing pre-K students at Shopville Elementary in Pulaski County.



Wayne County Middle School students presented SKRECC lineworkers with treat bags and thank you notes during Windstorm 2023. Pictured in front of the SKRECC truck are Apprentice Line Technician Gabe Dick and Lead Line Technician Byron Koontz. Photo: SKRECC Staff

# **2023 Annual Report**

# 2023 ANNUAL REPORT



SUPPORT | **ADVOCATE** | EDUCATE







## ADVOCATE

**T**he word “advocate” carries a rich and profound meaning, and it’s what South Kentucky RECC is all about.

The Latin root words of “advocate” mean “to call to one’s aid.” At the heart of our member-owned cooperative is the mission to improve the quality of life for the people we serve.

For new members of South Kentucky RECC, this concept may be difficult to grasp. Why should a power company care about me? Isn’t it just some corporation that says things like that to sound good to its shareholders?

South Kentucky RECC advocates for our members because we belong to our members. As a cooperative, there are no out-of-town shareholders or parent companies profiting off our members. South Kentucky RECC is a not-for-profit utility that, from the very beginning in 1938 to this day, has been led by and owned by the people we serve.

It means being your consumer-advocate and standing up for your rights, interests and needs. Here are some key ways we advocate for you:

### AFFORDABLE RATES

South Kentucky RECC works with East Kentucky Power Cooperative to keep electric rates as low as possible. We not only advocate for fair, just and reasonable rate structures, but our cooperative team also is accountable to members to manage our operations efficiently. This ensures that we can offer some of the most competitive electricity rates in the country.

### RELIABILITY

We understand the essential role electricity plays in your daily life. Our cooperative invests in maintaining and upgrading our infrastructure to ensure a reliable power supply. We advocate for robust and resilient systems to minimize outages, and when they do occur, we strive to restore power quickly.

South Kentucky RECC also has a proactive approach to right-of-way (ROW) maintenance with our Vegetation Management Plan that intends to limit safety and reliability threats posed by trees and other vegetation growing too close to our power lines.

▲  
Above, members of SKRECC’s accounting department gain firsthand insights at Cooper Power Plant in Somerset, bridging finance with operations for a brighter tomorrow. Shown are Christy Stevens, left, Marylou Henderlight, Christina Shyrock, Aaron Baldwin and Travis Mofield. Photo: Morghan Blevins

Above right, SKRECC linemen stand tall, ready to tackle any challenge and keep the lights on for the communities we serve. Pictured from left are Dillon Embry, John Jones, Shawn Whitis, Tyler Brown, Dustin Floyd and Dylan Hatcher. Photo: SKRECC staff

▶  
A future SKRECC lineman in the making. Luke Parkey’s ambition to light up the world shines brightly. Luke is the grandson of SKRECC retiree Bruce Parkey. Photo: Jeannie Wood

Cover: Two South Kentucky RECC lineworkers complete a job. Photo: Brandon Wesley



## MEMBER EDUCATION

An informed member is an empowered member. We advocate for your right to understand your energy consumption and how to use electricity efficiently. Through *Kentucky Living* and online resources, South Kentucky RECC provides our members with the knowledge to make informed decisions about energy use.

## COMMUNITY ENGAGEMENT

We believe in the power of community, and we advocate for the well-being of the communities we serve. Our cooperative actively supports local initiatives, charitable organizations and economic development efforts. Together, we strengthen our communities and advocate for their growth and prosperity.

South Kentucky RECC's employees volunteer at the Ronald McDonald House and the Special Olympics, in addition to participating in local community events year-round. South Kentucky RECC sponsored five students for the Washington Youth Tour and gave out nine senior scholarships in 2023.

And through our Blue Jeans for a Cause campaign, South Kentucky RECC employees donated more than \$3,300 to local charities last year.

## TRANSPARENCY AND ACCOUNTABILITY

Advocacy is also about being transparent and accountable in our actions. South Kentucky RECC shares



operational updates and important decisions with you, our members.

Your input and participation in the cooperative's governance is crucial, and we advocate for and promote your right to elect the cooperative board. No matter the size of your home or your business, each member of South Kentucky RECC gets one vote.

Your democratically elected board members represent you and protect your interests.

South Kentucky RECC also regularly updates our membership in the pages of *Kentucky Living*, on our website, on social media and at local civic functions and events, such as Chamber of Commerce meetings.

## RESILIENCE AND INNOVATION

We advocate for innovation and adaptability in a changing world. The energy landscape is evolving, and South Kentucky RECC is committed to staying at the forefront. By investing in smart technologies and exploring new ways to generate and distribute electricity, we ensure that you have access to the best services and the most cutting-edge solutions.

## SPEAKING UP

Working with the 25 other electric cooperatives in Kentucky and more than 900 nationwide South Kentucky RECC has a voice in Frankfort and Washington, D.C., speaking up on your behalf so policymakers understand the far-reaching consequences of their decisions.

In 2023, members of South Kentucky RECC's board of directors and management

team met with lawmakers in Washington, D.C., to relate how recent policies have affected our ability to deliver reliable and resilient energy at reasonable rates.

Our advocacy also means speaking up before a crisis rears its head, and making sure that elected leaders know South Kentucky RECC is paying attention to their votes.

We not only encourage our members to cast their ballots to decide who represents them on South Kentucky RECC board, we also participate in the nonpartisan Co-ops Vote initiative, reminding members to register and vote in elections.

## CHALLENGES AND TRIUMPHS

The past year brought challenges that tested our resolve. From extreme weather to a regulatory environment that threatens the reliability of the electric grid, South Kentucky RECC is always focused on solutions and safety.

We celebrate triumphs in our daily advocacy for the safety and well-being of our employees and members, speaking up for your interests and adapting to new realities. Our commitment to you and your communities remains unwavering.

## LOOKING AHEAD

As we reflect on the past year, we acknowledge that advocacy for our members is not a one-time effort but an ongoing journey. We are excited about the path ahead, as we continue to advocate for your best interests, ensuring that South Kentucky RECC remains a trusted partner in your lives.

Thank you for your ongoing support and trust. It is your belief in the cooperative spirit that drives us to advocate for you each day. Together, we light up our communities, empower our members and embrace a brighter future.

From back left, Directors Greg Redmon, Boris Haynes, Brent Tackett and President and CEO Kevin Newton. From front left, Tommy Nelson, Chairperson Cathy Epperson and CV Hansford. Photo: Tommy Wilson

Cooperative spirit shines bright as SKRECC employees rally together to feed lineworkers, ensuring they are fueled during a major power outage. Together, we "weather the storm." Photo: Morghan Blevins

South Kentucky RECC proudly sponsors local veterans each year for Honor Flight Kentucky. SKRECC employees and their family members excitedly await the arrival of the heroes as they return home after a day of touring Washington, D.C., and being honored for their service. Photo: SKRECC staff





▲ Supporting families facing tough times and providing them with the comfort of a home away from home is the power of community and kindness. SKRECC members and employees team up each year to help those who need it the most by giving back to Ronald McDonald House of the Bluegrass.

TIM WEBB

SKRECC STAFF

MORGHAN BLEVINS

# 2023 South Kentucky RECC YEAR IN REVIEW

## ACTIVE ACCOUNTS

As of December 31, 2023

Adair.....	657
Casey.....	1,843
Clinton.....	6,658
Cumberland.....	21
Laurel.....	7
Lincoln.....	1,264
McCreary.....	6,213
Pulaski.....	29,802
Rockcastle.....	78
Russell.....	10,986
Wayne.....	12,892
Pickett, TN.....	162
Scott, TN.....	21
Total.....	70,604

## ACCOUNTS BILLED

2013.....	66,211
2023.....	70,604

## AVERAGE KWH USAGE (residential per month)

2013.....	1,097
2023.....	964

## MILES OF LINE

2013.....	6,771
2023.....	7,099

## CONSUMERS PER MILE

2013.....	9.78
2023.....	9.95

## FOR INFORMATION AND INQUIRIES

200 Electric Avenue  
Somerset, KY 42501  
(800) 264-5112  
www.skrecc.com

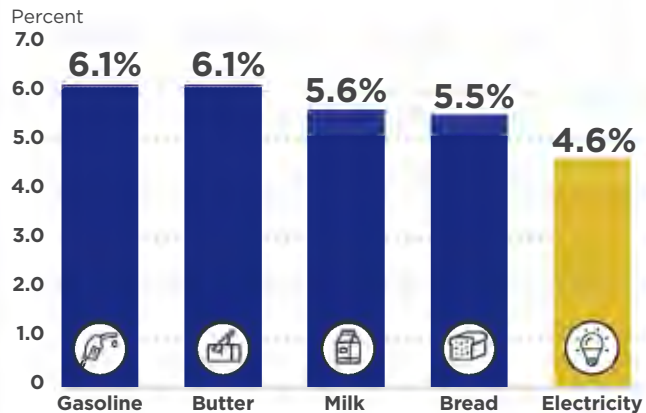
## SERVICE AREA



## ELECTRICITY REMAINS A GOOD VALUE

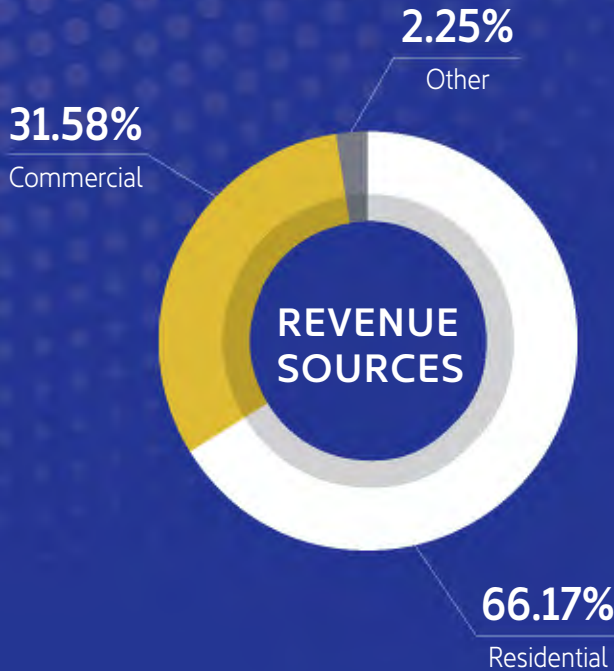
Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

### Average Annual Price Increase 2017-2022



Source: U.S. Bureau of Labor Statistics  
Consumer Price Index

# FINANCIALS



## STATEMENT OF OPERATIONS

As of December 31, 2023

Operating Revenue.....\$149,181,851

### COST OF ELECTRIC SERVICE

Cost of Electricity Purchased from  
East Kentucky Power .....\$107,061,154

Cost of Operating the Distribution  
System .....\$29,098,376

Depreciation Expense ..... \$10,348,538

Interest Expense on Loans ..... \$5,532,219

Public Service Commission Assessment ..... \$130,855

Other Deductions.....\$27,863

**Total Cost of Electric Service..... \$152,199,055**

Gross Margins from Electric Service..... (\$3,017,154)

Non-Operating Income ..... \$4,335,519

Net Margins (Deficit).....\$1,318,365

## BALANCE SHEET

As of December 31, 2023

### ASSETS

Total Poles, Wires and  
Other Equipment..... \$322,935,140

Loss Accumulated Depreciation..... \$104,221,037

Net Value of Poles, Wires and  
Other Equipment.....\$218,714,103

Investments in Associated  
Organizations.....\$94,871,392

Cash and Equivalents .....\$16,997,431

Accounts and Notes Receivables .....\$7,749,575

Material in Inventory ..... \$2,580,440

Prepaid Expenses ..... \$460,088

Other Assets ..... \$10,051,657

**Total Assets .....\$351,424,686**

### LIABILITIES AND MEMBERS' EQUITY

Consumer Deposits ..... \$2,791,987

Members and Other Equities.....\$169,070,898

Long-Term Notes Payable ..... \$147,747,421

Notes and Accounts Payable  
Owed to Vendors .....\$21,430,938

Other Liabilities .....\$10,383,442

**Total Liabilities and Members' Equity .....\$351,424,686**

# SOUTH KENTUCKY RECC ANNUAL MEMBERSHIP DAYS

**June 11, 2024**  
Wayne and McCreary  
county offices

**June 12, 2024**  
Russell and Clinton  
county offices

**June 13, 2024**  
Somerset office

**7 a.m.–6 p.m.**  
**ALL TIMES ARE LOCAL**



JUSTIN MAYFIELD

**S**outh Kentucky RECC will host Annual Membership Days on June 11, 12 and 13 at its offices from 7 a.m. until 6 p.m. local time.

Members can participate in the drive-thru events at the Wayne and McCreary county offices on June 11; the Russell and Clinton county offices on June 12; and the event will wrap up on June 13 when members can drive-thru in Somerset at the headquarters. Office lobbies and drive-thrus will be closed to business transactions in that office the day of the event with the exception of the Somerset drive-thru. It will remain open. Members can still conduct business by telephone.

Members will only be able to register once. When members register, they will receive a bucket and two LED lightbulbs. Their name will be entered into a drawing at each office for several door prizes. Members will also be entered into a drawing for a 2006 Mercury Monterey. The winner of the Monterey will be announced on Thursday, June 13, during our live-streamed annual meeting.



MORGHAN BLEVINS



WADE HARRIS



WADE HARRIS

**MEMBERS, PLEASE BRING  
YOUR BILL TO ASSIST  
WITH REGISTRATION**

# SOUTH KENTUCKY RECC INTRODUCES ONLINE VOTING FOR 2024 DIRECTOR ELECTIONS

OPTIONS TO VOTE INCLUDE EARLY ONLINE VOTING AND IN-PERSON VOTING VIA DRIVE-THRU AT ANNUAL MEMBERSHIP DAYS

South Kentucky RECC members play an active role in shaping the future direction of the co-op, reinforcing the cooperative principles of democratic member control and participation. This year, SKRECC members will have the opportunity to cast their ballots for the director seats in Districts 4 and 7.

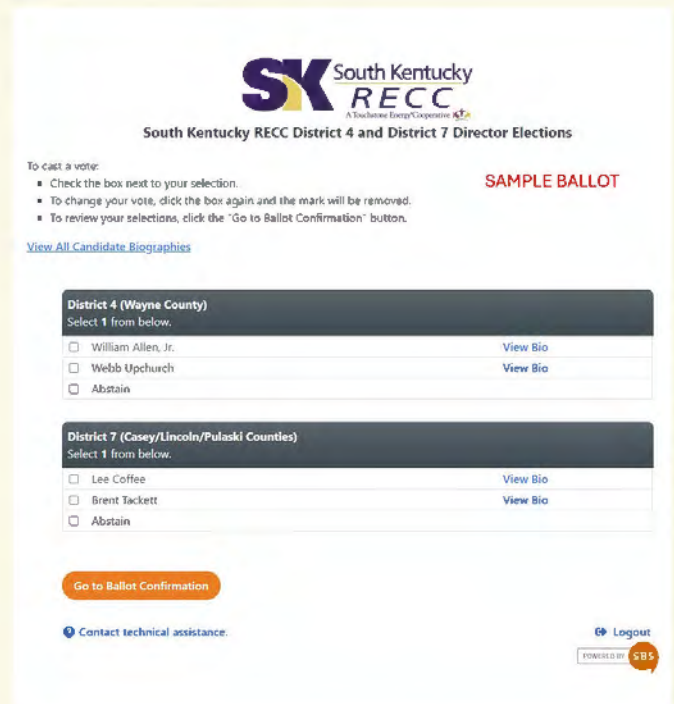
In a move to enhance member engagement and convenience, South Kentucky RECC is adding an early online voting option for its upcoming director elections. Members may choose one of two convenient ways to cast their ballots in the director election: either online through their SKRECC SmartHub account or in-person via a drive-thru method at the co-op's Annual Membership Days in June. Members may only cast one ballot in the election using either of these voting options.

## VOTE ONLINE USING SMARTHUB

With the introduction of online voting, members may cast their ballots with just a few clicks by using their SKRECC SmartHub account. To access the online ballot, members must log in to their SKRECC SmartHub account via computer or SmartHub app on their smart device, click on the VOTE NOW button and follow the instructions to finish casting their ballot. Online voting begins at midnight Sunday, May 26, and ends Saturday, June 9, at midnight. Any member that wishes to vote online, but who has not created a Smarthub account can do so easily by going to [skrecc.smarthub.coop](http://skrecc.smarthub.coop) and clicking on REGISTER NOW.

## VOTE IN-PERSON AT ANNUAL MEMBERSHIP DAYS

Members may also cast their ballot in person at the co-op's annual membership days in June. Members will register at the event and once membership is confirmed, the member will



securely cast his or her ballot electronically. In-person voting will occur during South Kentucky RECC's annual membership days held at its five district offices June 11-13, 2024. The schedule is as follows: Wayne and McCreary county offices on June 11; Russell and Clinton county offices on June 12; and Somerset headquarters on June 13. Voting times are 7 a.m. to 6 p.m. each day, local time.

By offering both online and drive-thru voting options, South Kentucky RECC is making it easier than ever for members to exercise their right to vote in director elections. This dual approach accommodates varying preferences and circumstances, ensuring that every member has a voice in selecting the leadership of the cooperative.

SEE THE NEXT PAGE FOR DIRECTOR CANDIDATE BIOS.



# DISTRICT 4 CANDIDATE BIOGRAPHIES (WAYNE COUNTY)

## WILLIAM ALLEN

William is a seventh generation vegetable, tobacco, cattle, grain farmer and small business owner of Allen Farms Produce, in Frazer. He graduated from Wayne County High School and the University of Kentucky, where he majored in agricultural economics and minored in business. He and his wife, Samantha, are members of First Christian Church in Monticello. They have two children, Henry and Tate. He is committed to making a positive impact for South Kentucky RECC.



KELLIE CARTER PHOTOGRAPHY

## WEBB UPCHURCH

Richard (Webb) Upchurch is a native of Wayne County. He is self-employed in the HVAC, plumbing and electric business (following the footsteps of his father, who started the business over 50 years ago). He and his wife, Jody, have been married for 25 years and have five children. Webb serves as a deacon at Mt. Zion Baptist Church. He also enjoys farming as a pastime: raising beef cattle, hair sheep and honeybees.



UPCHURCH FAMILY

# DISTRICT 7 CANDIDATE BIOGRAPHIES (CASEY/LINCOLN/PULASKI COUNTIES)

## LEE COFFEE

Lee is a resident of Pulaski County, growing up in Eubank, where he still lives with his wife, Terri. He's a graduate of Eubank High School. He is a veteran. Lee has worked in the building trade for over 50 years. He's also a master electrician. From 2012-2016, Lee served as a South Kentucky RECC director, during which he also served as representative on the East Kentucky Power Cooperative Board.



JUSTIN MAYFIELD

## BRENT TACKETT

Brent Tackett is a lifelong resident of Pulaski County. He spent 46 years as an educator, coach and athletic director, and is a lifetime farmer. He attends First Christian Church in Somerset, where he serves as an Elder and member of the board. He has been married to Anne Hoffman Tackett for 56 years and has two children, Jim Tackett and Christy (Rodney) Oakes. Brent has served 8 years as a South Kentucky RECC director.



TOMMY WILSON PHOTOGRAPHY

**FOR MORE COMPREHENSIVE BIOGRAPHIES OF THE  
CANDIDATES, VISIT OUR WEBSITE AT [WWW.SKRECC.COM](http://WWW.SKRECC.COM).**

# EMPOWERING TOMORROW: ENSURING ELECTRICAL SAFETY AWARENESS IN KIDS DURING ELECTRICAL SAFETY MONTH

**K**ids are naturally curious. It's how they learn.

But children sometimes have difficulty distinguishing between what's safe and what's dangerous, especially when it comes to electrical safety. To them, outlets may look like fun spaces to put small things, electrical boxes are good hiding spots, and power boxes have fun switches.

To help parents teach their children about being safe around electricity, South Kentucky RECC shares these tips for talking about it with your family.

Below left, South Kentucky RECC's very own safety robot, Buzz, captivates the attention of Nancy Elementary students on career day. The students learned about electrical safety and the magic behind light switches. At SKRECC, we love to brighten up local schools and spark the imaginations of future leaders. Photo: Jackson Smith

Below right, safety is the top priority at South Kentucky RECC. Our safety demo trailer is another way we share valuable knowledge and hope to help prevent emergencies before they happen. Photo: Morghan Blevins

## START EARLY

As soon as your children are old enough to understand what you say, begin having the safety conversation and repeat it often. The more you talk about it, the more likely your kids are to retain the information and recognize a dangerous situation.

## TAKE A TOUR

A child's understanding increases when the safety lesson is fun and interactive. Support your safety talk with a tour around the house. Point out electrical outlets, appliance power cords and the electrical panel while talking about safety precautions for each. You can also venture outside to talk about electrical boxes, power lines and outdoor outlets. By making electrical safety interactive, your kids will have fun while learning how to be safe.

## MAKE IT INTERESTING

The internet has many free and valuable resources for fun safety lessons. Safe Electricity's Electric Universe website ([eec.electricuniverse.com](http://eec.electricuniverse.com)) offers videos, games and activities to reinforce safety messages. The Electrical Safety Foundation offers a variety of

age-appropriate resources, including some in Spanish, at [esfi.org/kids-safety](http://esfi.org/kids-safety).

Whatever your teaching method, ensure your kids know how to play it safe around electricity.



▲ The Conservation Clubhouse program gives students the chance to learn about electrical safety and some of Kentucky's wildlife creatures. From learning how to stay safe around power lines to discovering the wonders of local wildlife, it was a fantastic experience that sparked curiosity and excitement in all of us! Pictured is Abigail Hutton, daughter of SKRECC Chief of Corporate Relations Doug Hutton. Photo: Morghan Blevins





**Board of Directors**

Cathy Crew Epperson, Chairperson  
Brent Tackett, Vice Chairman  
Boris Haynes, Secretary/Treasurer  
CV Hansford  
Tommy Nelson, Jr.  
Greg Redmon

**President & CEO**

Kevin Newton

**Communications Administrator**

Morghan Blevins

**SKRECC Offices:**

**Clinton County**

715 Snow Rd., Albany, KY 42602  
(606) 387-6476

**McCreary County**

51 Center Ave., Whitley City, KY 42653  
(606) 376-5997

**Pulaski County**

200 Electric Ave., Somerset, KY 42501  
(606) 678-4121

**Russell County**

2405 N. Main St., Jamestown, KY 42629  
(270) 343-7500

**Wayne County**

780 N. Main St., Monticello, KY 42633  
(606) 348-6771

**Discovering South Kentucky** is a newsletter insert to *Kentucky Living* magazine and is published by the Kentucky Electric Cooperatives, Louisville, KY, and by South Kentucky Rural Electric Cooperative Corporation, P.O. Box 910, Somerset, KY 42502, (606) 678-4121.

**Address all correspondence to:** Discovering South Kentucky, P.O. Box 910, Somerset, KY 42502.

**Visit [www.skrecc.applicantpro.com/jobs/](http://www.skrecc.applicantpro.com/jobs/)** to explore exciting career opportunities with the South Kentucky RECC Team.

South Kentucky RECC is an equal opportunity employer and provider.

**Visit [www.skrecc.com](http://www.skrecc.com)** to pay your bill online, to visit our outage center, or for more information about the Co-op Connections Program.

**To report an outage 24/7/365**, please call your local office, (800) 264-5112, or set up your account to be able to text outages. Please do not report outages via social media.

**Plug into South Kentucky RECC. Follow us on social media:**



# BUYING A NEW HOME?

**Make sure its electrical system is up to snuff**

.....  
Have a licensed electrical inspector thoroughly check out any home you're buying, especially if it's older.

## THE ELECTRICAL PROFESSIONAL WILL:

- Identify any fire or safety hazards. These include frayed, exposed or damaged wires, as well as inside and outside receptacles not protected with arc or ground fault circuit interrupters and tamper-resistant outlet electrical receptacles.
- Make sure all the electrical components are working safely.
- Identify any problem areas or wiring mistakes.
- Help meet insurance risk assessment inspection requirements.

ALEXANDR IVASCHENKO/ADOBE STOCK

## REMEMBER AND HONOR

South Kentucky RECC offices and drive-thrus will be closed Monday, May 27, in observance of Memorial Day.

In case of emergency or to report an outage, please call (800) 264-5112 for dispatch.



REDPIXEL/ADOBE STOCK

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 23**

**807 KAR 5:001 Section 16(4)(r)  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirements:**

*The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period.*

**Response:**

Please see attached monthly managerial reports.

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	311,681,381.06
2. Construction Work in Progress	5,987,885.58
3. Total Utility Plant	317,669,266.64
4. Accum. Provision for Depreciation and Amort.	(102,376,918.06)
5. Net Utility Plant	215,292,348.58
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	87,783,114.92
9. Invest. in Assoc. Org. - Other - General Funds	1,519,499.85
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	4,045,882.77
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	93,373,290.86
15. Cash - General Funds	4,121,075.47
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	13,936,798.98
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	5,341,646.29
21. Accounts Receivable - Other (Net)	428,543.24
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,597,726.34
24. Prepayments	480,387.43
25. Other Current and Accrued Assets	7,568,513.79
26. Total Current and Accrued Assets	34,474,691.54
27. Regulatory Assets	1,119,622.13
28. Other Deferred Debits	275,224.48
29. Total Assets and Other Debits	344,535,177.59

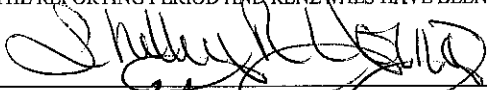

LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,218,327.00)
31. Patronage Capital	(143,427,627.51)
32. Operating Margins - Prior Years	(14,772,288.64)
33. Operating Margins - Current Year	1,366,919.80
34. Non-Operating Margins	(1,335,942.51)
35. Other Margins and Equities	(6,768,644.06)
36. Total Margins & Equities	(166,155,909.92)
37. Long-Term Debt - RUS (Net)	17,266,006.61
(Payments-Unapplied \$21,268,893.23)	
38. Long-Term Debt - FFB - RUS Guaranteed	(111,587,181.09)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(40,960,347.48)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,627,806.06)
42. Payments - Unapplied	
43. Total Long-Term Debt	(138,909,328.02)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(8,434,013.30)
46. Total Other Noncurrent Liabilities	(8,434,013.30)
47. Notes Payable	(6,581,014.34)
48. Accounts Payable	(9,596,124.28)
49. Consumers Deposits	(2,742,973.00)
50. Current Maturities Long-Term Debt	(7,809,613.35)
51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,581,318.12)
54. Total Current & Accrued Liabilities	(30,619,376.25)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(416,550.10)
57. Total Liab. & Other Credits	(344,535,177.59)

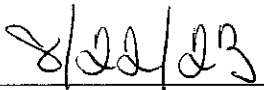
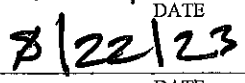
Estimated Contribution in Aid of Construction	
Balance Beginning of Year	9,957,014.95
Amount Received This Year	46,198.54
Total Contribution in Aid of Construction	10,003,213.49

EQUITY RATIO 48.23%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT  
  
SIGNATURE OF MANAGER

  
DATE  
  
DATE

# General Ledger

## Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR JUN 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	76,934,827.24	73,713,419.88	84,621,176.00	10,214,834.07	13,270,565.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	57,366,218.00	52,771,544.00	61,995,817.00	7,422,301.00	9,583,586.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	2,286,306.45	2,191,776.64	2,371,523.07	417,110.40	397,140.52
7. Distribution Expense - Maintenance	4,301,723.61	7,125,293.62	7,320,357.52	1,787,570.38	1,273,951.93
8. Customer Accounts Expense	2,098,927.51	2,463,181.37	2,319,069.65	356,754.04	403,858.90
9. Customer Service and Informational Expense	277,910.73	198,411.15	172,526.34	26,402.67	27,504.39
10. Sales Expense	21,079.24	24,771.00	15,095.04	4,092.64	2,515.84
11. Administrative and General Expense	1,960,990.18	2,477,182.98	2,474,179.53	470,911.95	405,956.04
12. Total Operation & Maintenance Expense (2 thru 11)	68,313,155.72	67,252,160.76	76,668,568.15	10,485,143.08	12,094,513.62
13. Depreciation & Amortization Expense	4,931,616.43	5,122,902.52	5,103,129.00	861,208.43	850,522.00
14. Tax Expense - Property & Gross Receipts	77,174.75	77,622.23	82,500.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	2,583,267.38	2,563,700.63	2,602,628.00	407,359.93	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	78.53	84,133.59	27,150.00	18,282.29	4,525.00
19. Other Deductions	14,321.33	15,933.28	75,732.48	1,188.71	54,697.08
20. Total Cost of Electric Service (12 thru 19)	75,919,614.14	75,116,453.01	84,559,707.63	11,782,054.64	13,451,779.70
21. Patronage Capital & Operating Margins (1 minus 20)	1,015,213.10	-1,403,033.13	61,468.37	-1,567,220.57	-181,214.70
22. Non Operating Margins - Interest	78,989.81	738,560.06	593,265.00	208,176.28	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	16,454.72	9,110.71	6,900.00	514.21	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	133,425.56	36,113.33	108,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	2,480,935.96	-619,249.03	769,633.37	-1,358,530.08	-81,197.20
Operating - Margin	2,385,491.43	-1,366,919.80	169,468.37	-1,567,220.57	-181,214.70
Non Operating - Margin	95,444.53	747,670.77	600,165.00	208,690.49	100,017.50
Times Interest Earned Ratio - Operating	1.39	0.45			
Times Interest Earned Ratio - Net	1.96	0.76			
Times Interest Earned Ratio - Modified	1.43	0.74			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
JUNE 2023

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH			YEAR-TO-DATE			
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg.No. Receiving Serv. e	kWh Sold Cumulative r	Amount Cumulative g
1. Residential Sales (excl seas.)	63,898	49,660,100	\$6,601,435.15	2,688	64,040	387,065,309	\$50,385,706.05
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,801	5,560,856	821,555.35	314	4,818	33,170,953	5,025,584.93
5. Comm. & Ind.-over 50kVA	663	29,930,566	2,841,398.45	7	663	182,097,387	18,267,657.16
6. Public St. & Highway Lghtng.	21	66,837	27,653.90	0	22	402,066	166,265.96
7. Other Sales to Public Auth.	943	736,386	106,190.70	61	941	6,479,521	878,388.64
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,326	85,954,745	\$10,398,233.55	3,070	70,484	609,215,236	74,723,602.74
11. Other Electric Revenue			(183,399.48)				(1,010,182.86)
12. Total (10 + 11)			\$10,214,834.07				\$73,713,419.88

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	84,599	578,742
2. kWh Purchased.....	93,153,400	607,452,514	7. Total Unaccounted for.....	7,114,056	(2,341,464)
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	7.64%	-0.39%
4. Total kWh (1 thru 3).....	93,153,400	607,452,514	9. CP Demand (kW).....	192,165	327,565
5. Total kWh -Sold.....	85,954,745	609,215,236	10. Bill Demand (kW).....	198,903	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		MARCH

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	653	410	5. Miles Transmission		
2. Services Retired	78	76	6. Miles Distribution - Overhead	6,449.93	6,468.80
3. Total Services in Place	79,012	79,732	7. Miles Distribution - Underground	595.63	605.65
4. Idle Services (Exclude Seasonal)	8,709	9,406	8. Total Miles Energized (5 + 6 + 7)	7,045.56	7,074.45

PART C. BALANCE SHEET


ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	312,247,615.78	30. Memberships	(1,217,429.00)
2. Construction Work in Progress	5,566,745.56	31. Patronage Capital	(153,342,323.21)
3. Total Utility Plant	317,814,361.34	32. Operating Margins - Prior Years	(5,413,335.65)
4. Accum. Provision for Depreciation and Amort.	(102,183,674.99)	33. Operating Margins - Current Year	431,007.28
5. Net Utility Plant	215,630,686.35	34. Non-Operating Margins	(1,030,820.85)
6. Non-Utility Property (Net)	24,793.32	35. Other Margins and Equities	(6,798,296.50)
7. Invest. in Subsidiary Companies	-	36. Total Margins & Equities	(167,371,197.93)
8. Invest. in Assoc. Org. - Patronage Capital	87,782,018.95	37. Long-Term Debt - RUS (Net)	17,328,371.48
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95	(Payments-Unapplied \$21,268,893.23)	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-	38. Long-Term Debt - FFB - RUS Guaranteed	(121,587,181.09)
11. Invest. in Economic Development Projects	3,983,453.68	39. Long-Term Debt - Other - RUS Guaranteed	-
12. Other Investments	-	40. Long-Term Debt - Other (Net)	(40,707,029.44)
13. Special Funds	-	41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,602,111.62)
14. Total Other Property & Investments	93,309,730.90	42. Payments - Unapplied	
15. Cash - General Funds	8,385,351.46	43. Total Long-Term Debt	(148,567,950.67)
16. Cash - Construction Funds - Trustee	-	44. Obligations Under Capital Leases - Noncurrent	-
17. Special Deposits	-	45. Accumulated Operating Provisions	(8,414,526.07)
18. Temporary Investments	14,106,565.81	46. Total Other Noncurrent Liabilities	(8,414,526.07)
19. Notes Receivable (Net)	-	47. Notes Payable	(56,194.59)
20. Accounts Receivable - Sales of Energy (Net)	5,687,469.87	48. Accounts Payable	(11,235,007.36)
21. Accounts Receivable - Other (Net)	10,042.22	49. Consumers Deposits	(2,755,432.00)
22. Renewable Energy Credits	-	50. Current Maturities Long-Term Debt	(7,809,613.35)
23. Material and Supplies - Electric & Other	2,650,186.72	51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)
24. Prepayments	414,266.71	52. Current Maturities Capital Leases	-
25. Other Current and Accrued Assets	9,606,133.31	53. Other Current and Accrued Liabilities	(4,195,227.37)
26. Total Current and Accrued Assets	40,860,016.10	54. Total Current & Accrued Liabilities	(26,359,807.83)
27. Regulatory Assets	1,098,246.97	55. Regulatory Liabilities	-
28. Other Deferred Debits	233,316.28	56. Other Deferred Credits	(418,514.10)
29. Total Assets and Other Debits	351,131,996.60	57. Total Liab. & Other Credits	(351,131,996.60)


Estimated Contribution in Aid of Construction	
Balance Beginning of Year	9,957,014.95
Amount Received This Year	51,098.54
Total Contribution in Aid of Construction	10,008,113.49

EQUITY RATIO 47.67%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
\_\_\_\_\_  
SIGNATURE OF MANAGER

9/26/23  
\_\_\_\_\_  
DATE

9/26/23  
\_\_\_\_\_  
DATE



09/12/2023 11:44:11 am

Page: 1

## General Ledger

### Financial And Operating Report Electric Distribution

#### INCOME STATEMENT FOR JUL 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	91,758,755.04	87,743,930.68	99,947,353.00	14,030,510.80	15,326,177.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	68,417,313.00	62,307,971.00	73,096,771.00	9,536,427.00	11,100,954.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	2,657,769.27	2,608,542.71	2,768,895.58	416,766.07	397,372.51
7. Distribution Expense - Maintenance	5,256,142.14	8,093,667.26	8,615,146.70	968,373.64	1,294,789.18
8. Customer Accounts Expense	2,441,192.01	2,822,644.91	2,704,079.30	359,463.54	385,009.65
9. Customer Service and Informational Expense	279,421.41	225,650.61	202,030.73	27,239.46	29,504.39
10. Sales Expense	24,349.57	30,034.51	17,610.88	5,263.51	2,515.84
11. Administrative and General Expense	2,317,442.56	2,921,187.82	2,879,145.61	444,004.84	404,966.08
12. Total Operation & Maintenance Expense (2 thru 11)	81,393,629.96	79,009,698.82	90,283,679.80	11,757,538.06	13,615,111.65
13. Depreciation & Amortization Expense	5,764,589.47	5,984,698.39	5,953,651.00	861,795.87	850,522.00
14. Tax Expense - Property & Gross Receipts	85,599.50	86,494.43	96,250.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	3,023,810.72	3,023,572.78	3,036,400.00	459,872.15	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	100.12	89,541.40	31,675.00	5,407.81	4,525.00
19. Other Deductions	16,546.82	17,045.47	79,179.56	1,112.19	3,447.08
20. Total Cost of Electric Service (12 thru 19)	90,284,276.59	88,211,051.29	99,480,835.36	13,094,598.28	14,921,127.73
21. Patronage Capital & Operating Margins (1 minus 20)	1,474,478.45	-467,120.61	466,517.64	935,912.52	405,049.27
22. Non Operating Margins - Interest	98,716.86	824,965.59	692,142.50	86,405.53	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	38,461.57	205,855.26	8,040.00	196,744.55	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	133,425.56	36,113.33	108,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	2,981,935.21	599,813.57	1,274,700.14	1,219,062.60	505,066.77
Operating - Margin	2,844,756.78	-431,007.28	574,517.64	935,912.52	405,049.27
Non Operating - Margin	137,178.43	1,030,820.85	700,182.50	283,150.08	100,017.50
Times Interest Earned Ratio - Operating	1.49	0.85			
Times Interest Earued Ratio - Net	1.99	1.20			
Times Interest Earued Ratio - Modified	1.53	1.19			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
**SOUTH KENTUCKY RECC**

MONTH ENDING  
**JULY 2023**

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH			YEAR-TO-DATE			
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	63,979	57,713,770	\$7,800,500.60	2,805	64,031	444,779,079	\$58,186,206.65
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,827	6,076,279	915,575.32	323	4,819	39,247,232	5,941,160.25
5. Comm. & Ind.-over 50kVA	666	30,555,809	3,055,230.90	6	663	212,653,196	21,322,888.06
6. Public St. & Highway Lghtng.	21	66,838	28,418.93	0	21	468,904	194,684.89
7. Other Sales to Public Auth.	943	914,893	130,549.79	53	942	7,394,414	1,008,938.43
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,436	95,327,589	\$11,930,275.54	3,187	70,476	704,542,825	86,653,878.28
11. Other Electric Revenue			2,100,235.26				1,090,052.40
12. Total (10 + 11)			\$14,030,510.80				\$87,743,930.68

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	88,615	667,357
2. kWh Purchased.....	114,662,067	722,114,581	7. Total Unaccounted for.....	19,245,863	16,904,399
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	16.78%	2.34%
4. Total kWh (1 thru 3).....	114,662,067	722,114,581	9. CP Demand (kW).....	247,255	327,565
5. Total kWh -Sold.....	95,327,589	704,542,825	10. Bill Demand (kW).....	249,768	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		MARCH

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	732	596	5. Miles Transmission		
2. Services Retired	84	95	6. Miles Distribution - Overhead	6,451.74	6,470.20
3. Total Services in Place	79,085	79,899	7. Miles Distribution - Underground	596.51	607.95
4. Idle Services (Exclude Seasonal)	8,544	9,463	8. Total Miles Energized (5 + 6 + 7)	7,048.25	7,078.15

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		
1. Total Utility Plant in Service	313,068,895.20	
2. Construction Work in Progress	5,962,494.87	
3. Total Utility Plant	319,031,390.07	
4. Accum. Provision for Depreciation and Amort.	(102,923,666.17)	
5. Net Utility Plant		216,107,723.90
6. Non-Utility Property (Net)	24,793.32	
7. Invest. in Subsidiary Companies	-	
8. Invest. in Assoc. Org. - Patronage Capital	87,782,018.95	
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-	
11. Invest. in Economic Development Projects	3,450,191.26	
12. Other Investments	-	
13. Special Funds	-	
14. Total Other Property & Investments		92,776,468.48
15. Cash - General Funds	5,593,717.58	
16. Cash - Construction Funds - Trustee	-	
17. Special Deposits	-	
18. Temporary Investments	16,175,895.21	
19. Notes Receivable (Net)	-	
20. Accounts Receivable - Sales of Energy (Net)	5,847,612.57	
21. Accounts Receivable - Other (Net)	(815.41)	
22. Renewable Energy Credits	-	
23. Material and Supplies - Electric & Other	2,729,886.56	
24. Prepayments	431,539.33	
25. Other Current and Accrued Assets	8,802,822.76	
26. Total Current and Accrued Assets		39,580,658.60
27. Regulatory Assets	1,076,871.81	
28. Other Deferred Debits	210,398.60	
29. Total Assets and Other Debits		349,752,121.39


LIABILITIES AND OTHER CREDITS		
30. Memberships	(1,219,197.00)	
31. Patronage Capital	(153,296,073.01)	
32. Operating Margins - Prior Years	(5,413,335.65)	
33. Operating Margins - Current Year	2,246,715.21	
34. Non-Operating Margins	(1,121,257.44)	
35. Other Margins and Equities	(6,851,326.18)	
36. Total Margins & Equities		(165,654,474.07)
37. Long-Term Debt - RUS (Net) (Payments-Unapplied \$21,268,893.23)	17,390,918.60	
38. Long-Term Debt - FFB - RUS Guaranteed	(121,587,181.09)	
39. Long-Term Debt - Other - RUS Guaranteed	-	
40. Long-Term Debt - Other (Net)	(40,225,521.08)	
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,268,083.57)	
42. Payments - Unapplied		
43. Total Long-Term Debt		(147,689,867.14)
44. Obligations Under Capital Leases - Noncurrent	-	
45. Accumulated Operating Provisions	(8,395,655.80)	
46. Total Other Noncurrent Liabilities		(8,395,655.80)
47. Notes Payable	(56,194.59)	
48. Accounts Payable	(12,528,053.14)	
49. Consumers Deposits	(2,777,697.50)	
50. Current Maturities Long-Term Debt	(7,809,613.35)	
51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)	
52. Current Maturities Capital Leases	-	
53. Other Current and Accrued Liabilities	(4,110,393.84)	
54. Total Current & Accrued Liabilities		(27,590,285.58)
55. Regulatory Liabilities	-	
56. Other Deferred Credits	(421,838.80)	
57. Total Liab. & Other Credits		(349,752,121.39)
Estimated Contribution in Aid of Construction		
Balance Beginning of Year	9,957,014.95	
Amount Received This Year	55,654.38	
Total Contribution in Aid of Construction	10,012,669.33	

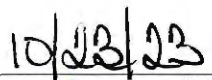
EQUITY RATIO 47.36%

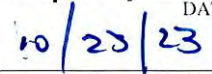
CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
\_\_\_\_\_  
SIGNATURE OF MANAGER

  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
DATE

10/09/2023 10:43:31 am

Page: 1

## General Ledger Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR AUG 2023

Item	-----Year - To - Date -----			----- Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	105,779,964.74	100,470,871.15	114,915,692.00	12,726,940.47	14,968,339.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	78,515,351.00	72,145,008.00	83,728,615.00	9,837,037.00	10,631,844.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,060,644.82	3,011,228.49	3,166,046.09	402,685.78	397,150.51
7. Distribution Expense - Maintenance	5,998,302.93	10,142,632.67	9,904,155.88	2,048,965.41	1,289,009.18
8. Customer Accounts Expense	2,777,896.42	3,183,313.01	3,084,072.95	360,668.10	379,993.65
9. Customer Service and Informational Expense	294,295.01	269,546.22	232,835.12	43,895.61	30,804.39
10. Sales Expense	27,927.30	34,627.83	20,126.72	4,593.32	2,515.84
11. Administrative and General Expense	2,686,069.68	3,417,194.04	3,283,464.70	496,006.22	404,319.09
12. Total Operation & Maintenance Expense (2 thru 11)	93,360,487.16	92,203,550.26	103,419,316.46	13,193,851.44	13,135,636.66
13. Depreciation & Amortization Expense	6,601,117.32	6,850,030.57	6,804,173.00	865,332.18	850,522.00
14. Tax Expense - Property & Gross Receipts	94,024.25	95,366.63	110,000.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	3,462,564.87	3,496,333.59	3,470,172.00	472,760.81	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	124.36	89,819.78	36,200.00	278.38	4,525.00
19. Other Deductions	19,818.49	18,598.86	83,526.64	1,553.39	4,347.08
20. Total Cost of Electric Service (12 thru 19)	103,538,136.45	102,753,699.69	113,923,388.10	14,542,648.40	14,442,552.74
21. Patronage Capital & Operating Margins (1 minus 20)	2,241,828.29	-2,282,828.54	992,303.90	-1,815,707.93	525,786.26
22. Non Operating Margins - Interest	124,908.95	914,859.06	791,020.00	89,893.47	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	40,181.45	206,398.38	9,180.00	543.12	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	133,425.56	36,113.33	108,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	3,777,197.02	-1,125,457.77	1,900,503.90	-1,725,271.34	625,803.76
Operating - Margin	3,612,106.62	-2,246,715.21	1,100,303.90	-1,815,707.93	525,786.26
Non Operating - Margin	165,090.40	1,121,257.44	800,200.00	90,436.59	100,017.50
Times Interest Earned Ratio - Operating	1.65	0.35			
Times Interest Earned Ratio - Net	2.09	0.68			
Times Interest Earned Ratio - Modified	1.70	0.67			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
AUGUST 2023

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,061	67,340,987	\$8,998,178.15	2,766	64,035	512,120,066	\$67,184,384.80
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,844	7,025,538	1,035,330.49	351	4,822	46,272,770	6,976,490.74
5. Comm. & Ind.-over 50kVA	668	31,516,973	3,230,516.34	6	664	244,170,169	24,553,404.40
6. Public St. & Highway Lghtng.	21	66,775	28,609.07	0	21	535,679	223,293.96
7. Other Sales to Public Auth.	941	1,114,970	154,911.55	63	942	8,509,384	1,163,849.98
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,535	107,065,243	\$13,447,545.60	3,186	70,484	811,608,068	100,101,423.88
11. Other Electric Revenue			(720,605.13)				369,447.27
12. Total (10 + 11)			\$12,726,940.47				\$100,470,871.15

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	94,119	761,476
2. kWh Purchased.....	110,466,746	832,581,327	7. Total Unaccounted for.....	3,307,384	20,211,783
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	2.99%	2.43%
4. Total kWh (1 thru 3).....	110,466,746	832,581,327	9. CP Demand (kW).....	247,979	327,565
5. Total kWh -Sold.....	107,065,243	811,608,068	10. Bill Demand (kW).....	251,939	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		MARCH

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	851	693	5. Miles Transmission		
2. Services Retired	94	103	6. Miles Distribution - Overhead	6,454.77	6,471.10
3. Total Services in Place	79,194	79,988	7. Miles Distribution - Underground	598.25	609.25
4. Idle Services (Exclude Seasonal)	8,826	9,453	8. Total Miles Energized (5 + 6 + 7)	7,053.02	7,080.35

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	314,066,612.95
2. Construction Work in Progress	6,371,102.35
3. Total Utility Plant	320,437,715.30
4. Accum. Provision for Depreciation and Amort.	(103,060,915.92)
5. Net Utility Plant	217,376,799.38
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	88,022,794.22
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,391,928.84
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	92,958,981.33
15. Cash - General Funds	8,021,185.91
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	14,475,005.65
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	6,367,581.00
21. Accounts Receivable - Other (Net)	409,376.98
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,613,922.96
24. Prepayments	424,636.93
25. Other Current and Accrued Assets	8,750,277.79
26. Total Current and Accrued Assets	41,061,987.22
27. Regulatory Assets	1,055,496.65
28. Other Deferred Debits	352,488.19
29. Total Assets and Other Debits	352,805,752.77


LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,216,677.00)
31. Patronage Capital	(153,247,977.32)
32. Operating Margins - Prior Years	(5,413,335.65)
33. Operating Margins - Current Year	628,731.26
34. Non-Operating Margins	(1,470,031.58)
35. Other Margins and Equities	(6,888,674.88)
36. Total Margins & Equities	(167,607,965.17)
37. Long-Term Debt - RUS (Net)	17,450,942.08
(Payments-Unapplied \$21,268,893.23)	
38. Long-Term Debt - FFB - RUS Guaranteed	(120,734,020.26)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(39,970,681.15)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,268,083.57)
42. Payments - Unapplied	
43. Total Long-Term Debt	(146,521,842.90)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(8,376,440.82)
46. Total Other Noncurrent Liabilities	(8,376,440.82)
47. Notes Payable	(4,007,113.22)
48. Accounts Payable	(11,763,979.73)
49. Consumers Deposits	(2,745,600.61)
50. Current Maturities Long-Term Debt	(7,809,613.35)
51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,246,223.23)
54. Total Current & Accrued Liabilities	(29,880,863.30)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(418,640.58)
57. Total Liab. & Other Credits	(352,805,752.77)


Estimated Contribution in Aid of Construction	
Balance Beginning of Year	9,957,014.95
Amount Received This Year	70,677.29
Total Contribution in Aid of Construction	10,027,692.24

EQUITY RATIO 47.51%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
SIGNATURE OF OFFICIAL MANAGER OR ACCOUNTANT

  
SIGNATURE OF MANAGER

11/16/23  
DATE

11-16-23  
DATE

11/02/2023 1:49:11 pm

Page: 1

## General Ledger Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR SEP 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	117,474,899.65	112,915,225.93	127,558,838.00	12,444,354.78	12,643,146.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	87,166,439.00	80,068,835.00	92,658,097.00	7,923,827.00	8,929,482.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,413,731.25	3,332,686.62	3,513,325.36	321,458.13	347,279.27
7. Distribution Expense - Maintenance	6,527,008.54	10,906,634.33	11,209,984.81	764,001.66	1,305,828.93
8. Customer Accounts Expense	3,150,414.15	3,541,589.88	3,468,939.85	358,276.87	384,866.90
9. Customer Service and Informational Expense	314,172.92	314,602.20	263,339.51	45,055.98	30,504.39
10. Sales Expense	31,500.20	37,431.61	22,642.56	2,803.78	2,515.84
11. Administrative and General Expense	3,059,704.05	3,803,522.37	3,680,096.98	386,328.33	396,632.28
12. Total Operation & Maintenance Expense (2 thru 11)	103,662,970.11	102,005,302.01	114,816,426.07	9,801,751.75	11,397,109.61
13. Depreciation & Amortization Expense	7,438,514.45	7,719,026.22	7,654,695.00	868,995.65	850,522.00
14. Tax Expense - Property & Gross Receipts	102,449.00	104,238.83	123,750.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	3,895,939.92	3,959,401.93	3,903,944.00	463,068.34	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	148.24	110,577.14	40,725.00	20,757.36	4,525.00
19. Other Deductions	23,796.48	21,856.52	86,973.72	3,257.66	3,447.08
20. Total Cost of Electric Service (12 thru 19)	115,123,818.20	113,920,402.65	126,626,513.79	11,166,702.96	12,703,125.69
21. Patronage Capital & Operating Margins (1 minus 20)	2,351,081.45	-1,005,176.72	932,324.21	1,277,651.82	-59,979.69
22. Non Operating Margins - Interest	181,608.57	1,168,223.79	889,897.50	253,364.73	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	31,929.91	301,807.79	10,320.00	95,409.41	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	267,926.85	376,445.46	245,000.00	340,332.13	137,000.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	4,069,399.55	841,300.32	2,077,541.71	1,966,758.09	177,037.81
Operating - Margin	3,855,861.07	-628,731.26	1,177,324.21	1,617,983.95	77,020.31
Non Operating - Margin	213,538.48	1,470,031.58	900,217.50	348,774.14	100,017.50
Times Interest Earned Ratio - Operating	1.60	0.75			
Times Interest Earned Ratio - Net	2.04	1.21			
Times Interest Earned Ratio - Modified	1.66	1.12			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
SEPTEMBER 2023

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg.No. Receiving Serv. e	kWh Sold Cumulative r	Amount Cumulative g
1. Residential Sales (excl seas.)	64,128	59,977,782	\$7,760,657.42	2,749	64,045	572,097,848	\$74,945,042.22
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50KVA or Less	4,843	6,563,879	938,798.91	349	4,825	52,836,649	7,915,289.65
5. Comm. & Ind.-over 50KVA	667	33,927,602	3,189,197.03	10	664	278,097,771	27,742,601.43
6. Public St. & Highway Lghtng.	21	66,741	28,159.21	0	21	602,420	251,453.17
7. Other Sales to Public Auth.	939	1,004,173	135,606.03	72	941	9,513,557	1,299,456.01
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,598	101,540,177	\$12,052,418.60	3,180	70,496	913,148,245	112,153,842.48
11. Other Electric Revenue			391,936.18				761,383.45
12. Total (10 + 11)			\$12,444,354.78				\$112,915,225.93

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	122,424	883,900
2. kWh Purchased.....	91,396,551	923,977,878	7. Total Unaccounted for.....	(10,266,050)	9,945,733
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	-11.23%	1.08%
4. Total kWh (1 thru 3).....	91,396,551	923,977,878	9. CP Demand (kW).....	213,609	327,565
5. Total kWh -Sold.....	101,540,177	913,148,245	10. Bill Demand (kW).....	227,157	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		MARCH

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	926	860	5. Miles Transmission		
2. Services Retired	103	118	6. Miles Distribution - Overhead	6,456.34	6,472.98
3. Total Services in Place	79,260	80,140	7. Miles Distribution - Underground	599.03	610.99
4. Idle Services (Exclude Seasonal)	8,612	9,542	8. Total Miles Energized (5 + 6 + 7)	7,055.37	7,083.97



PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	316,080,434.99
2. Construction Work in Progress	5,171,674.29
3. Total Utility Plant	321,252,109.28
4. Accum. Provision for Depreciation and Amort.	(103,465,901.82)
5. Net Utility Plant	217,786,207.46
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	88,022,794.22
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,333,666.42
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	92,900,718.91
15. Cash - General Funds	4,564,096.24
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	16,459,353.00
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	5,430,591.02
21. Accounts Receivable - Other (Net)	25,234.56
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,544,526.94
24. Prepayments	359,020.85
25. Other Current and Accrued Assets	6,616,764.17
26. Total Current and Accrued Assets	35,999,586.78
27. Regulatory Assets	1,034,121.49
28. Other Deferred Debits	381,148.38
29. Total Assets and Other Debits	348,101,783.02

LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,217,979.00)
31. Patronage Capital	(153,210,164.81)
32. Operating Margins - Prior Years	(5,413,335.65)
33. Operating Margins - Current Year	3,085,406.93
34. Non-Operating Margins	(1,627,405.42)
35. Other Margins and Equities	(6,918,739.89)
36. Total Margins & Equities	(165,302,217.84)
37. Long-Term Debt - RUS (Net) (Payments-Unapplied \$21,268,893.23)	15,727,262.18
38. Long-Term Debt - FFB - RUS Guaranteed	(120,734,020.26)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(39,715,076.85)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,233,361.35)
42. Payments - Unapplied	-
43. Total Long-Term Debt	(147,955,196.28)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(8,356,755.48)
46. Total Other Noncurrent Liabilities	(8,356,755.48)
47. Notes Payable	(1,940,826.13)
48. Accounts Payable	(8,864,980.51)
49. Consumers Deposits	(3,460,800.11)
50. Current Maturities Long-Term Debt	(7,809,613.35)
51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,666,536.24)
54. Total Current & Accrued Liabilities	(26,051,089.50)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(436,523.92)
57. Total Liab. & Other Credits	(348,101,783.02)


Estimated Contribution in Aid of Construction	
Balance Beginning of Year	9,957,014.95
Amount Received This Year	90,607.73
Total Contribution in Aid of Construction	10,047,622.68

EQUITY RATIO 47.49%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
\_\_\_\_\_  
SIGNATURE OF MANAGER

12/11/23  
\_\_\_\_\_  
DATE

12/11/23  
\_\_\_\_\_  
DATE

# General Ledger

## Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR OCT 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	129,158,021.51	121,338,116.50	138,772,140.00	8,422,890.57	11,213,302.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	95,851,425.00	87,502,706.00	100,903,321.00	7,433,871.00	8,245,224.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,774,947.29	3,701,517.26	3,860,673.62	368,830.64	347,348.26
7. Distribution Expense - Maintenance	7,280,049.73	11,816,816.11	12,501,329.79	910,181.78	1,291,344.98
8. Customer Accounts Expense	3,403,365.30	3,868,173.70	3,852,791.50	326,583.82	383,851.65
9. Customer Service and Informational Expense	334,113.05	368,992.24	292,843.90	54,390.04	29,504.39
10. Sales Expense	34,801.45	37,533.31	25,158.40	101.70	2,515.84
11. Administrative and General Expense	3,431,967.24	4,253,177.97	4,077,384.52	449,655.60	397,287.54
12. Total Operation & Maintenance Expense (2 thru 11)	114,110,669.06	111,548,916.59	125,513,502.73	9,543,614.58	10,697,076.66
13. Depreciation & Amortization Expense	8,279,086.13	8,590,407.62	8,505,217.00	871,381.40	850,522.00
14. Tax Expense - Property & Gross Receipts	110,873.75	113,111.03	137,500.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	4,349,719.40	4,403,888.36	4,337,716.00	444,486.43	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	168.79	118,437.36	45,250.00	7,860.22	4,525.00
19. Other Deductions	28,018.98	25,207.93	92,070.80	3,351.41	5,097.08
20. Total Cost of Electric Service (12 thru 19)	126,878,536.11	124,799,968.89	138,631,256.53	10,879,566.24	12,004,742.74
21. Patronage Capital & Operating Margins (1 minus 20)	2,279,485.40	-3,461,852.39	140,883.47	-2,456,675.67	-791,440.74
22. Non Operating Margins - Interest	284,793.27	1,325,063.81	988,775.00	156,840.02	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	32,776.68	302,341.61	11,460.00	533.82	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	267,926.85	376,445.46	245,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	4,101,834.97	-1,458,001.51	1,386,118.47	-2,299,301.83	-691,423.24
Operating - Margin	3,784,265.02	-3,085,406.93	385,883.47	-2,456,675.67	-791,440.74
Non Operating - Margin	317,569.95	1,627,405.42	1,000,235.00	157,373.84	100,017.50
Times Interest Earned Ratio - Operating	1.52	0.21			
Times Interest Earned Ratio - Net	1.94	0.67			
Times Interest Earned Ratio - Modified	1.60	0.58			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
OCTOBER 2023

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold b	Amount c	No. Minimum Bills d	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,114	45,526,715	\$6,430,507.21	30	64,052	617,624,563	\$81,375,549.43
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,822	5,209,563	815,453.25	1	4,824	58,046,212	8,730,742.90
5. Comm. & Ind.-over 50kVA	669	30,517,917	3,068,542.49	0	665	308,615,688	30,811,143.92
6. Public St. & Highway Lghtng.	22	66,830	27,942.66	0	21	669,250	279,395.83
7. Other Sales to Public Auth.	937	731,441	113,295.81	0	941	10,244,998	1,412,751.82
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,564	82,052,466	\$10,455,741.42	31	70,503	995,200,711	122,609,583.90
11. Other Electric Revenue			(2,032,850.85)				(1,271,467.40)
12. Total (10 + 11)			\$8,422,890.57				\$121,338,116.50

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	85,394	969,294
2. kWh Purchased.....	88,998,942	1,012,976,820	7. Total Unaccounted for.....	6,861,082	16,806,815
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	7.71%	1.66%
4. Total kWh (1 thru 3).....	88,998,942	1,012,976,820	9. CP Demand (kW).....	192,208	327,565
5. Total kWh -Sold.....	82,052,466	995,200,711	10. Bill Demand (kW).....	197,477	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	1,046	1,028	5. Miles Transmission		
2. Services Retired	116	127	6. Miles Distribution - Overhead	6,459.11	6,477.38
3. Total Services in Place	79,367	80,299	7. Miles Distribution - Underground	600.28	614.85
4. Idle Services (Exclude Seasonal)	8,867	9,735	8. Total Miles Energized (5 + 6 + 7)	7,059.39	7,092.23

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	316,680,509.46
2. Construction Work in Progress	5,774,140.82
3. Total Utility Plant	322,454,650.28
4. Accum. Provision for Depreciation and Amort.	(104,179,175.66)
5. Net Utility Plant	218,275,474.62
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	88,022,794.22
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,275,404.00
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	92,842,456.49
15. Cash - General Funds	4,454,806.89
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	12,692,196.55
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	6,069,171.64
21. Accounts Receivable - Other (Net)	94,403.18
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,519,496.96
24. Prepayments	546,725.96
25. Other Current and Accrued Assets	8,812,393.88
26. Total Current and Accrued Assets	35,189,195.06
27. Regulatory Assets	1,012,746.33
28. Other Deferred Debits	307,870.60
29. Total Assets and Other Debits	347,627,743.10


LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,218,620.00)
31. Patronage Capital	(153,144,862.69)
32. Operating Margins - Prior Years	(5,413,335.65)
33. Operating Margins - Current Year	3,110,105.43
34. Non-Operating Margins	(1,757,786.65)
35. Other Margins and Equities	(7,068,385.67)
36. Total Margins & Equities	(165,492,885.23)
37. Long-Term Debt - RUS (Net)	15,803,253.33
(Payments-Unapplied \$21,268,893.23)	
38. Long-Term Debt - FFB - RUS Guaranteed	(120,734,020.26)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(39,269,926.79)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,216,000.24)
42. Payments - Unapplied	
43. Total Long-Term Debt	(147,416,693.96)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(8,339,352.24)
46. Total Other Noncurrent Liabilities	(8,339,352.24)
47. Notes Payable	(16,971.57)
48. Accounts Payable	(11,480,542.97)
49. Consumers Deposits	(3,468,266.61)
50. Current Maturities Long-Term Debt	(7,809,613.35)
51. Current Maturities Long-Term Debt - Econ. Devel.	(308,333.16)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(2,882,971.45)
54. Total Current & Accrued Liabilities	(25,966,699.11)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(412,112.56)
57. Total Liab. & Other Credits	(347,627,743.10)


Estimated Contribution in Aid of Construction	
Balance Beginning of Year	9,957,014.95
Amount Received This Year	157,616.27
Total Contribution in Aid of Construction	10,114,631.22

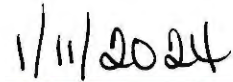
EQUITY RATIO 47.61%

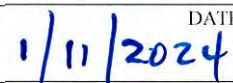
CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
\_\_\_\_\_  
SIGNATURE OF MANAGER

  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
DATE

# General Ledger Financial And Operating Report Electric Distribution

## INCOME STATEMENT FOR NOV 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	143,437,134.03	134,913,122.51	153,147,177.00	13,575,006.01	14,375,037.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	106,124,435.00	96,794,612.00	111,405,446.00	9,291,906.00	10,502,125.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	4,039,853.11	4,097,723.42	4,208,021.88	396,206.16	347,348.26
7. Distribution Expense - Maintenance	8,083,196.53	13,543,299.19	13,727,007.82	1,726,483.08	1,225,678.03
8. Customer Accounts Expense	3,891,241.26	4,195,463.38	4,233,793.15	327,289.68	381,001.65
9. Customer Service and Informational Expense	362,603.33	422,561.81	321,348.29	53,569.57	28,504.39
10. Sales Expense	38,346.02	37,533.31	27,674.24	0.00	2,515.84
11. Administrative and General Expense	<u>3,836,104.04</u>	<u>4,721,273.01</u>	<u>4,458,222.05</u>	<u>468,095.04</u>	<u>380,837.53</u>
12. Total Operation & Maintenance Expense (2 thru 11)	126,375,779.29	123,812,466.12	138,381,513.43	12,263,549.53	12,868,010.70
13. Depreciation & Amortization Expense	9,120,502.74	9,465,810.42	9,355,739.00	875,402.80	850,522.00
14. Tax Expense - Property & Gross Receipts	119,298.50	121,983.23	151,250.00	8,872.20	13,750.00
15. Tax Expense - Other	-212.27	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	4,796,947.08	4,852,381.87	4,771,488.00	448,493.51	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	190.58	120,990.65	49,775.00	2,553.29	4,525.00
19. Other Deductions	<u>29,443.79</u>	<u>26,041.11</u>	<u>95,517.88</u>	<u>833.18</u>	<u>3,447.08</u>
20. Total Cost of Electric Service (12 thru 19)	140,441,949.71	138,399,673.40	152,805,283.31	13,599,704.51	14,174,026.78
21. Patronage Capital & Operating Margins (1 minus 20)	2,995,184.32	-3,486,550.89	341,893.69	-24,698.50	201,010.22
22. Non Operating Margins - Interest	384,945.24	1,456,675.60	1,087,652.50	131,611.79	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	31,087.04	301,111.05	12,600.00	-1,230.56	1,140.00
26. Generation and Transmission Capital Credits	1,236,852.77	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	267,926.85	376,445.46	245,000.00	0.00	0.00
28. Extraordinary Items	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
29. Patronage Capital or Margins (21 thru 28)	<u>4,915,996.22</u>	<u>-1,352,318.78</u>	<u>1,687,146.19</u>	<u>105,682.73</u>	<u>301,027.72</u>
Operating - Margin	4,499,963.94	-3,110,105.43	586,893.69	-24,698.50	201,010.22
Non Operating - Margin	416,032.28	1,757,786.65	1,100,252.50	130,381.23	100,017.50
Times Interest Earned Ratio - Operating	1.62	0.28			
Times Interest Earned Ratio - Net	2.02	0.72			
Times Interest Earned Ratio - Modified	1.71	0.64			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
NOVEMBER 2023

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold b	Amount c	No. Minimum Bills d	Avg.No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,070	51,956,033	\$7,169,827.55	2,578	64,054	669,580,596	\$88,545,376.98
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,818	5,061,846	801,166.45	313	4,824	63,108,058	9,531,909.35
5. Comm. & Ind.-over 50kVA	671	31,841,661	3,207,201.94	11	665	340,457,349	34,018,345.86
6. Public St. & Highway Lghtng.	22	66,849	28,111.38	0	21	736,099	307,507.21
7. Other Sales to Public Auth.	937	747,921	112,274.57	59	940	10,992,919	1,525,026.39
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,518	89,674,310	\$11,318,581.89	2,961	70,504	1,084,875,021	133,928,165.79
11. Other Electric Revenue			2,256,424.12				984,956.72
12. Total (10 + 11)			\$13,575,006.01				\$134,913,122.51

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	80,414	1,049,708
2. kWh Purchased.....	106,202,749	1,119,179,569	7. Total Unaccounted for.....	16,448,025	33,254,840
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	15.49%	2.97%
4. Total kWh (1 thru 3).....	106,202,749	1,119,179,569	9. CP Demand (kW).....	311,713	327,565
5. Total kWh -Sold.....	89,674,310	1,084,875,021	10. Bill Demand (kW).....	314,827	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	1,046	1,110	5. Miles Transmission		
2. Services Retired	116	134	6. Miles Distribution - Overhead	6,459.11	6,479.30
3. Total Services in Place	79,367	80,374	7. Miles Distribution - Underground	600.28	615.55
4. Idle Services (Exclude Seasonal)	8,867	9,856	8. Total Miles Energized (5 + 6 + 7)	7,059.39	7,094.85

03/25/2024 1:07:35 pm

**General Ledger**  
**Financial And Operating Report Electric Distribution**

Page: 1

**INCOME STATEMENT FOR DEC 2023**

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	160,843,393.04	149,181,851.41	168,675,197.00	14,268,728.90	15,528,020.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	120,218,607.00	107,061,154.00	122,820,034.00	10,266,542.00	11,414,588.00
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	3,962,363.51	4,521,968.73	4,555,486.89	424,245.31	347,465.01
7. Distribution Expense - Maintenance	9,041,852.79	13,973,224.10	14,918,245.02	429,924.91	1,191,237.20
8. Customer Accounts Expense	4,264,156.19	4,586,467.06	4,613,758.46	391,003.68	379,965.31
9. Customer Service and Informational Expense	402,889.09	472,905.25	348,852.68	50,343.44	27,504.39
10. Sales Expense	45,336.95	37,533.31	30,190.07	0.00	2,515.83
11. Administrative and General Expense	4,247,490.82	5,506,277.18	4,843,719.88	785,004.17	385,497.83
12. Total Operation & Maintenance Expense (2 thru 11)	142,182,696.35	136,159,529.63	152,130,287.00	12,347,063.51	13,748,773.57
13. Depreciation & Amortization Expense	9,964,099.18	10,348,538.13	10,206,261.00	882,727.71	850,522.00
14. Tax Expense - Property & Gross Receipts	127,723.25	130,855.43	165,000.00	8,872.20	13,750.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	5,251,968.53	5,315,341.62	5,205,260.00	462,959.75	433,772.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	2,189.00	216,877.69	54,287.00	95,887.04	4,512.00
19. Other Deductions	30,449.26	27,862.56	107,865.00	1,821.45	12,347.12
20. Total Cost of Electric Service (12 thru 19)	157,559,125.57	152,199,005.06	167,868,960.00	13,799,331.66	15,063,676.69
21. Patronage Capital & Operating Margins (1 minus 20)	3,284,267.47	-3,017,153.65	806,237.00	469,397.24	464,343.31
22. Non Operating Margins - Interest	556,693.61	1,609,306.48	1,186,530.00	152,630.88	98,877.50
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	31,578.13	282,351.37	13,750.00	-18,759.68	1,150.00
26. Generation and Transmission Capital Credits	5,442,690.38	2,018,096.45	4,132,949.00	2,018,096.45	4,132,949.00
27. Other Capital Credits and Patronage Dividends	271,106.09	425,764.60	245,000.00	49,319.14	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	9,586,335.68	1,318,365.25	6,384,466.00	2,670,684.03	4,697,319.81
Operating - Margin	8,998,063.94	-573,292.60	5,184,186.00	2,536,812.83	4,597,292.31
Non Operating - Margin	588,271.74	1,891,657.85	1,200,280.00	133,871.20	100,027.50
Times Interest Earned Ratio - Operating	1.63	0.43			
Times Interest Earned Ratio - Net	2.83	1.25			
Times Interest Earned Ratio - Modified	1.74	0.79			

## PART C. BALANCE SHEET

<b>ASSETS AND OTHER DEBITS</b>		<b>LIABILITIES AND OTHER CREDITS</b>	
1. Total Utility Plant in Service	317,629,196.09	30. Memberships	(1,222,525.00)
2. Construction Work in Progress	5,305,944.25	31. Patronage Capital	(153,113,898.03)
3. Total Utility Plant	322,935,140.34	32. Operating Margins - Prior Years	(5,413,335.65)
4. Accum. Provision for Depreciation and Amort.	(104,221,037.51)	33. Operating Margins - Current Year	573,292.60
5. Net Utility Plant	218,714,102.83	34. Non-Operating Margins	(1,891,657.85)
6. Non-Utility Property (Net)	24,793.32	35. Other Margins and Equities	(8,002,774.45)
7. Invest. in Subsidiary Companies	-	36. Total Margins & Equities	(169,070,898.38)
8. Invest. in Assoc. Org. - Patronage Capital	90,090,209.81	37. Long-Term Debt - RUS (Net)	14,014,986.36
9. Invest. in Assoc. Org. - Other - General Funds	1,519,464.95	(Payments-Unapplied \$21,268,893.23)	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-	38. Long-Term Debt - FFB - RUS Guaranteed	(119,524,349.03)
11. Invest. in Economic Development Projects	3,236,923.86	39. Long-Term Debt - Other - RUS Guaranteed	-
12. Other Investments	-	40. Long-Term Debt - Other (Net)	(38,939,419.14)
13. Special Funds	-	41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,298,638.97)
14. Total Other Property & Investments	94,871,391.94	42. Payments - Unapplied	
15. Cash - General Funds	3,769,492.12	43. Total Long-Term Debt	(147,747,420.78)
16. Cash - Construction Funds - Trustee	-	44. Obligations Under Capital Leases - Noncurrent	-
17. Special Deposits	-	45. Accumulated Operating Provisions	(7,387,318.00)
18. Temporary Investments	13,227,939.31	46. Total Other Noncurrent Liabilities	(7,387,318.00)
19. Notes Receivable (Net)	-	47. Notes Payable	-
20. Accounts Receivable - Sales of Energy (Net)	6,276,310.30	48. Accounts Payable	(13,204,684.72)
21. Accounts Receivable - Other (Net)	1,473,265.18	49. Consumers Deposits	(2,791,987.00)
22. Renewable Energy Credits	-	50. Current Maturities Long-Term Debt	(8,017,919.47)
23. Material and Supplies - Electric & Other	2,580,440.02	51. Current Maturities Long-Term Debt - Econ. Devel.	(208,333.32)
24. Prepayments	460,087.98	52. Current Maturities Capital Leases	-
25. Other Current and Accrued Assets	8,979,823.08	53. Other Current and Accrued Liabilities	(2,606,917.03)
26. Total Current and Accrued Assets	36,767,357.99	54. Total Current & Accrued Liabilities	(26,829,841.54)
27. Regulatory Assets	991,371.17	55. Regulatory Liabilities	-
28. Other Deferred Debits	80,461.63	56. Other Deferred Credits	(389,206.86)
29. Total Assets and Other Debits	351,424,685.56	57. Total Liab. & Other Credits	(351,424,685.56)
		Estimated Contribution in Aid of Construction	
		Balance Beginning of Year	9,957,014.95
		Amount Received This Year	129,175.11
		Total Contribution in Aid of Construction	10,086,190.06

EQUITY RATIO

48.11%

## CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE



**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
**SOUTH KENTUCKY RECC**  
MONTH ENDING  
**DECEMBER 2023**

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative r	Amount Cumulative g
1. Residential Sales (excl seas.)	64,156	71,404,637	\$9,087,221.93	2,839	64,062	740,985,233	\$97,632,598.91
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,815	5,616,327	849,751.13	327	4,823	68,724,385	10,381,660.48
5. Comm. & Ind.-over 50kVA	669	30,193,767	2,995,454.06	9	666	370,651,116	37,013,799.92
6. Public St. & Highway Lghtng.	23	67,916	29,024.69	0	22	804,015	336,531.90
7. Other Sales to Public Auth.	941	1,115,830	149,617.33	68	941	12,108,749	1,674,643.72
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,604	108,398,477	\$13,111,069.14	3,243	70,514	1,193,273,498	147,039,234.93
11. Other Electric Revenue			1,157,659.76				2,142,616.48
12. Total (10 + 11)			\$14,268,728.90				\$149,181,851.41

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	93,434	1,143,142
2. kWh Purchased.....	127,029,000	1,246,208,569	7. Total Unaccounted for.....	18,537,089	51,791,929
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	14.59%	4.16%
4. Total kWh (1 thru 3).....	127,029,000	1,246,208,569	9. CP Demand (kW).....	296,962	327,565
5. Total kWh -Sold.....	108,398,477	1,193,273,498	10. Bill Demand (kW).....	300,256	332,363
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	1,080	1,201	5. Miles Transmission		
2. Services Retired	119	148	6. Miles Distribution - Overhead	6,460.98	6,481.70
3. Total Services in Place	79,398	80,451	7. Miles Distribution - Underground	601.20	617.00
4. Idle Services (Exclude Seasonal)	8,636	9,847	8. Total Miles Energized (5 + 6 + 7)	7,062.18	7,098.70

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	319,155,266.29
2. Construction Work in Progress	4,713,485.50
3. Total Utility Plant	323,868,751.79
4. Accum. Provision for Depreciation and Amort.	(104,787,012.67)
5. Net Utility Plant	219,081,739.12
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	90,078,447.03
9. Invest. in Assoc. Org. - Other - General Funds	1,513,076.24
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,178,661.44
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	94,794,978.03
15. Cash - General Funds	7,313,995.20
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	9,705,884.89
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	8,748,432.49
21. Accounts Receivable - Other (Net)	865,769.49
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,584,200.27
24. Prepayments	385,288.37
25. Other Current and Accrued Assets	9,157,840.28
26. Total Current and Accrued Assets	38,761,410.99
27. Regulatory Assets	969,996.01
28. Other Deferred Debits	344,544.11
29. Total Assets and Other Debits	353,952,668.26

LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,223,068.00)
31. Patronage Capital	(153,094,271.11)
32. Operating Margins - Prior Years	(4,840,043.05)
33. Operating Margins - Current Year	922,966.78
34. Non-Operating Margins	(2,033,452.81)
35. Other Margins and Equities	(8,018,055.61)
36. Total Margins & Equities	(168,285,923.80)
37. Long-Term Debt - RUS (Net) (Payments-Unapplied \$21,268,893.23)	14,092,950.62
38. Long-Term Debt - FFB - RUS Guaranteed	(119,524,349.03)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(38,681,507.94)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,281,277.86)
42. Payments - Unapplied	-
43. Total Long-Term Debt	(147,394,184.21)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(7,367,166.16)
46. Total Other Noncurrent Liabilities	(7,367,166.16)
47. Notes Payable	-
48. Accounts Payable	(16,133,261.38)
49. Consumers Deposits	(2,791,252.00)
50. Current Maturities Long-Term Debt	(8,017,919.47)
51. Current Maturities Long-Term Debt - Econ. Devel.	(208,333.32)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,334,567.82)
54. Total Current & Accrued Liabilities	(30,485,333.99)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(420,060.10)
57. Total Liab. & Other Credits	(353,952,668.26)

Estimated Contribution in Aid of Construction	
Balance Beginning of Year	10,086,190.06
Amount Received This Year	25,805.68
Total Contribution in Aid of Construction	10,111,995.74

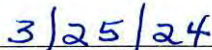
EQUITY RATIO 47.54%

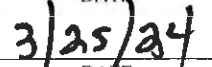
CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
SIGNATURE OF MANAGER

  
DATE

  
DATE

## General Ledger Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR JAN 2024

Item	-----Year - To - Date -----			-----Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	15,975,825.03	17,019,561.95	15,981,158.00	17,019,561.95	15,981,158.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	12,371,078.00	14,489,848.00	11,446,218.72	14,489,848.00	11,446,218.72
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	249,310.38	392,033.92	325,659.24	392,033.92	325,659.24
7. Distribution Expense - Maintenance	776,021.72	830,769.88	1,289,500.41	830,769.88	1,289,500.41
8. Customer Accounts Expense	435,600.49	360,220.40	432,281.20	360,220.40	432,281.20
9. Customer Service and Informational Expense	35,927.87	62,379.26	39,308.61	62,379.26	39,308.61
10. Sales Expense	4,413.25	981.10	23,264.99	981.10	23,264.99
11. Administrative and General Expense	381,731.47	457,495.83	529,029.52	457,495.83	529,029.52
12. Total Operation & Maintenance Expense (2 thru 11)	14,254,083.18	16,593,728.39	14,085,262.69	16,593,728.39	14,085,262.69
13. Depreciation & Amortization Expense	845,653.02	883,059.73	868,787.55	883,059.73	868,787.55
14. Tax Expense - Property & Gross Receipts	0.03	10,905.00	12,250.00	10,905.00	12,250.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	435,329.21	438,414.34	435,390.63	438,414.34	435,390.63
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	74.01	12,400.99	4,000.00	12,400.99	4,000.00
19. Other Deductions	990.71	4,020.28	4,300.00	4,020.28	4,300.00
20. Total Cost of Electric Service (12 thru 19)	15,536,130.16	17,942,528.73	15,409,990.87	17,942,528.73	15,409,990.87
21. Patronage Capital & Operating Margins (1 minus 20)	439,694.87	-922,966.78	571,167.13	-922,966.78	571,167.13
22. Non Operating Margins - Interest	95,068.07	137,675.45	123,000.00	137,675.45	123,000.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	5,648.48	4,119.51	3,628.00	4,119.51	3,628.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	0.00	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	540,411.42	-781,171.82	697,795.13	-781,171.82	697,795.13
Operating - Margin	439,694.87	-922,966.78	571,167.13	-922,966.78	571,167.13
Non Operating - Margin	100,716.55	141,794.96	126,628.00	141,794.96	126,628.00
Times Interest Earned Ratio - Operating	2.01	-1.11			
Times Interest Earned Ratio - Net	2.24	-0.78			
Times Interest Earned Ratio - Modified	2.24	-0.78			

<b>Supplement to the FINANCIAL AND STATISTICAL REPORT</b>	NAME
	SOUTH KENTUCKY RECC
	MONTH ENDING JANUARY 2024

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,216	97,525,634	\$12,301,776.93	3,072	64,216	97,525,634	\$12,301,776.93
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	4,810	6,605,085	981,683.42	364	4,810	6,605,085	981,683.42
5. Comm. & Ind.-over 50kVA	672	31,844,864	3,239,630.05	8	672	31,844,864	3,239,630.05
6. Public St. & Highway Lghtng.	23	67,800	29,355.59	0	23	67,800	29,355.59
7. Other Sales to Public Auth.	940	1,603,646	208,419.13	80	940	1,603,646	208,419.13
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,661	137,647,029	\$16,760,865.12	3,524	70,661	137,647,029	16,760,865.12
11. Other Electric Revenue			258,696.83				258,696.83
12. Total (10 + 11)			\$17,019,561.95				\$17,019,561.95

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	101,596	101,596
2. kWh Purchased.....	168,661,072	168,661,072	7. Total Unaccounted for.....	30,912,447	30,912,447
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	18.33%	18.33%
4. Total kWh (1 thru 3).....	168,661,072	168,661,072	9. CP Demand (kW).....	458,260	458,260
5. Total kWh -Sold.....	137,647,029	137,647,029	10. Bill Demand (kW).....	473,510	473,510
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	111	119	5. Miles Transmission		
2. Services Retired	13	22	6. Miles Distribution - Overhead	6,463.26	6,484.61
3. Total Services in Place	79,496	80,548	7. Miles Distribution - Underground	602.29	618.81
4. Idle Services (Exclude Seasonal)	8,556	9,887	8. Total Miles Energized (5 + 6 + 7)	7,065.55	7,103.42

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	320,403,538.65
2. Construction Work in Progress	5,136,885.18
3. Total Utility Plant	325,540,423.83
4. Accum. Provision for Depreciation and Amort.	(105,411,364.16)
5. Net Utility Plant	220,129,059.67
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	90,071,503.62
9. Invest. in Assoc. Org. - Other - General Funds	1,513,076.24
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,120,399.02
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	94,729,772.20
15. Cash - General Funds	8,783,724.21
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	7,030,804.12
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	9,524,949.61
21. Accounts Receivable - Other (Net)	195,901.60
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,685,850.57
24. Prepayments	397,633.98
25. Other Current and Accrued Assets	9,335,475.73
26. Total Current and Accrued Assets	37,954,339.82
27. Regulatory Assets	948,620.85
28. Other Deferred Debits	4,170.78
29. Total Assets and Other Debits	353,765,963.32

LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,224,797.00)
31. Patronage Capital	(153,059,578.25)
32. Operating Margins - Prior Years	(4,840,043.05)
33. Operating Margins - Current Year	(2,024,279.48)
34. Non-Operating Margins	(2,161,053.98)
35. Other Margins and Equities	(8,044,245.96)
36. Total Margins & Equities	(171,353,997.72)
37. Long-Term Debt - RUS (Net) (Payments-Unapplied \$21,268,893.23)	14,158,153.48
38. Long-Term Debt - FFB - RUS Guaranteed	(119,524,349.03)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(38,231,310.09)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,263,916.75)
42. Payments - Unapplied	-
43. Total Long-Term Debt	(146,861,422.39)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(7,346,336.56)
46. Total Other Noncurrent Liabilities	(7,346,336.56)
47. Notes Payable	-
48. Accounts Payable	(12,984,055.12)
49. Consumers Deposits	(2,804,951.00)
50. Current Maturities Long-Term Debt	(8,017,919.47)
51. Current Maturities Long-Term Debt - Econ. Devel.	(208,333.32)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,761,715.67)
54. Total Current & Accrued Liabilities	(27,776,974.58)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(427,232.07)
57. Total Liab. & Other Credits	(353,765,963.32)

Estimated Contribution in Aid of Construction	
Balance Beginning of Year	10,086,190.06
Amount Received This Year	89,353.88
Total Contribution in Aid of Construction	10,175,543.94

EQUITY RATIO 48.44%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

Mary Lou Henderlight  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Kevin Newton  
SIGNATURE OF MANAGER

4/4/2023  
DATE

4/4/2024  
DATE

## General Ledger Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR FEB 2024

Item	-----Year - To - Date -----			-----Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	28,000,014.78	33,887,685.05	33,179,151.00	16,868,123.10	17,197,993.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	21,451,710.00	25,036,988.00	23,885,773.70	10,547,140.00	12,439,554.98
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	693,596.23	729,423.46	635,618.87	337,389.54	309,959.63
7. Distribution Expense - Maintenance	1,631,322.85	1,632,747.90	2,589,038.61	801,978.02	1,299,538.20
8. Customer Accounts Expense	804,044.90	735,735.23	842,540.32	375,514.83	410,259.12
9. Customer Service and Informational Expense	65,074.91	123,024.39	77,827.32	60,645.13	38,518.71
10. Sales Expense	8,239.66	4,960.20	45,071.05	3,979.10	21,806.06
11. Administrative and General Expense	735,174.20	908,825.14	999,805.27	451,329.31	470,775.75
12. Total Operation & Maintenance Expense (2 thru 11)	25,389,162.75	29,171,704.32	29,075,675.14	12,577,975.93	14,990,412.45
13. Depreciation & Amortization Expense	1,695,747.82	1,771,114.01	1,741,468.63	888,054.28	872,681.08
14. Tax Expense - Property & Gross Receipts	27,500.03	21,810.00	24,500.00	10,905.00	12,250.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	854,659.86	866,295.29	869,685.43	427,880.95	434,294.80
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	18,852.69	24,741.24	8,000.00	12,340.25	4,000.00
19. Other Deductions	4,587.21	7,740.71	9,550.00	3,720.43	5,250.00
20. Total Cost of Electric Service (12 thru 19)	27,990,510.36	31,863,405.57	31,728,879.20	13,920,876.84	16,318,888.33
21. Patronage Capital & Operating Margins (1 minus 20)	9,504.42	2,024,279.48	1,450,271.80	2,947,246.26	879,104.67
22. Non Operating Margins - Interest	177,656.71	261,874.24	238,000.00	124,198.79	115,000.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	5,708.19	7,521.89	4,456.00	3,402.38	828.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	0.00	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	192,869.32	2,293,675.61	1,692,727.80	3,074,847.43	994,932.67
Operating - Margin	9,504.42	2,024,279.48	1,450,271.80	2,947,246.26	879,104.67
Non Operating - Margin	183,364.90	269,396.13	242,456.00	127,601.17	115,828.00
Times Interest Earned Ratio - Operating	1.01	3.34			
Times Interest Earned Ratio - Net	1.23	3.65			
Times Interest Earned Ratio - Modified	1.23	3.65			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
FEBRUARY 2024

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills g	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,296	96,954,092	\$11,857,739.64	3,102	64,256	194,479,726	\$24,159,516.57
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind. - 50kVA or Less	4,802	6,893,613	989,159.48	372	4,806	13,498,698	1,970,842.90
5. Comm. & Ind. - over 50kVA	670	35,765,160	3,491,930.69	6	671	67,610,024	6,731,560.74
6. Public St. & Highway Lghtng.	24	67,971	29,011.98	0	24	135,771	58,367.57
7. Other Sales to Public Auth.	942	1,868,926	230,986.19	87	941	3,472,572	439,405.32
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,734	141,549,762	\$16,598,827.98	3,567	70,698	279,196,791	33,359,693.10
11. Other Electric Revenue			269,295.12				527,991.95
12. Total (10 + 11)			\$16,868,123.10				\$33,887,685.05

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	122,256	223,852
2. kWh Purchased.....	115,088,601	283,749,673	7. Total Unaccounted for.....	(26,583,417)	4,329,030
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	-23.10%	1.53%
4. Total kWh (1 thru 3).....	115,088,601	283,749,673	9. CP Demand (kW).....	297,731	458,260
5. Total kWh -Sold.....	141,549,762	279,196,791	10. Bill Demand (kW).....	313,542	473,510
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	162	195	5. Miles Transmission		
2. Services Retired	23	26	6. Miles Distribution - Overhead	6,437.23	6,486.58
3. Total Services in Place	78,576	80,620	7. Miles Distribution - Underground	589.12	620.16
4. Idle Services (Exclude Seasonal)	8,561	9,886	8. Total Miles Energized (5 + 6 + 7)	7,026.35	7,106.74

# General Ledger

## Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR MAR 2024

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	40,675,851.06	46,200,715.42	46,659,053.00	12,313,030.37	13,479,902.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	30,687,284.00	33,390,628.00	33,397,794.13	8,353,640.00	9,512,020.43
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,016,857.52	1,063,152.45	942,828.21	333,728.99	307,209.34
7. Distribution Expense - Maintenance	3,191,038.66	3,295,112.80	3,850,660.18	1,662,364.90	1,261,621.57
8. Customer Accounts Expense	1,243,921.16	1,111,674.49	1,256,188.92	375,939.26	413,648.60
9. Customer Service and Informational Expense	104,030.59	186,196.02	114,466.44	63,171.63	36,639.12
10. Sales Expense	12,606.84	8,668.48	66,846.56	3,708.28	21,775.51
11. Administrative and General Expense	1,141,996.15	1,335,927.13	1,465,540.84	427,101.99	465,735.57
12. Total Operation & Maintenance Expense (2 thru 11)	37,397,734.92	40,391,359.37	41,094,325.28	11,219,655.05	12,018,650.14
13. Depreciation & Amortization Expense	2,548,594.54	2,663,209.16	2,616,826.21	892,095.15	875,357.58
14. Tax Expense - Property & Gross Receipts	41,250.03	32,715.00	36,750.00	10,905.00	12,250.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	1,276,333.00	1,332,135.27	1,295,116.46	465,839.98	425,431.03
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	28,981.76	37,159.14	12,000.00	12,417.90	4,000.00
19. Other Deductions	9,170.78	14,189.28	13,850.00	6,448.57	4,300.00
20. Total Cost of Electric Service (12 thru 19)	41,302,065.03	44,470,767.22	45,068,867.95	12,607,361.65	13,339,988.75
21. Patronage Capital & Operating Margins (1 minus 20)	-626,213.97	1,729,948.20	1,590,185.05	-294,331.28	139,913.25
22. Non Operating Margins - Interest	355,131.17	390,572.99	353,000.00	128,698.75	115,000.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	7,855.26	6,931.01	6,184.00	-590.88	1,728.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	27,541.00	28,656.00	27,000.00	28,656.00	27,000.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	-235,686.54	2,156,108.20	1,976,369.05	-137,567.41	283,641.25
Operating - Margin	-598,672.97	1,758,604.20	1,617,185.05	-265,675.28	166,913.25
Non Operating - Margin	362,986.43	397,504.00	359,184.00	128,107.87	116,728.00
Times Interest Earned Ratio - Operating	0.51	2.30			
Times Interest Earned Ratio - Net	0.82	2.62			
Times Interest Earned Ratio - Modified	0.79	2.60			



PART C. BALANCE SHEET

<b>ASSETS AND OTHER DEBITS</b>	
1. Total Utility Plant in Service	321,986,142.39
2. Construction Work in Progress	5,403,852.50
3. Total Utility Plant	327,389,994.89
4. Accum. Provision for Depreciation and Amort.	(106,121,979.54)
5. Net Utility Plant	221,268,015.35
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	90,094,193.62
9. Invest. in Assoc. Org. - Other - General Funds	1,513,076.24
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,062,163.88
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	94,694,227.06
15. Cash - General Funds	4,277,621.44
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	10,020,698.27
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	7,945,316.33
21. Accounts Receivable - Other (Net)	570,711.14
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,771,087.71
24. Prepayments	322,734.37
25. Other Current and Accrued Assets	9,131,655.46
26. Total Current and Accrued Assets	35,039,824.72
27. Regulatory Assets	927,245.69
28. Other Deferred Debits	(247.80)
29. Total Assets and Other Debits	351,929,065.02

<b>LIABILITIES AND OTHER CREDITS</b>	
30. Memberships	(1,226,605.00)
31. Patronage Capital	(153,035,223.89)
32. Operating Margins - Prior Years	(4,840,043.05)
33. Operating Margins - Current Year	(1,758,604.20)
34. Non-Operating Margins	(2,289,161.85)
35. Other Margins and Equities	(8,062,384.91)
36. Total Margins & Equities	(171,212,022.90)
37. Long-Term Debt - RUS (Net) (Payments-Unapplied \$21,268,893.23)	14,219,004.38
38. Long-Term Debt - FFB - RUS Guaranteed	(119,524,349.03)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(37,971,849.40)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,246,555.64)
42. Payments - Unapplied	-
43. Total Long-Term Debt	(146,523,749.69)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(7,325,300.90)
46. Total Other Noncurrent Liabilities	(7,325,300.90)
47. Notes Payable	-
48. Accounts Payable	(11,618,448.22)
49. Consumers Deposits	(2,808,027.00)
50. Current Maturities Long-Term Debt	(8,017,919.47)
51. Current Maturities Long-Term Debt - Econ. Devel.	(208,333.32)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,789,270.36)
54. Total Current & Accrued Liabilities	(26,441,998.37)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(425,993.16)
57. Total Liab. & Other Credits	(351,929,065.02)

Estimated Contribution in Aid of Construction	
Balance Beginning of Year	10,086,190.06
Amount Received This Year	142,717.38
Total Contribution in Aid of Construction	10,228,907.44

EQUITY RATIO 48.65%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGE OR ACCOUNTANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE OF MANAGER

\_\_\_\_\_  
DATE

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
MARCH 2024

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,398	64,184,062	\$8,107,679.27	3,107	64,303	258,663,788	\$32,267,195.84
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	5,032	5,290,152	794,460.87	378	4,881	18,788,850	2,765,303.77
5. Comm. & Ind.-over 50kVA	460	31,247,335	2,981,688.57	2	601	98,857,359	9,713,249.31
6. Public St. & Highway Lghtng.	24	67,788	28,598.92	0	24	203,559	86,966.49
7. Other Sales to Public Auth.	939	1,131,457	147,718.23	77	940	4,604,029	587,123.55
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,853	101,920,794	\$12,060,145.86	3,564	70,749	381,117,585	45,419,838.96
11. Other Electric Revenue			252,884.51				780,876.46
12. Total (10 + 11)			\$12,313,030.37				\$46,200,715.42

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	121,509	345,361
2. kWh Purchased.....	100,127,701	383,877,374	7. Total Unaccounted for.....	(1,914,602)	2,414,428
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	-1.91%	0.63%
4. Total kWh (1 thru 3).....	100,127,701	383,877,374	9. CP Demand (kW).....	260,839	458,260
5. Total kWh -Sold.....	101,920,794	381,117,585	10. Bill Demand (kW).....	266,160	473,510
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	265	264	5. Miles Transmission		
2. Services Retired	48	55	6. Miles Distribution - Overhead	6,439.61	6,466.02
3. Total Services in Place	78,654	79,607	7. Miles Distribution - Underground	590.41	604.38
4. Idle Services (Exclude Seasonal)	8,648	9,588	8. Total Miles Energized (5 + 6 + 7)	7,030.02	7,070.40

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS	
1. Total Utility Plant in Service	323,404,156.06
2. Construction Work in Progress	5,449,330.68
3. Total Utility Plant	328,853,486.74
4. Accum. Provision for Depreciation and Amort.	(106,757,657.31)
5. Net Utility Plant	222,095,829.43
6. Non-Utility Property (Net)	24,793.32
7. Invest. in Subsidiary Companies	-
8. Invest. in Assoc. Org. - Patronage Capital	90,094,193.62
9. Invest. in Assoc. Org. - Other - General Funds	1,513,076.24
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	-
11. Invest. in Economic Development Projects	3,008,531.08
12. Other Investments	-
13. Special Funds	-
14. Total Other Property & Investments	94,640,594.26
15. Cash - General Funds	4,628,780.53
16. Cash - Construction Funds - Trustee	-
17. Special Deposits	-
18. Temporary Investments	8,489,251.13
19. Notes Receivable (Net)	-
20. Accounts Receivable - Sales of Energy (Net)	5,069,788.74
21. Accounts Receivable - Other (Net)	408,688.72
22. Renewable Energy Credits	-
23. Material and Supplies - Electric & Other	2,839,052.70
24. Prepayments	253,472.56
25. Other Current and Accrued Assets	9,274,503.07
26. Total Current and Accrued Assets	30,963,537.45
27. Regulatory Assets	1,625,728.53
28. Other Deferred Debits	518.78
29. Total Assets and Other Debits	349,326,208.45

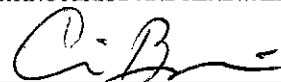
LIABILITIES AND OTHER CREDITS	
30. Memberships	(1,228,398.00)
31. Patronage Capital	(153,021,130.66)
32. Operating Margins - Prior Years	(4,840,043.05)
33. Operating Margins - Current Year	(654,930.49)
34. Non-Operating Margins	(2,410,343.35)
35. Other Margins and Equities	(8,075,527.25)
36. Total Margins & Equities	(170,230,372.80)
37. Long-Term Debt - RUS (Net)	12,433,852.34
(Payments-Unapplied \$21,268,893.23)	
38. Long-Term Debt - FFB - RUS Guaranteed	(118,579,187.87)
39. Long-Term Debt - Other - RUS Guaranteed	-
40. Long-Term Debt - Other (Net)	(37,711,610.47)
41. Long-Term Debt - RUS Econ. Devel. (Net)	(3,229,194.53)
42. Payments - Unapplied	
43. Total Long-Term Debt	(147,086,140.53)
44. Obligations Under Capital Leases - Noncurrent	-
45. Accumulated Operating Provisions	(7,303,226.25)
46. Total Other Noncurrent Liabilities	(7,303,226.25)
47. Notes Payable	-
48. Accounts Payable	(9,774,034.87)
49. Consumers Deposits	(2,815,040.00)
50. Current Maturities Long-Term Debt	(8,017,919.47)
51. Current Maturities Long-Term Debt - Econ. Devel.	(208,333.32)
52. Current Maturities Capital Leases	-
53. Other Current and Accrued Liabilities	(3,458,620.18)
54. Total Current & Accrued Liabilities	(24,273,947.84)
55. Regulatory Liabilities	-
56. Other Deferred Credits	(432,521.03)
57. Total Liab. & Other Credits	(349,326,208.45)


Estimated Contribution in Aid of Construction	
Balance Beginning of Year	10,086,190.06
Amount Received This Year	226,923.03
Total Contribution in Aid of Construction	10,313,113.09

EQUITY RATIO 48.73%

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.  
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

  
\_\_\_\_\_  
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

  
\_\_\_\_\_  
SIGNATURE OF MANAGER

5/31/2024  
\_\_\_\_\_  
DATE

5/31/2024  
\_\_\_\_\_  
DATE

## General Ledger Financial And Operating Report Electric Distribution

### INCOME STATEMENT FOR APR 2024

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	51,714,581.82	56,835,921.36	58,874,082.00	10,635,205.94	12,215,029.00
2. Power Production Expense	0.00	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	37,822,549.00	39,855,968.00	41,932,789.62	6,465,340.00	8,534,995.49
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,358,743.74	1,461,155.18	1,267,711.69	398,002.73	324,883.48
7. Distribution Expense - Maintenance	4,347,474.43	5,939,179.77	5,178,324.49	2,644,066.97	1,327,664.31
8. Customer Accounts Expense	1,707,190.58	1,478,469.72	1,678,739.80	366,795.23	422,550.88
9. Customer Service and Informational Expense	136,482.54	253,597.85	155,259.17	67,401.83	40,792.73
10. Sales Expense	16,356.64	12,209.51	89,307.19	3,541.03	22,460.63
11. Administrative and General Expense	1,514,279.89	1,782,670.71	1,957,709.01	446,743.58	492,168.17
12. Total Operation & Maintenance Expense (2 thru 11)	46,903,076.82	50,783,250.74	52,259,840.97	10,391,891.37	11,165,515.69
13. Depreciation & Amortization Expense	3,403,896.27	3,557,447.09	3,495,479.04	894,237.93	878,652.83
14. Tax Expense - Property & Gross Receipts	55,000.03	43,620.00	49,000.00	10,905.00	12,250.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	1,714,372.16	1,760,367.72	1,727,878.39	428,232.45	432,761.93
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	52,041.97	49,606.08	16,000.00	12,446.94	4,000.00
19. Other Deductions	10,046.10	15,355.24	18,600.00	1,165.96	4,750.00
20. Total Cost of Electric Service (12 thru 19)	52,138,433.35	56,209,646.87	57,566,798.40	11,738,879.65	12,497,930.45
21. Patronage Capital & Operating Margins (1 minus 20)	-423,851.53	626,274.49	1,307,283.60	-1,103,673.71	-282,901.45
22. Non Operating Margins - Interest	450,247.24	513,931.24	468,000.00	123,358.25	115,000.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	8,389.08	4,754.26	7,012.00	-2,176.75	828.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	27,541.00	28,656.00	27,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	62,325.79	1,173,615.99	1,809,295.60	-982,492.21	-167,073.45
Operating - Margin	-396,310.53	654,930.49	1,334,283.60	-1,103,673.71	-282,901.45
Non Operating - Margin	458,636.32	518,685.50	475,012.00	121,181.50	115,828.00
Times Interest Earned Ratio - Operating	0.75	1.36			
Times Interest Earned Ratio - Net	1.04	1.67			
Times Interest Earned Ratio - Modified	1.02	1.65			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
APRIL 2024

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills a	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	64,408	56,036,793	\$6,854,148.73	2,843	64,330	314,700,581	\$39,121,344.57
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind.- 50kVA or Less	5,042	6,067,055	840,341.04	350	4,922	24,855,905	3,605,644.81
5. Comm. & Ind.-over 50kVA	459	28,735,209	2,549,492.51	2	565	127,592,568	12,262,741.82
6. Public St. & Highway Lghtng.	24	67,708	27,567.12	0	24	271,267	114,533.61
7. Other Sales to Public Auth.	941	897,531	116,477.78	70	941	5,501,560	703,601.33
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	70,874	91,804,296	\$10,388,027.18	3,265	70,782	472,921,881	55,807,866.14
11. Other Electric Revenue			247,178.76				1,028,055.22
12. Total (10 + 11)			\$10,635,205.94				\$56,835,921.36

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	85,226	430,587
2. kWh Purchased.....	85,734,490	469,611,864	7. Total Unaccounted for.....	(6,155,032)	(3,740,604)
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	-7.18%	-0.80%
4. Total kWh (1 thru 3).....	85,734,490	469,611,864	9. CP Demand (kW).....	188,032	458,260
5. Total kWh -Sold.....	91,804,296	472,921,881	10. Bill Demand (kW).....	205,152	473,510
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	321	424	5. Miles Transmission		
2. Services Retired	67	54	6. Miles Distribution - Overhead	6,467.13	6,491.20
3. Total Services in Place	79,652	80,821	7. Miles Distribution - Underground	604.97	623.95
4. Idle Services (Exclude Seasonal)	9,534	9,947	8. Total Miles Energized (5 + 6 + 7)	7,072.10	7,115.15

**SOUTH KENTUCKY RECC  
FINANCIAL AND STATISTICAL REPORT  
May 31, 2024**

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS				LIABILITIES AND OTHER CREDITS
1. Total Utility Plant in Service	\$	324,470,284		30. Memberships
2. Construction Work in Progress		5,730,573		\$ (1,231,406)
3. Total Utility Plant		330,200,857		31. Patronage Capital
4. Accum. Provision for Depreciation and Amort.		(107,536,387)		(152,996,187)
5. Net Utility Plant		222,664,470		32. Operating Margins - Prior Years
				- (4,840,043)
6. Non-Utility Property (Net)		24,793		33. Operating Margins - Current Year
7. Invest. in Subsidiary Companies		-		1,250,289
8. Invest. in Assoc. Org. - Patronage Capital		90,102,318		34. Non-Operating Margins
9. Invest. in Assoc. Org. - Other - General Funds		1,513,076		(2,514,656)
10. Invest. in Assoc. Org. - Other - Nongeneral Funds		-		35. Other Margins and Equities
11. Invest. in Economic Development Projects		2,954,898		(8,091,273)
12. Other Investments		-		36. Total Margins & Equities
13. Special Funds		-		(168,423,276)
14. Total Other Property & Investments		94,595,086		37. Long-Term Debt - RUS (Net)
				(2,152,633)
15. Cash - General Funds		4,728,835		38. Long-Term Debt - FFB - RUS Guaranteed
16. Cash - Construction Funds - Trustee		-		(118,579,188)
17. Special Deposits		-		39. Long-Term Debt - Other - RUS Guaranteed
18. Temporary Investments		6,865,746		-
19. Notes Receivable (Net)		-		40. Long-Term Debt - Other (Net)
20. Accounts Receivable - Sales of Energy (Net)		4,315,784		(37,256,303)
21. Accounts Receivable - Other (Net)		371,447		41. Long-Term Debt - RUS Econ. Devel. (Net)
22. Renewable Energy Credits		-		(3,211,833)
23. Material and Supplies - Electric & Other		3,089,698		42. Payments - Unapplied
24. Prepayments		610,203		14,648,361
25. Other Current and Accrued Assets		9,452,520		43. Total Long-Term Debt
26. Total Current and Accrued Assets		29,434,232		(146,551,597)
				44. Obligations Under Capital Leases - Noncurrent
27. Regulatory Assets		1,460,381		-
28. Other Deferred Debits		495,771		45. Accumulated Operating Provisions
				(7,285,094)
29. Total Assets and Other Debits	\$	348,649,940		46. Total Other Noncurrent Liabilities
				(7,285,094)
				47. Notes Payable
				-
				48. Accounts Payable
				(10,928,811)
				49. Consumers Deposits
				(2,608,694)
				50. Current Maturities Long-Term Debt
				(8,017,919)
				51. Current Maturities Long-Term Debt - Econ. Devel.
				(208,333)
				52. Current Maturities Capital Leases
				-
				53. Other Current and Accrued Liabilities
				(4,182,889)
				54. Total Current & Accrued Liabilities
				(25,946,647)
				55. Regulatory Liabilities
				-
				56. Other Deferred Credits
				(443,327)
				57. Total Liabilities and Other Credits
	\$	348,649,940		\$ (348,649,940)

Estimated Contribution in Aid of Construction		
Balance Beginning of Year	\$	10,086,190
Amount Received This Year		245,525
Total Contribution in Aid of Construction	\$	10,331,715

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.

ALL INSURANCE REQUIRED BY PART 178B OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

EQUITY RATIO 48%

*C. B. [Signature]*

SIGNATURE OF CHIEF FINANCIAL OFFICER

*[Signature]*

SIGNATURE OF CHIEF EXECUTIVE OFFICER

7/2/2024

DATE

7/11/24

DATE

## General Ledger

07/02/2024 12:11:52 PM

Page: 1

## Financial And Operating Report Electric Distribution

## INCOME STATEMENT FOR MAY 2024

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	63,498,586	67,242,152	69,547,329	10,406,231	10,673,247
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	45,349,243	47,329,294	49,226,753	7,473,326	7,293,963
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	1,774,666	1,788,369	1,594,679	327,214	326,967
7. Distribution Expense - Maintenance	5,337,723	8,269,288	6,521,570	2,330,108	1,343,245
8. Customer Accounts Expense	2,106,427	1,849,968	2,109,824	371,499	431,084
9. Customer Service and Informational Expense	172,008	301,675	190,857	48,077	35,598
10. Sales Expense	20,678	15,713	111,833	3,504	22,526
11. Administrative and General Expense	2,006,271	2,176,610	2,482,169	393,939	524,460
12. Total Operation & Maintenance Expense (2 thru 11)	56,767,018	61,730,917	62,237,684	10,947,667	9,977,843
13. Depreciation & Amortization Expense	4,261,694	4,456,262	4,377,505	898,815	882,026
14. Tax Expense - Property & Gross Receipts	68,750	54,525	61,250	10,905	12,250
15. Tax Expense - Other	0	0	0	0	0
16. Interest on Long-Term Debt	2,156,341	2,211,205	2,156,372	450,837	428,493
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	65,851	61,238	20,000	11,632	4,000
19. Other Deductions	14,745	16,041	22,900	685	4,300
20. Total Cost of Electric Service (12 thru 19)	63,334,398	68,530,188	68,875,711	12,320,541	11,308,912
21. Patronage Capital & Operating Margins (1 minus 11)	164,187	-1,288,035	671,618	-1,914,310	-635,665
22. Non Operating Margins - Interest	530,384	616,563	575,000	102,631	107,000
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	8,596	6,436	7,840	1,682	828
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	36,113	37,746	35,000	9,090	8,000
28. Extraordinary Items	0	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	739,281	-627,291	1,289,458	-1,800,907	-519,837
Operating - Margin	200,301	-1,250,289	706,618	-1,905,220	-627,665
Non Operating - Margin	538,980	622,999	582,840	104,313	107,828
Times Interest Earned Ratio - Operating	1.08	0.42			
Times Interest Earned Ratio - Net	1.34	0.72			

**Supplement to the  
FINANCIAL AND STATISTICAL REPORT**

NAME  
SOUTH KENTUCKY RECC  
MONTH ENDING  
MAY 2024

**CONSUMER SALES AND REVENUE DATA**

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold d	Amount c	No. Minimum Bills e	Avg. No. Receiving Serv. f	kWh Sold Cumulative g	Amount Cumulative h
1. Residential Sales (excl seas.)	64,537	45,620,297	\$6,441,485.91	2,733	64,371	360,320,878	\$45,562,830.48
2. Residential Sales Seasonal							
3. Irrigation Sales							
4. Comm. & Ind. - 50kVA or Less	5,047	5,882,509	900,756.34	343	4,947	30,738,414	4,506,401.15
5. Comm. & Ind. - over 50kVA	463	26,784,160	2,692,193.71	5	545	154,376,728	14,954,935.53
6. Public St. & Highway Lghtng.	24	67,658	29,150.20	0	24	338,925	143,683.81
7. Other Sales to Public Auth.	942	674,642	103,965.51	62	941	6,176,202	807,566.84
8. Sales for Resales-REA Borr.							
9. Sales for Resales-Others							
10. Total Sales of Electric Energy (1 thru 9)	71,013	79,029,266	\$10,167,551.67	3,143	70,828	551,951,147	65,975,417.81
11. Other Electric Revenue			238,679.41				1,266,734.63
12. Total (10 + 11)			\$10,406,231.08				\$67,242,152.44

**kWh AND kW STATISTICS**

ITEM	THIS MONTH a	YEAR-TO-DATE b	ITEM	THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated.....			6. Office Use.....	75,454	506,041
2. kWh Purchased.....	87,460,256	557,072,120	7. Total Unaccounted for.....	8,355,536	4,614,932
3. Interchange kWh - Net.....			8. Percent System Loss(7/4)x100....	9.55%	0.83%
4. Total kWh (1 thru 3).....	87,460,256	557,072,120	9. CP Demand (kW).....	197,912	458,260
5. Total kWh -Sold.....	79,029,266	551,951,147	10. Bill Demand (kW).....	203,045	473,510
			11. Month of Maximum (kW) - (a) CP (b) Billing		JANUARY

**DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR a	THIS YEAR b		LAST YEAR a	THIS YEAR b
1. New Services Connected	408	511	5. Miles Transmission		
2. Services Retired	74	71	6. Miles Distribution - Overhead	6,468.72	6,491.01
3. Total Services in Place	79,732	80,891	7. Miles Distribution - Underground	605.63	625.36
4. Idle Services (Exclude Seasonal)	9,518	9,878	8. Total Miles Energized (5 + 6 + 7)	7,074.35	7,116.37



**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 24**

**807 KAR 5:001 Section 16(4)(t)**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*If the utility had amounts charged or allocated to it by an affiliate or general or home office or paid monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file:*

- 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment;*
- 2. An explanation of how the allocator for the test period was determined; and*
- 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated, or paid during the test period was reasonable.*

**Response:**

South Kentucky had no amounts charged or allocated to it by an affiliate or general or home office, and South Kentucky did not pay monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 25**

**807 KAR 5:001 Section 16(4)(u)  
Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*If the utility provides gas, electric, water or sewage utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.*

**Response:**

Please see the Direct Testimony of John Wolfram provided at Exhibit 10 and, in particular, Exhibits JW-3 through JW-8.

**Case No. 2024-00402  
Application-Exhibit 25  
No Attachment**

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 26**

**807 KAR 5:001 Section 16(5)(a)**  
**Sponsoring Witnesses: Carrie Bessinger and John Wolfram**

**Description of Filing Requirement:**

*A detailed income statement and balance sheet reflecting the impact of all proposed adjustments.*

**Response:**

Please see the Direct Testimony of John Wolfram provided at Exhibit 10. Specifically, the detailed income statement reflecting the impact of all proposed adjustments can be found in Exhibit JW-2, page 3. The balance sheet reflecting the impact of all proposed adjustments can be found in Exhibit JW-2, page 2.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 27**

**807 KAR 5:001 Section 16(5)(b)  
Sponsoring Witnesses: John Wolfram**

**Description of Filing Requirement:**

*The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions.*

**Response:** South Kentucky does not propose any pro forma adjustment for or reflecting plant additions.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 28**

**807 KAR 5:001 Section 16(5)(c)  
Sponsoring Witnesses: John Wolfram**

**Description of Filing Requirement:**

*For each proposed pro forma adjustment reflecting plant additions, the following information ... [refer to items 1. – 8.]*

**Response:**

South Kentucky does not propose any pro forma adjustments for plant additions. Please see Exhibit 10 of the Application, the Direct Testimony of John Wolfram.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 29**

**807 KAR 5:001 Section 16(5)(d)  
Sponsoring Witnesses: Carrie Bessinger and John Wolfram**

**Description of Filing Requirement:**

*The operating budget for each month of the period encompassing the pro forma adjustments.*

**Response:**

Please see the Excel file provided separately.

**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 30**

**807 KAR 5:001 Section 16(5)(e)  
Sponsoring Witness: John Wolfram**

**Description of Filing Requirement:**

*The number of customers to be added to the test period end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.*

**Response:**

Please see the testimony of John Wolfram provided at Exhibit 10 and, in particular, Exhibit JW-2.

**South Kentucky Rural Electric Cooperative Corporation**  
**Case No. 2024-00402**  
**General Adjustments of Rates**  
**Filing Requirements/Exhibit List**

**Exhibit 31**

**Case No. 2008-00408**  
**Order entered July 24, 2012**  
**Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*“Each electric utility shall integrate energy efficiency resources into its plans and shall adopt policies establishing cost-effective energy efficiency resources with equal priority as other resource options. In each integrated resource plan, certificate case, and rate case, the subject electric utility shall fully explain its consideration of cost-effective energy efficiency resources as defined in the Commission’s IRP regulation (8097 KAR 5:058).”*

**Response:** In coordination with East Kentucky Power Cooperative, Inc. (“EKPC”), South Kentucky offered the following Demand-Side Management (“DSM”) and Energy Efficiency programs: SimpleSaver-AC and Thermostat Programs; Touchstone Energy Home – DSM; Button-Up Weatherization Program – DSM; Heat Pump Retrofit Program – DSM; Community Assistance Resources for Energy Savings-CARES; and Electric Vehicle Off-Peak Charging Program.

South Kentucky continued to offer Demand-Side Management/Energy Efficiency programs to its members during the test year with the assistance of EKPC. In the test year, South Kentucky paid out \$93,341.50 to its members for these programs, but was fully reimbursed by EKPC, and thus, there was no impact to the test year expenses.

**Case No. 2024-00402**  
**Application-Exhibit 31**  
*No Attachment*



**South Kentucky Rural Electric Cooperative Corporation  
Case No. 2024-00402  
General Adjustments of Rates  
Filing Requirements/Exhibit List**

**Exhibit 32**

**Case No. 2012-00428  
Order entered July 24, 2012  
Sponsoring Witness: Carrie Bessinger**

**Description of Filing Requirement:**

*A discussion of Smart Grid Investments.*

**Response:**

Please see the Direct Testimony of Carrie Bessinger, provided at Exhibit 9.

**Case No. 2024-00402  
Application-Exhibit 32  
*No Attachment***