

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
SHELBY ENERGY COOPERATIVE, INC.	)	
FOR PASS-THROUGH OF EAST	)	Case No. 2025-00212
KENTUCKY POWER COOPERATIVE, INC.'S	)	
WHOLESALE RATE ADJUSTMENT	)	

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SHELBY ENERGY COOPERATIVE, INC.'S APPLICATION

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

1. Shelby Energy is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Shelby Energy is engaged in the business of distributing retail electric power to approximately 14,150 members in the Kentucky counties of Anderson, Carroll, Franklin, Henry, Jefferson, Oldham, Owen, Shelby, Spencer and Trimble.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Shelby Energy's mailing address is 620 Old Finchville Road, Shelbyville, Kentucky 40065-1714 and its electronic mail address is PSC@shelbyenergy.com. Shelby Energy's telephone number is (502) 633-4420 and its fax number is (502) 633-2387. Shelby Energy also requests that the following people be added to the service list:

Jack Bragg, Jr., President and Chief Executive Officer

jack@shelbyenergy.com

Michael Moriarty, Chief Financial Officer

michaelm@shelbyenergy.com

L. Allyson Honaker, Honaker Law Office

allyson@hloky.com

Heather S. Temple, Honaker Law Office

heather@hloky.com

Meredith Cave, Honaker Law Office

meredith@hloky.com

3. Pursuant to 807 KAR 5:001, Section 14(2), Shelby Energy is a Kentucky corporation that was incorporated on June 14, 1937 and is currently in good standing to conduct business within the Commonwealth of Kentucky. A copy of the Certificate of Good Standing is attached as **Exhibit 1**.

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

5. Pursuant to 807 KAR 5:007 Section 2(1), attached as **Exhibit 2** to this Application are the proposed tariffs of Shelby Energy incorporating the new rates and proposing an effective date of September 1, 2025, which is the same effective date proposed by EKPC in its rate case.

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<sup>1</sup> See *In the Matter of the Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets and Other General Relief*, Application, Case No. 2025-00208 (filed August 1, 2025).

6. Pursuant to 807 KAR 5:007 Sections 1(4) and Section 2(2), attached as **Exhibit 3** to this Application is a comparison of the current and the proposed rates of Shelby Energy.

7. Pursuant to 807 KAR 5:007 Sections 1(5)(a)-(b) and Section 2(2), attached as **Exhibit 4** to this Application is a billing analysis which shows the existing and proposed rates for each of Shelby Energy's rate classes. Shelby Energy further states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail members through its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.

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

9. Pursuant to 807 KAR 5:007 Sections 1(7)(b) and (8) and Section 2(2), notice of the proposed rate changes has been given, not more than thirty (30) days prior to August 1, 2025, by publication in *Kentucky Living*, which was sent to all of Shelby Energy's members. A copy of the notice is attached as **Exhibit 6** and contains all of the required information pursuant to 807 KAR 5:007, Section 3.<sup>2</sup>

10. This application is supported by the Testimony of Mr. John Wolfram, which is attached as **Exhibit 7**.

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<sup>2</sup> Shelby Energy's Customer Notice contains a statement regarding Case No. 2024-00351, *Electronic Application of Shelby Energy Cooperative, Inc. for a General Adjustment of Rates*. The Customer Notice was based upon the rates that were on file with the Commission prior to the July 23, 2025 Order in Case No. 2024-00351. This Application is based upon the rates that became effective on July 23, 2025, but after the Customer Notice was printed, but not yet delivered, in *Kentucky Living*.

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

This the 1<sup>st</sup> day of August 2025.

Respectfully submitted,

*Heather S. Temple*

L. Allyson Honaker  
Heather S. Temple  
Meredith L. Cave  
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1795 Alysheba Way, Suite 1203  
Lexington, KY 40509  
(859) 368-8803  
allyson@hloky.com  
heather@hloky.com  
meredith@hloky.com  
*Counsel for Shelby Energy Cooperative, Inc.*

**CERTIFICATE OF SERVICE**

This is to certify that the foregoing electronic filing was transmitted to the Commission on August 1, 2025, and that there are no parties that the Commission has excused from participation by electronic means in this proceeding. Pursuant to prior Commission Orders, no paper copies of this filing will be made.

*Heather S. Temple*

### **Exhibit List**

<b>Document</b>	<b>Tab</b>
Certificate of Good Standing	1
Proposed Tariffs Incorporating the New Rates Proposed	2
Comparison of the Current and Proposed Rates	3
Billing Analysis Showing the Existing and Proposed Rates for Each Rate Class	4
Certification of Mailing to Office of Rate Intervention	5
Copy of Notice	6
Testimony of John Wolfram	7

## **Exhibit 1**

### **Certificate of Good Standing**

**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: 323551

Visit <https://web.sos.ky.gov/ftsshow/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,

**SHELBY ENERGY COOPERATIVE, INC.**

SHELBY ENERGY COOPERATIVE, INC. is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is June 14, 1937 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 26<sup>th</sup> day of November, 2024, in the 233<sup>rd</sup> year of the Commonwealth.



*Michael G. Adams*

Michael G. Adams  
Secretary of State  
Commonwealth of Kentucky  
323551/0048230

## **Exhibit 2**

### **Present and Proposed Tariffs**

## **Proposed Tariffs**

PSC KY No. 9

Cancels PSC KY No. \_\_\_\_\_

**SHELBY ENERGY COOPERATIVE, INC.**

of

**620 Old Finchville Road  
Shelbyville, Kentucky 40065  
www.shelbyenergy.com**

**RATES, RULES AND REGULATIONS FOR FURNISHING SERVICE**

at

**Counties of:**

Shelby, Henry, Trimble, Carroll, Owen , Franklin,  
Oldham, Jefferson, Spencer and Anderson

**Filed with the PUBLIC SERVICE COMMISSION OF KENTUCKY**

**Issued:** August 1, 2025

**Effective:** September 1, 2025

**Issued By:** \_\_\_\_\_



Jack Bragg, Jr.

**Title:** President and CEO

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	9th Revised	SHEET NO. 305
	CANCELLING PSC KY NO.	9
	8th Revised	SHEET NO. 305

**RESIDENTIAL SERVICE – RATE 12**

**AVAILABILITY:**

Available for residential homes for loads below 50 kW, subject to the established Rules and Regulations.

**TYPE OF SERVICE:**

Single phase service for residential dwellings.

**RATES:**

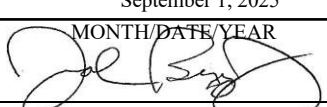
Consumer Facility Charge per Month	\$26.57	(I)
Energy Charge per kWh	\$0.11595	(I)

**MINIMUM MONTHLY CHARGE:**

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

**TERMS OF PAYMENT:**

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE	August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	2025-00212
DATED	

Shelby Energy Cooperative, Inc.	FOR <u>All Territory Served</u>
NAME OF UTILITY	PSC KY NO <u>9</u>
	<u>6th Revised</u> SHEET NO. <u>303</u>
	CANCELLING PSC KY NO. <u>9</u>
	<u>5th Revised</u> SHEET NO. <u>303</u>

**OFF-PEAK RETAIL MARKETING (ETS) - RATE 9**

**AVAILABILITY OF SERVICE:**

The special marketing rate is made as an attachment to Rate GS-11 & Rate 12 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.

The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-11 & Rate 12. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.

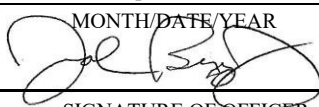
<u>Months</u>	<u>Hours Applicable – EST</u>
May through September	10:00 P.M. to 10:00 A.M.
October through April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.

**Rates**

The energy rate for this program is as listed below:

All kWh	\$0.07586 (I)
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	SIGNATURE OF OFFICER
TITLE	<u>President &amp; CEO</u>
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO. <u>2025-00212</u>	DATED _____

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	7th Revised	SHEET NO. 300
	CANCELLING PSC KY NO.	9
	6th Revised	SHEET NO. 300

**LARGE POWER SERVICE – RATE 2**

**AVAILABILITY:**

Available to all consumers whose kW demand shall be greater than 50 kW including residential and farm consumers who do not qualify under availability of service under Rate 12 or Rate 11 respectively, located on or near Seller’s line for all types of usage, subject to the established Rules and Regulations of Seller.

**TYPES OF SERVICE:**

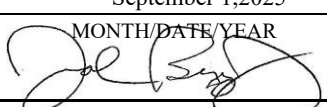
Three Phase, 60 Hertz, available at Seller’s standard voltage.

**RATES:**

Consumer Facility Charge per Month	\$56.54	(I)
Demand Charge per kW of billing demand	\$6.85	(I)
Energy Charge per kWh for all kWh	\$0.07647	(I)

**DETERMINATION OF BILLING DEMAND:**

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

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	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	2025-00212
	DATED

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	9th revised	SHEET NO. 304
	CANCELLING PSC KY NO.	9
	8th Revised	SHEET NO. 304

**GENERAL SERVICE – RATE 11**

**AVAILABILITY:**

Available for commercial, small power and non-residential purposes for single phase and three phase loads below 50 kW, subject to the established Rules and Regulations.

**TYPE OF SERVICE:**

Single phase and three phase, 60 Hertz, at available secondary voltage.

**RATES:**

Consumer Facility Charge per Month:		
Single Phase Service	\$35.23	(I)
Three Phase Service	\$55.03	(I)
Energy Charge per kWh	\$0.09602	(I)

**MINIMUM MONTHLY CHARGE:**

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

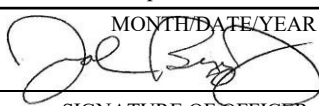
**TERMS OF PAYMENT:**

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

**FUEL ADJUSTMENT CLAUSE:**

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

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	SIGNATURE OF OFFICER
TITLE	President & CEO

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00212 DATED

FOR	All Territory Served
PSC KY NO	9
7th Revised	SHEET NO. 310
CANCELLING PSC KY NO.	9
6th Revised	SHEET NO. 310
Shelby Energy Cooperative, Inc.	
NAME OF UTILITY	

**LARGE INDUSTRIAL RATE – SCHEDULE B1**

**AVAILABILITY:**

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

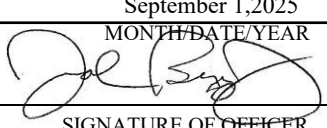
**RATES:**

Consumer Facility Charge per Month	\$ 684.82	(I)
Demand Charge per kW of Contract Demand	\$ 8.10	(I)
Demand Charge per kW in Excess of Contract Demand	\$ 10.79	(I)
Energy Charge per kWh	\$ 0.06635	(I)

**BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

DATE OF ISSUE	August 1, 2025 MONTH/DATE/YEAR
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ISSUED BY	 SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	2025-00212
DATE	

	FOR	All Territory Served
	PSC KY NO	9
	7th Revised	SHEET NO. 311
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	6th Revised	SHEET NO. 311

**LARGE INDUSTRIAL RATE – SCHEDULE B2**

**AVAILABILITY:**

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

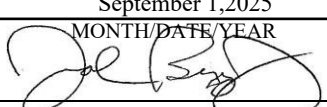
**RATES:**

Consumer Facility Charge per Month	\$ 1,368.79	(I)
Demand Charge per kW of Contract Demand	\$ 8.10	(I)
Demand Charge per kW in Excess of Contract Demand	\$ 10.79	(I)
Energy Charge per kWh	\$ 0.05933	(I)

**BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

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TITLE	President & CEO
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IN CASE NO.	2025-00212
DATED	

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	6th Revised	SHEET NO. 301
	CANCELLING PSC KY NO.	9
	5th Revised	SHEET NO. 301

**OUTDOOR AND STREET LIGHTING – RATE 3**

**AVAILABILITY**

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

**TYPES OF SERVICE:**

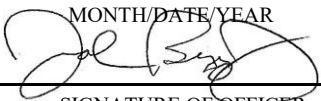
Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.

**MONTHLY RATES:**

High Pressure Sodium:

100 Watt - Outdoor Light	\$11.32	(I)
100 Watt - Decorative Colonial Light	\$15.13	(I)
400 Watt - Directional Flood Light	\$23.70	(I)
250 Watt - Directional Flood Light	\$16.93	(I)
150 Watt - Decorative Acorn Light	\$18.18	(I)

\* All new lights will be LED. High Pressure Sodium will be phased out upon failure and replaced with LED.

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	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	2025-00212
	DATED

	FOR	All Territory Served
	PSC KY NO	9
	6th Revised	SHEET NO. 322
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	5th Revised	SHEET NO. 322

**LED Outdoor Lighting Facilities – RATE 3L**

**AVAILABILITY**

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

**TYPES OF SERVICE:**

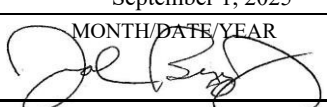
Cooperative will furnish, install, and maintain at no extra expense to the consumer, a light-emitting diode (LED) lighting unit, in accordance with the rate schedule and conditions of service below. The lighting unit shall be controlled by a photocell to energize the unit from dusk to dawn.

**MONTHLY RATES:**

Standard	Approximate Lumens	4,800-6,800	\$ 11.91	(I)
Decorative Colonial	Approximate Lumens	4,800-6,800	\$14.76	(I)
Cobra Head	Approximate Lumens	7,200-10,000	\$16.23	(I)
Directional Flood Light	Approximate Lumens	15,000-18,000	\$22.36	(I)

Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.

\*All new lights will be LED. High Pressure Sodium lights will be phased out upon failure and replaced with LED.

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TITLE	President & CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO. 2025-00212	DATED

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	9th Revised	SHEET NO. 306
	CANCELLING PSC KY NO.	9
	8th Revised	SHEET NO. 306

**PREPAY SERVICE – RATE 15**

**STANDARD RIDER:**

Shelby Energy Cooperative’s Prepay Service (“Prepay”) is an optional rider to Rate 12 – Residential Service as defined by the Cooperative.

**AVAILABILITY:**

All Rate 12 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Draft, Net Metering and three-phase accounts within the territory served by Shelby Energy Cooperative.

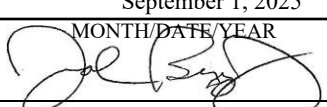
**RATES:**

Consumer Facility Charge per Day:	\$ 0.87	(I)
Energy Charge per kWh:	\$ 0.11595	(I)
Prepay Service Fee per Day:	\$ 0.10	

**TERMS & CONDITIONS:**

Members who qualify as defined above in “Availability” may choose to voluntarily enroll their electric account(s) in the Prepay service and are subject to the following:

1. Each member electing Prepay service will be subject to all other applicable rules and regulations which apply to members using the residential tariff, without the Prepay rider.
2. Members should have internet access or the ability to receive electronic communications, including texting services to participate in the voluntary Prepay service.
3. Any member choosing to enroll in Prepay service shall sign a *Prepay Service Agreement* (“Agreement”). The Agreement shall remain in effect until the member notifies Shelby Energy, in writing, to cancel the Agreement.
4. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the applicable tariff, without the Prepay rider. In accordance with Shelby Energy’s current Rules and Regulations, this may require a security deposit to be paid by the member at the time of cancellation of the Prepay service.

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	SIGNATURE OF OFFICER
TITLE	President & CEO

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2025-00212 DATED

	FOR	All Territory Served
	PSC KY NO	9
	6th Revised	SHEET NO. 307
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	5th Revised	SHEET NO. 307

**OPTIONAL T-O-D DEMAND – RATE 22**

**AVAILABILITY:**

Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 11 or Rate 12, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.

**TYPES OF SERVICE:**

Three-phase, 60 Hertz, available at Seller's standard voltage.

**RATE:**

Consumer Charge

\$ 49.75 (I)

Demand Charge

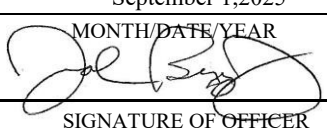
\$ 6.52 per month per KW of billing demand (I)

Energy Charge

First	100 kWh per KW demand	\$ 0.08714 per kWh	(I)
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Next	100 kWh per KW demand	\$ 0.08021 per kWh	(I)
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All over	200 kWh per KW demand	\$ 0.07328 per kWh	(I)
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	FOR	All Territory Served
	PSC KY NO	9
	5th Revised	SHEET NO. 309
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	4th Revised	SHEET NO. 309

**SPECIAL OUTDOOR LIGHTING SERVICE – RATE 33**

**AVAILABILITY OF SERVICE:**

This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.

**TYPE OF SERVICE:**

The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.

**RATES**

The monthly charge will be the sum of items (1) and (2) below.

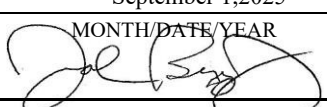
1. The Energy Rate for each type of lamp shall be \$ 0.07368 per kWh (I)  
as determined by the following formula:

Monthly Rated kWh = (4100 hours per year X Manufacturers total input rating in watts) divided by (12 X 1000)

2. Facilities Charge – The books of the Cooperative shall accurately reflect the Cooperative’s total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities.

**FUEL ADJUSTMENT CLAUSE:**

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.

DATE OF ISSUE August 1, 2025  
MONTH/DATE/YEAR  
DATE EFFECTIVE September 1, 2025  
MONTH/DATE/YEAR  
ISSUED BY   
SIGNATURE OF OFFICER  
TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00212 DATED

Shelby Energy Cooperative, Inc.	FOR	All Territory Served
NAME OF UTILITY	PSC KY NO	9
	7th Revised	SHEET NO. 312
	CANCELLING PSC KY NO.	9
	6th Revised	SHEET NO. 312

**LARGE INDUSTRIAL RATE – SCHEDULE B3**

**AVAILABILITY:**

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

**RATES:**

Consumer Facility Charge per Month

Transformer Size of 10,000 – 14,999 kVa \$ 3,816.33 (I)

Transformer Size of 15,000 kVa and greater \$ 6,057.46 (I)

Demand Charges per kW of Contract Demand \$ 8.10 (I)

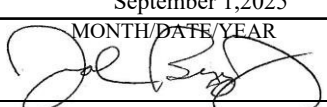
Demand Charge per kW in Excess of Contract Demand \$ 10.79 (I)

Energy Charge per kWh \$ 0.05868 (I)

**BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

DATE OF ISSUE	August 1,2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	September 1,2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	2025-00212
DATED	

Shelby Energy Cooperative, Inc.	FOR <u>All Territory Served</u>
NAME OF UTILITY	PSC KY NO <u>9</u>
	<u>7th Revised</u> SHEET NO. <u>313</u>
	CANCELLING PSC KY NO. <u>9</u>
	<u>6th Revised</u> SHEET NO. <u>313</u>

**LARGE INDUSTRIAL RATE – SCHEDULE C1**

**AVAILABILITY:**

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

**RATES:**

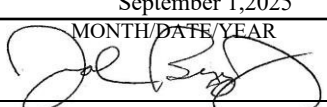
Consumer Facility Charge per Month	\$ 690.85	(I)
Demand Charge per KW of Billing Demand	\$ 8.10	(I)
Energy Charge per kWh	\$ 0.06692	(I)

**BILLING DEMAND:**

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

DATE OF ISSUE	<u>August 1, 2025</u> MONTH/DATE/YEAR
DATE EFFECTIVE	<u>September 1, 2025</u> MONTH/DATE/YEAR
ISSUED BY	 SIGNATURE OF OFFICER
TITLE	<u>President &amp; CEO</u>
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO. <u>2025-00212</u>	DATED _____

Shelby Energy Cooperative, Inc.	FOR All Territory Served
NAME OF UTILITY	PSC KY NO 9
	7th Revised SHEET NO. 314
	CANCELLING PSC KY NO. 9
	6th Revised SHEET NO. 314

## LARGE INDUSTRIAL RATE – SCHEDULE C2

### AVAILABILITY:

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

### RATES:

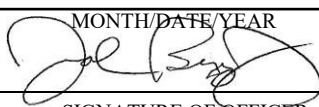
Consumer Facility Charge per Month	\$ 1,380.41	(I)
Demand Charge per KW of Billing Demand	\$ 8.10	(I)
Energy Charge per kWh	\$ 0.05983	(I)

### BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

DATE OF ISSUE	August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00212 DATED

FOR	All Territory Served
PSC KY NO	9
7th Revised	SHEET NO. 315
CANCELLING PSC KY NO.	9
6th Revised	SHEET NO. 315
Shelby Energy Cooperative, Inc.	
NAME OF UTILITY	

**LARGE INDUSTRIAL RATE – SCHEDULE C3**

**AVAILABILITY:**

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

**RATES:**

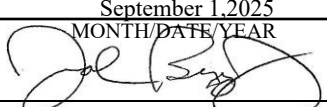
Consumer Facility Charge per Month		
Transformer Size of 10,000 – 14,999 kVa	\$ 3,848.11	(I)
Transformer Size of 15,000 kVa and greater	\$ 6,107.91	(I)
Demand Charge per kW	\$ 8.10	(I)
Energy Charge per kWh	\$ 0.05917	(I)

**BILLING DEMAND:**

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

DATE OF ISSUE	August 1, 2025 MONTH/DATE/YEAR
DATE EFFECTIVE	September 1, 2025 MONTH/DATE/YEAR
ISSUED BY	 SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO 2025-00212	DATED

## **Strike Through Tariffs**

PSC KY No. 9

Cancels PSC KY No. ~~8~~

**SHELBY ENERGY COOPERATIVE, INC.**

of

**620 Old Finchville Road  
Shelbyville, Kentucky 40065  
www.shelbyenergy.com**

**RATES, RULES AND REGULATIONS FOR FURNISHING SERVICE**

at

**Counties of:**

Shelby, Henry, Trimble, Carroll, Owen , Franklin,  
Oldham, Jefferson, Spencer and Anderson

**Filed with the PUBLIC SERVICE COMMISSION OF KENTUCKY**

Issued: August 1, 2025  
~~April 26, 2013~~

Effective: September 1, 2025  
~~October 1, 2013~~

Issued By: \_\_\_\_\_





~~Debra J. Martin~~  
**Jack Bragg, Jr.**

Title: President and CEO

	FOR	All Territory Served
	PSC KY NO	9
	<del>9th</del> <del>8th</del> Revised	SHEET NO. 305
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	<del>8th</del> <del>7th</del> Revised	SHEET NO. 305

**RESIDENTIAL SERVICE – RATE 12**

**AVAILABILITY:**

Available for residential homes for loads below 50 kW, subject to the established Rules and Regulations.

**TYPE OF SERVICE:**

Single phase service for residential dwellings.

**RATES:**

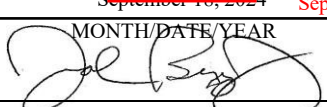
Consumer Facility Charge per Month	\$26.57	<del>\$25.30</del>	(I)
Energy Charge per kWh	\$0.11595	<del>\$0.11042</del>	(I)

**MINIMUM MONTHLY CHARGE:**

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

**TERMS OF PAYMENT:**

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE	<del>October 8, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 18, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. ~~2024-00351~~ DATED ~~July 23, 2025~~

2025-00212

FOR All Territory Served  
PSC KY NO 9  
6th ~~5th~~ Revised SHEET NO. 303  
CANCELLING PSC KY NO. 9  
5th ~~4th~~ Revised SHEET NO. 303

Shelby Energy Cooperative, Inc.  
NAME OF UTILITY

**OFF-PEAK RETAIL MARKETING (ETS) - RATE 9**

**AVAILABILITY OF SERVICE:**

The special marketing rate is made as an attachment to Rate GS-11 & Rate 12 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.

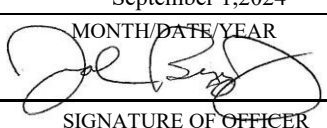
The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-11 & Rate 12. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.

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

**Rates**

The energy rate for this program is as listed below:

All kWh \$0.07586 ~~\$0.07224~~ (I)

DATE OF ISSUE ~~August 30, 2024~~ August 1, 2025  
MONTH/DATE/YEAR  
DATE EFFECTIVE ~~September 1, 2024~~ September 1, 2025  
MONTH/DATE/YEAR  
ISSUED BY   
SIGNATURE OF OFFICER  
TITLE President & CEO  
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~ 2025-00212 DATED ~~August 30, 2024~~



FOR	All Territory Served
PSC KY NO	9
9th 8th revised	SHEET NO. 304
CANCELLING PSC KY NO.	9
8th 7th Revised	SHEET NO. 304

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Shelby Energy Cooperative, Inc.	
NAME OF UTILITY	

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### **GENERAL SERVICE – RATE 11**

#### **AVAILABILITY:**

Available for commercial, small power and non-residential purposes for single phase and three phase loads below 50 kW, subject to the established Rules and Regulations.

#### **TYPE OF SERVICE:**

Single phase and three phase, 60 Hertz, at available secondary voltage.

#### **RATES:**

Consumer Facility Charge per Month:

Single Phase Service \$35.23 ~~-\$33.55~~ (I)

Three Phase Service \$55.03 ~~-\$52.41~~ (I)

Energy Charge per kWh \$.09602 ~~\$0.09144~~ (I)

#### **MINIMUM MONTHLY CHARGE:**

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

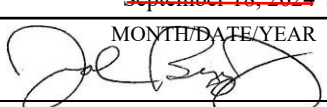
#### **TERMS OF PAYMENT:**

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

#### **FUEL ADJUSTMENT CLAUSE:**

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

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DATE OF ISSUE	<del>October 8, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 18, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	<del>2024-00351</del> 2025-00212
DATED	<del>July 23, 2025</del>

FOR	All Territory Served
PSC KY NO	9
<del>6th</del> <sup>7th</sup> Revised	SHEET NO. 310
CANCELLING PSC KY NO.	9
<del>5th</del> <sup>6th</sup> Revised	SHEET NO. 310

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

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**LARGE INDUSTRIAL RATE – SCHEDULE B1**

**AVAILABILITY:**

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

**RATES:**

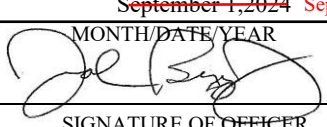
Consumer Facility Charge per Month	\$684.82	<del>\$ 633.60</del>	(I)
Demand Charge per kW of Contract Demand	\$8.10	<del>\$ 7.49</del>	(I)
Demand Charge per kW in Excess of Contract Demand	\$10.79	<del>\$9.98</del>	(I)
Energy Charge per kWh	\$0.06635	<del>\$ 0.06139</del>	(I)

**BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

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DATE OF ISSUE	<del>August 30, 2024</del> <sup>August 1, 2025</sup>
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> <sup>September 1, 2025</sup>
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.	<del>2023-00014</del>	DATE	<del>August 30, 2024</del>
	2025-00212		

FOR	All Territory Served
PSC KY NO	9
7th <del>6th</del> Revised	SHEET NO. 311
CANCELLING PSC KY NO.	9
6th <del>5th</del> Revised	SHEET NO. 311

Shelby Energy Cooperative, Inc.
NAME OF UTILITY

**LARGE INDUSTRIAL RATE – SCHEDULE B2**

**AVAILABILITY:**

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

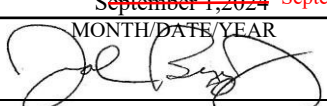
**RATES:**

Consumer Facility Charge per Month	\$1,368.79	<del>\$1,266.41</del>	(I)
Demand Charge per kW of Contract Demand	\$8.10	<del>\$7.49</del>	(I)
Demand Charge per kW in Excess of Contract Demand	\$10.79	<del>\$9.98</del>	(I)
Energy Charge per kWh	\$0.05933	<del>\$0.05489</del>	(I)

**BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	<del>2023-00014</del> 2025-00212
DATED	<del>August 30, 2024</del>

FOR	All Territory Served
PSC KY NO	9
6th <del>5th</del> Revised	SHEET NO. 301
CANCELLING PSC KY NO.	9
5th <del>4th</del> Revised	SHEET NO. 301

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Shelby Energy Cooperative, Inc.

NAME OF UTILITY

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### **OUTDOOR AND STREET LIGHTING – RATE 3**

#### **AVAILABILITY**

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

#### **TYPES OF SERVICE:**

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.

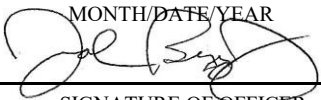
#### **MONTHLY RATES:**

High Pressure Sodium:

100 Watt - Outdoor Light	\$11.32	<del>\$10.78</del>	(I)
100 Watt - Decorative Colonial Light	\$15.13	<del>\$14.41</del>	(I)
400 Watt - Directional Flood Light	\$23.70	<del>\$22.57</del>	(I)
250 Watt - Directional Flood Light	\$16.93	<del>\$16.12</del>	(I)
150 Watt - Decorative Acorn Light	\$18.18	<del>\$17.31</del>	(I)

\* All new lights will be LED. High Pressure Sodium will be phased out upon failure and replaced with LED.

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DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO. <del>2023-00014</del>	DATED <del>August 30, 2024</del>
	2025-00212

FOR All Territory Served  
PSC KY NO. 9  
~~6th~~ ~~5th~~ Revised SHEET NO. 322  
CANCELLING PSC KY NO. 9  
~~5th~~ ~~4th~~ Revised SHEET NO. 322

Shelby Energy Cooperative, Inc.  
NAME OF UTILITY

### **LED Outdoor Lighting Facilities – RATE 3L**

#### **AVAILABILITY**

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

#### **TYPES OF SERVICE:**

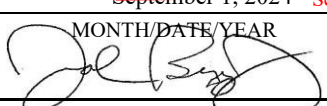
Cooperative will furnish, install, and maintain at no extra expense to the consumer, a light-emitting diode (LED) lighting unit, in accordance with the rate schedule and conditions of service below. The lighting unit shall be controlled by a photocell to energize the unit from dusk to dawn.

#### **MONTHLY RATES:**

Standard	Approximate Lumens	4,800-6,800	<del>\$11.91</del>	<del>\$ 11.34</del>	(I)
Decorative Colonial	Approximate Lumens	4,800-6,800	<del>\$14.76</del>	<del>\$14.06</del>	(I)
Cobra Head	Approximate Lumens	7,200-10,000	<del>\$16.23</del>	<del>\$15.46</del>	(I)
Directional Flood Light	Approximate Lumens	15,000-18,000	<del>\$22.36</del>	<del>\$21.29</del>	(I)

Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.

\*All new lights will be LED. High Pressure Sodium lights will be phased out upon failure and replaced with LED.

DATE OF ISSUE ~~August 30, 2024~~ August 1, 2025  
MONTH/DATE/YEAR  
DATE EFFECTIVE ~~September 1, 2024~~ September 1, 2025  
MONTH/DATE/YEAR  
ISSUED BY   
SIGNATURE OF OFFICER  
TITLE President & CEO  
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~ 2025-00212 DATED ~~August 30, 2024~~

FOR	All Territory Served
PSC KY NO	9
9th 8th Revised	SHEET NO. 306
CANCELLING PSC KY NO.	9
8th 7th Revised	SHEET NO. 306

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

**PREPAY SERVICE – RATE 15**

**STANDARD RIDER:**

Shelby Energy Cooperative’s Prepay Service (“Prepay”) is an optional rider to Rate 12 – Residential Service as defined by the Cooperative.

**AVAILABILITY:**

All Rate 12 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Draft, Net Metering and three-phase accounts within the territory served by Shelby Energy Cooperative.

**RATES:**

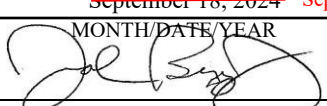
Consumer Facility Charge per Day:	\$0.87	<del>\$ 0.83</del>	(I)
Energy Charge per kWh:	\$0.11595	<del>\$ 0.11042</del>	(I)
Prepay Service Fee per Day:		\$ 0.10	

**TERMS & CONDITIONS:**

Members who qualify as defined above in “Availability” may choose to voluntarily enroll their electric account(s) in the Prepay service and are subject to the following:

1. Each member electing Prepay service will be subject to all other applicable rules and regulations which apply to members using the residential tariff, without the Prepay rider.
2. Members should have internet access or the ability to receive electronic communications, including texting services to participate in the voluntary Prepay service.
3. Any member choosing to enroll in Prepay service shall sign a *Prepay Service Agreement* (“Agreement”). The Agreement shall remain in effect until the member notifies Shelby Energy, in writing, to cancel the Agreement.
4. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the applicable tariff, without the Prepay rider. In accordance with Shelby Energy’s current Rules and Regulations, this may require a security deposit to be paid by the member at the time of cancellation of the Prepay service.

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DATE OF ISSUE	<del>October 8, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 18, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. ~~2024-00351~~ DATED ~~July 23, 2025~~

2025-00212

FOR	_____ All Territory Served _____
PSC KY NO	_____ 9 _____
<del>6th</del> <del>5th</del> Revised	SHEET NO. _____ 307 _____
CANCELLING PSC KY NO.	_____ 9 _____
<del>5th</del> <del>4th</del> Revised	SHEET NO. _____ 307 _____

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**OPTIONAL T-O-D DEMAND – RATE 22**

**AVAILABILITY:**

Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 11 or Rate 12, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.

**TYPES OF SERVICE:**

Three-phase, 60 Hertz, available at Seller's standard voltage.

**RATE:**

Consumer Charge

~~\$ 47.38~~ **\$49.75** (I)

Demand Charge

~~\$ 6.21~~ per month per KW of billing demand (I)  
**\$6.52**

Energy Charge

First 100 kWh per KW demand **\$0.08714** ~~\$ 0.08298~~ per kWh (I)

Next 100 kWh per KW demand **\$0.08021** ~~\$ 0.07638~~ per kWh (I)

All over 200 kWh per KW demand **\$0.07328** ~~\$ 0.06979~~ per kWh (I)

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DATE OF ISSUE	_____ <del>August 30, 2024</del> <b>August 1, 2025</b> _____
	MONTH/DATE/YEAR
DATE EFFECTIVE	_____ <del>September 1, 2024</del> <b>September 1, 2025</b> _____
	MONTH/DATE/YEAR
ISSUED BY	_____  _____
	SIGNATURE OF OFFICER
TITLE	_____ President & CEO _____
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO.	_____ <del>2023-00014</del> <b>2025-00212</b> _____
DATED	_____ <del>August 30, 2024</del> _____

	FOR	All Territory Served
	PSC KY NO	9
	5th <del>4th</del> Revised	SHEET NO. 309
Shelby Energy Cooperative, Inc.	CANCELLING PSC KY NO.	9
NAME OF UTILITY	4th <del>3rd</del> Revised	SHEET NO. 309

**SPECIAL OUTDOOR LIGHTING SERVICE – RATE 33**

**AVAILABILITY OF SERVICE:**

This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.

**TYPE OF SERVICE:**

The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.

**RATES**

The monthly charge will be the sum of items (1) and (2) below.

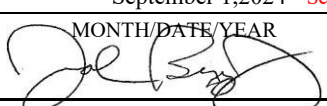
1. The Energy Rate for each type of lamp shall be **\$0.07368** ~~\$ 0.06971~~ per kWh (I)  
as determined by the following formula:

Monthly Rated kWh = (4100 hours per year X Manufacturers total input rating in watts) divided by (12 X 1000)

2. Facilities Charge – The books of the Cooperative shall accurately reflect the Cooperative’s total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities.

**FUEL ADJUSTMENT CLAUSE:**

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.

DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN	
CASE NO. <del>2023-00014</del>	DATED <del>August 30, 2024</del>
2025-00212	

FOR	All Territory Served
PSC KY NO	9
7th <del>6th</del> Revised	SHEET NO. 312
CANCELLING PSC KY NO.	9
6th <del>5th</del> Revised	SHEET NO. 312

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

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### **LARGE INDUSTRIAL RATE – SCHEDULE B3**

#### **AVAILABILITY:**

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

#### **RATES:**

##### Consumer Facility Charge per Month

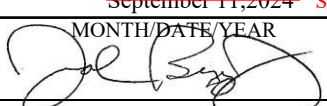
Transformer Size of 10,000 – 14,999 kVa	\$3,816.33	<del>\$ 3,530.38</del>	(I)
Transformer Size of 15,000 kVa and greater	\$6,057.46	<del>\$ 5,603.59</del>	(I)
Demand Charges per kW of Contract Demand	\$8.10	<del>\$ 7.49</del>	(I)
Demand Charge per kW in Excess of Contract Demand	\$10.79	<del>\$ 9.98</del>	(I)
Energy Charge per kWh	\$0.05868	<del>\$ 0.05428</del>	(I)

#### **BILLING DEMAND:**

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours of each month and adjusted for power factor as provided herein:

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

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DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 11, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.	<del>2023-00014</del>	DATED	<del>August 30, 2024</del>
	2025-00212		

FOR	All Territory Served
PSC KY NO	9
<del>7th</del> <del>6th</del> Revised	SHEET NO. 313
CANCELLING PSC KY NO.	9
<del>6th</del> <del>5th</del> Revised	SHEET NO. 313

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

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### LARGE INDUSTRIAL RATE – SCHEDULE C1

#### AVAILABILITY:

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

#### RATES:

Consumer Facility Charge per Month	\$690.85	<del>\$633.81</del>	(I)
Demand Charge per KW of Billing Demand	\$8.10	<del>\$7.49</del>	(I)
Energy Charge per kWh	\$0.06692	<del>\$0.06139</del>	(I)

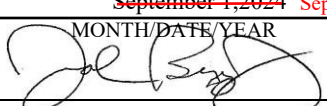
#### BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

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DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN  
CASE NO. ~~2023-00014~~ DATED ~~August 30, 2024~~  
2025-00212

FOR	All Territory Served
PSC KY NO	9
7th <del>6th</del> Revised	SHEET NO. 314
CANCELLING PSC KY NO.	9
6th <del>5th</del> Revised	SHEET NO. 314

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

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### LARGE INDUSTRIAL RATE – SCHEDULE C2

#### AVAILABILITY:

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

#### RATES:

Consumer Facility Charge per Month	\$1,380.41	<del>\$ 1,266.43</del>	(I)
Demand Charge per KW of Billing Demand	\$8.10	<del>\$ 7.49</del>	(I)
Energy Charge per kWh	\$0.05983	<del>\$ 0.05489</del>	(I)

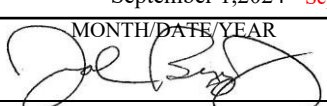
#### BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

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DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.	<del>2023-00014</del>	DATED	<del>August 30, 2024</del>
	2025-00212		

FOR	All Territory Served
PSC KY NO	9
7th <del>6th</del> Revised	SHEET NO. 315
CANCELLING PSC KY NO.	9
6th <del>5th</del> Revised	SHEET NO. 315

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Shelby Energy Cooperative, Inc.
NAME OF UTILITY

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### **LARGE INDUSTRIAL RATE – SCHEDULE C3**

#### **AVAILABILITY:**

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

#### **RATES:**

Consumer Facility Charge per Month			
Transformer Size of 10,000 – 14,999 kVa	\$3,848.11	<del>\$ 3,530.38</del>	(I)
Transformer Size of 15,000 kVa and greater	\$6,107.91	<del>\$ 5,603.59</del>	(I)
Demand Charge per kW	\$8.10	<del>\$ 7.49</del>	(I)
Energy Charge per kWh	\$0.05917	<del>\$ 0.05428</del>	(I)

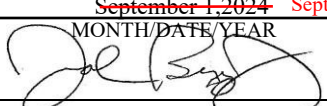
#### **BILLING DEMAND:**

The monthly billing demand shall be the greater of (a) or (b) listed below:

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

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

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DATE OF ISSUE	<del>August 30, 2024</del> August 1, 2025
	MONTH/DATE/YEAR
DATE EFFECTIVE	<del>September 1, 2024</del> September 1, 2025
	MONTH/DATE/YEAR
ISSUED BY	
	SIGNATURE OF OFFICER
TITLE	President & CEO

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BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN	
CASE NO <del>2023-00014</del>	DATED <del>AUGUST 30, 2024</del>
2025-00212	

## **Exhibit 3**

### **Comparison of the Current and Proposed Rates**

**SHELBY ENERGY COOPERATIVE**  
**Present & Proposed Rates**

Rate	Item	Present	Proposed
12	<u>Residential Service</u>		
	Customer Charge	\$ 25.30	\$ 26.57
	Energy Charge per kWh	\$ 0.11042	\$ 0.11595
9	<u>Off Peak Retail Marketing (ETS)</u>		
	Energy Charge per kWh	\$ 0.07224	\$ 0.07586
2	<u>Large Power Service &gt; 50 kW</u>		
	Customer Charge	\$ 53.84	\$ 56.54
	Energy Charge per kWh	\$ 0.07282	\$ 0.07647
	Demand Charge per kW	\$ 6.52	\$ 6.85
11	<u>General Service &lt; 50kW</u>		
	Customer Charge Single Phase	\$ 33.55	\$ 35.23
	Customer Charge Three Phase	\$ 52.41	\$ 55.03
	Energy Charge per kWh	\$ 0.09144	\$ 0.09602
B1	<u>Large Industrial Rate (500 kW to 4,999 kW)</u>		
	Customer Charge	\$ 633.60	\$ 684.82
	Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
	Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
	Energy Charge per kWh	\$ 0.06139	\$ 0.06635
B2	<u>Large Industrial Rate (5,000 kW to 9,999 kW)</u>		
	Customer Charge	\$ 1,266.41	\$ 1,368.79
	Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
	Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
	Energy Charge per kWh	\$ 0.05489	\$ 0.05933
3	<u>Outdoor &amp; Street Lighting</u>		
	3 100 Watt Outdoor Light	\$ 10.78	\$ 11.32
	3 250 Watt Directional Flood	\$ 16.12	\$ 16.93
	3 100 Watt Decorative Colonial	\$ 14.41	\$ 15.13
	3 400 Watt Directional Flood	\$ 22.57	\$ 23.70
	3 150 Watt Decorative Acorn	\$ 17.31	\$ 18.18
	3L Standard	\$ 11.34	\$ 11.91
	3L Decorative Colonial	\$ 14.06	\$ 14.76
	3L Cobra Head	\$ 15.46	\$ 16.23
	3L Directional Flood Light	\$ 21.29	\$ 22.36
15	<u>Prepay Service</u>		
	Consumer Facility Charge per day	\$ 0.83	\$ 0.87
	Energy Charge per kWh	\$ 0.11042	\$ 0.11595
	Prepay Service Fee per day	\$ 0.10	\$ 0.10
22	<u>Optional TOD Demand</u>		
	Customer Charge	\$ 47.38	\$ 49.75
	Energy Charge per kWh - First 100	\$ 0.08298	\$ 0.08714
	Energy Charge per kWh - Next 100	\$ 0.07638	\$ 0.08021
	Energy Charge per kWh - All Over 200	\$ 0.06979	\$ 0.07328
	Demand Charge - Contract per kW	6.21	6.52
33	<u>Special Outdoor Lighting</u>		
	Energy Rate	\$ 0.06971	\$ 0.07368
B3	<u>Large Industrial Rate</u>		
	Customer Charge Transformer 10,000 - 14	\$ 3,530.38	\$ 3,816.33
	Customer Charge Transformer 15,000+ k\	\$ 5,603.59	\$ 6,057.46
	Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
	Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
	Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05868
C1	<u>Large Industrial Rate</u>		
	Customer Charge	\$ 633.81	\$ 690.85
	Energy Charge per kWh	\$ 0.06139	\$ 0.06692
	Demand Charge per kW	\$ 7.49	\$ 8.10
C2	<u>Large Industrial Rate</u>		
	Customer Charge	\$ 1,266.43	\$ 1,380.41
	Energy Charge per kWh	\$ 0.05489	\$ 0.05983
	Demand Charge per kW	\$ 7.49	\$ 8.10
C3	<u>Large Industrial Rate</u>		
	Customer Charge Transformer 10,000 - 14	\$ 3,530.38	\$ 3,848.11
	Customer Charge Transformer 15,000+ k\	\$ 5,603.59	\$ 6,107.91
	Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
	Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05917

## **Exhibit 4**

### **Billing Analysis for Each Rate Class**

**SHELBY ENERGY COOPERATIVE**  
**Billing Analysis for Pass-Through Rate Increase**

Total Increase Allocated by East Kentucky Power Cooperative:	\$2,875,589
Total Rate B Increase Allocated by East Kentucky Power Cooperative:	\$909,875
Remaining Revenue Increase Allocated by East Kentucky Power Cooperative:	\$1,965,715

#	Item	Code	Present Revenue	Present Share	Allocation Revenue	Allocation Share	Allocated Increase	Proposed Revenue	Proposed Share	Base Rate Increase	Base %	Total %	Rounding
1	<u>Base Rates</u>												
2	Residential Service	12	\$ 26,144,338	66.61%	\$ 26,144,338	66.61%	\$ 1,309,277	\$ 27,454,151	66.61%	\$ 1,309,814	5.01%	4.60%	\$ 537
3	Off Peak Retail Marketing (ETS)	9	\$ 9,861	0.03%	\$ 9,861	0.03%	\$ 494	\$ 10,355	0.03%	\$ 494	5.01%	4.53%	\$ 0
4	Prepay Service	15	\$ 1,690,941	4.31%	\$ 1,690,941	4.31%	\$ 84,680	\$ 1,775,194	4.31%	\$ 84,253	4.98%	4.50%	\$ (427)
5	Large Power Service > 50 kW	2	\$ 5,697,800	14.52%	\$ 5,697,800	14.52%	\$ 285,339	\$ 5,983,351	14.52%	\$ 285,551	5.01%	4.57%	\$ 213
6	General Service < 50kW	11	\$ 4,992,069	12.72%	\$ 4,992,069	12.72%	\$ 249,997	\$ 5,241,930	12.72%	\$ 249,861	5.01%	4.56%	\$ (136)
7	Optional TOD Demand	22	\$ 76,246	0.19%	\$ 76,246	0.19%	\$ 3,818	\$ 80,065	0.19%	\$ 3,819	5.01%	4.55%	\$ 1
8	Outdoor & Street Lighting	3	\$ 641,192	1.63%	\$ 641,192	1.63%	\$ 32,110	\$ 673,360	1.63%	\$ 32,168	5.02%	4.45%	\$ 58
9	SubTotal Base Rates E		\$ 39,252,448	100.00%	\$ 39,252,448	100.00%	\$ 1,965,715	\$ 41,218,408	100.00%	\$ 1,965,960	5.01%		\$ 245
10													
11	Large Industrial Rate (500 kW to 4,999 kW)	B1	\$ 8,894,898	79.03%	\$ 8,894,898	79.03%	\$ 719,097	\$ 9,614,710	79.03%	\$ 719,813	8.09%	7.28%	\$ 715
12	Large Industrial Rate (5,000 kW to 9,999 kW)	B2	\$ 2,359,830	20.97%	\$ 2,359,830	20.97%	\$ 190,778	\$ 2,550,968	20.97%	\$ 191,138	8.10%	7.22%	\$ 360
13	SubTotal Base Rates B		\$ 11,254,727	100.00%	\$ 11,254,727	100.00%	\$ 909,875	\$ 12,165,678	100.00%	\$ 910,950	8.09%		\$ 1,076
14													
15	TOTAL Base Rates		\$ 50,507,175		\$ 50,507,175		\$ 2,875,589	\$ 53,384,085		\$ 2,876,910	5.01%		\$ 1,321
16													
17	<u>Riders</u>												
18	FAC		\$ (453,717)				\$ (453,717)						
19	ES		\$ 5,321,501				\$ 5,321,501						
20	Misc Adj		\$ 27,533				\$ 27,533						
21	Other		\$ -				\$ -						
22	Total Riders		\$ 4,895,317				\$ 4,895,317						
23													
24	Total Revenue		\$ 55,402,492				\$ 58,279,402			\$ 2,876,910		5.19%	
25	Target Revenue									\$ 2,875,589			
26	Rate Rounding Variance									\$ 1,321			
27	Rate Rounding Variance									0.05%			

SHELBY ENERGY COOPERATIVE  
Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
1	Residential Service	12													
2			Customer Charge	158,524	25.30	\$ 4,010,657	15.34%		26.57	\$ 4,211,983	\$ 201,325	5.02%	15.34%	0.00%	
3			Energy Charge per kWh	200,449,924	0.11042	\$ 22,133,681	84.66%		0.11595	\$ 23,242,169	\$ 1,108,488	5.01%	84.66%	0.00%	
4			Total Base Rates			\$ 26,144,338	100.00%	\$ 27,453,614		\$ 27,454,151	\$ 1,309,814	5.01%	100.00%	0.00%	\$ 537.02
5			FAC			\$ (213,702)				\$ (213,702)	\$ -	-			
6			ES			\$ 2,525,971				\$ 2,525,971	\$ -	-			
7			Misc Adj			\$ -				\$ -	\$ -	-			
8			Other			\$ -				\$ -	\$ -	-			
9			Total Riders			\$ 2,312,268				\$ 2,312,268	\$ -	-			
10			TOTAL REVENUE			\$ 28,456,606				\$ 29,766,420	\$ 1,309,814	4.60%			
11			Average	1,264.48		\$ 179.51				\$ 187.77	\$ 8.26	4.60%			
12															
13	Off Peak Retail Marketing (ETS)	9													
14			Customer Charge per Month	192	-	\$ -	0.00%		-	\$ -	\$ -	0.00%	0.00%	0.00%	
15			Energy Charge per kWh	136,506	0.07224	\$ 9,861	100.00%		0.07586	\$ 10,355	\$ 494	5.01%	100.00%	0.00%	
16			Total Base Rates			\$ 9,861	100.00%	\$ 10,355		\$ 10,355	\$ 494	5.01%	100.00%	0.00%	\$ 0.31
17			FAC			\$ 47				\$ 47	\$ -	-			
18			ES			\$ 1,003				\$ 1,003	\$ -	-			
19			Misc Adj			\$ -				\$ -	\$ -	-			
20			Other			\$ -				\$ -	\$ -	-			
21			Total Riders			\$ 1,050				\$ 1,050	\$ -	-			
22			TOTAL REVENUE			\$ 10,911				\$ 11,405	\$ 494	4.53%			
23			Average	710.97		\$ 56.83				\$ 59.40	\$ 2.57	4.53%			
24															
25	Prepay Service	15													
26			Customer Charge per Day	275,332	0.83	\$ 228,525	13.51%		0.87	\$ 239,539	\$ 11,013	4.82%	13.49%	-0.02%	
27			Energy Charge per kWh	13,244,119	0.11042	\$ 1,462,416	86.49%		0.11595	\$ 1,535,656	\$ 73,240	5.01%	86.51%	0.02%	
28			Total Base Rates			\$ 1,690,941	100.00%	\$ 1,775,621		\$ 1,775,194	\$ 84,253	4.98%	100.00%	0.00%	\$ (427.02)
29			FAC			\$ (12,811)				\$ (12,811)	\$ -	-			
30			ES			\$ 168,105				\$ 168,105	\$ -	-			
31			Prepay Fee per Day	275,332	0.10	\$ 27,533			0.10	\$ 27,533	\$ -	-			
32			Other			\$ -				\$ -	\$ -	-			
33			Total Riders			\$ 182,827				\$ 182,827	\$ -	-			
34			TOTAL REVENUE			\$ 1,873,768				\$ 1,958,021	\$ 84,253	4.50%			
35			Average	48.10		\$ 6.81				\$ 7.11	\$ 0.31	4.50%			
36															
37															
38	Large Power Service > 50 kW	2													
39			Customer Charge	777	53.84	\$ 41,834	0.73%		56.54	\$ 43,932	\$ 2,098	5.01%	0.73%	0.00%	
40			Energy Charge per kWh	62,004,651	0.07282	\$ 4,515,171	79.24%		0.07647	\$ 4,741,496	\$ 226,325	5.01%	79.24%	0.00%	
41			Demand Charge per kW	174,969	6.52	\$ 1,140,795	20.02%		6.85	\$ 1,197,924	\$ 57,129	5.01%	20.02%	0.00%	
42			Total Base Rates			\$ 5,697,800	100.00%	\$ 5,983,139		\$ 5,983,351	\$ 285,551	5.01%	100.00%	0.00%	\$ 212.53
43			FAC			\$ (62,347)				\$ (62,347)	\$ -	-			
44			ES			\$ 614,094				\$ 614,094	\$ -	-			
45			Misc Adj			\$ -				\$ -	\$ -	-			
46			Other			\$ -				\$ -	\$ -	-			
47			Total Riders			\$ 551,747				\$ 551,747	\$ -	-			
48			TOTAL REVENUE			\$ 6,249,547				\$ 6,535,098	\$ 285,551	4.57%			
49			Average	80,025.25		\$ 8,043.18				\$ 8,410.68	\$ 367.51	4.57%			

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
37	General Service < 50kW	11													
38			Customer Charge Single Phase	44,189	33.55	\$ 1,482,541	29.70%		35.23	\$ 1,556,778	\$ 74,238	5.01%	29.70%	0.00%	
39		13	Customer Charge Three Phase	2,995	52.41	\$ 156,968	3.14%		55.03	\$ 164,815	\$ 7,847	5.00%	3.14%	0.00%	
40			Energy Charge per kWh	36,662,537	0.09144	\$ 3,352,560	67.16%		0.09602	\$ 3,520,337	\$ 167,776	5.00%	67.16%	0.00%	
41			Total Base Rates			\$ 4,992,069	100.00%	\$ 5,242,066		\$ 5,241,930	\$ 249,861	5.01%	100.00%	0.00%	\$ (135.90)
42			FAC			\$ (41,814)				\$ (41,814)	\$ -	-			
43			ES			\$ 525,981				\$ 525,981	\$ -	-			
44			Misc Adj			\$ -				\$ -	\$ -	-			
45			Other			\$ -				\$ -	\$ -	-			
46			Total Riders			\$ 484,167				\$ 484,167	\$ -	-			
47			TOTAL REVENUE			\$ 5,476,236				\$ 5,726,097	\$ 249,861	4.56%			
48			Average	829.68		\$ 123.93				\$ 129.58	\$ 5.65	4.56%			
49															
50	Large Industrial Rate (500 kW to 4,999 kW)	B1													
51			Customer Charge	156	633.60	\$ 98,842	1.11%		684.82	\$ 106,832	\$ 7,990	8.08%	1.11%	0.00%	
52			Demand Charge - Contract per kW	219,900	7.49	\$ 1,647,051	18.52%		8.10	\$ 1,781,190	\$ 134,139	8.14%	18.53%	0.01%	
53			Demand Charge - Excess per kW	21,794	9.98	\$ 217,504	2.45%		10.79	\$ 235,157	\$ 17,653	8.12%	2.45%	0.00%	
54			Energy Charge per kWh	112,909,283	0.06139	\$ 6,931,501	77.93%		0.06635	\$ 7,491,531	\$ 560,030	8.08%	77.92%	-0.01%	
55			Total Base Rates			\$ 8,894,898	100.00%	\$ 9,613,995		\$ 9,614,710	\$ 719,813	8.09%	100.00%	0.00%	\$ 715.35
56			FAC			\$ (115,857)				\$ (115,857)	\$ -	-			
57			ES			\$ 1,102,166				\$ 1,102,166	\$ -	-			
58			Misc Adj			\$ -				\$ -	\$ -	-			
59			Other			\$ -				\$ -	\$ -	-			
60			Total Riders			\$ 986,309				\$ 986,309	\$ -	-			
61			TOTAL REVENUE			\$ 9,881,206				\$ 10,601,019	\$ 719,813	7.28%			
62			Average	723,777.46		\$ 63,341.07				\$ 67,955.25	\$ 4,614.18	7.28%			
63															
64	Large Industrial Rate (5,000 kW to 9,999 kW)	B2													
65			Customer Charge	12	1,266.41	\$ 15,197	0.64%		1,368.79	\$ 16,425	\$ 1,229	8.08%	0.64%	0.00%	
66			Demand Charge - Contract per kW	60,000	7.49	\$ 449,400	19.04%		8.10	\$ 486,000	\$ 36,600	8.14%	19.05%	0.01%	
67			Demand Charge - Excess per kW	2,147	9.98	\$ 21,427	0.91%		10.79	\$ 23,166	\$ 1,739	8.12%	0.91%	0.00%	
68			Energy Charge per kWh	34,137,467	0.05489	\$ 1,873,806	79.40%		0.05933	\$ 2,025,376	\$ 151,570	8.09%	79.40%	-0.01%	
69			Total Base Rates			\$ 2,359,830	100.00%	\$ 2,550,607		\$ 2,550,968	\$ 191,138	8.10%	100.00%	0.00%	\$ 360.44
70			FAC			\$ (25,947)				\$ (25,947)	\$ -	-			
71			ES			\$ 314,233				\$ 314,233	\$ -	-			
72			Misc Adj			\$ -				\$ -	\$ -	-			
73			Other			\$ -				\$ -	\$ -	-			
74			Total Riders			\$ 288,286				\$ 288,286	\$ -	-			
75			TOTAL REVENUE			\$ 2,648,116				\$ 2,839,254	\$ 191,138	7.22%			
76			Average	2,844,788.92		\$ 220,676.33				\$ 236,604.49	\$ 15,928.17	7.22%			
77															

SHELBY ENERGY COOPERATIVE  
Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
78	Optional TOD Demand	22													
79			Customer Charge	12	47.38	\$ 569	0.75%		49.75	\$ 597	\$ 28	5.00%	0.02%	-0.72%	
80			Energy Charge per kWh - First 100	240,000	0.08298	\$ 19,915	26.12%		0.08714	\$ 20,914	\$ 998	5.01%	0.82%	-25.30%	
81			Energy Charge per kWh - Next 100	240,000	0.07638	\$ 18,331	24.04%		0.08021	\$ 19,250	\$ 919	5.01%	0.75%	-23.29%	
81			Energy Charge per kWh - All Over 200	322,784	0.06979	\$ 22,527	29.55%		0.07328	\$ 23,654	\$ 1,127	5.00%	0.93%	-28.62%	
82			Demand Charge - Contract per kW	2,400	6.21	\$ 14,904	19.55%		6.52	\$ 15,650	\$ 746	5.01%	0.61%	-18.93%	
83			Total Base Rates			\$ 76,246	100.00%	\$ 80,064		\$ 80,065	\$ 3,819	5.01%	3.14%	-96.86%	\$ 0.62
84			FAC			\$ (665)				\$ (665)	\$ -	-			
85			ES			\$ 8,301				\$ 8,301	\$ -	-			
86			Misc Adj			\$ -				\$ -	\$ -	-			
87			Other			\$ -				\$ -	\$ -	-			
88			Total Riders			\$ 7,636				\$ 7,636	\$ -	-			
89			TOTAL REVENUE			\$ 83,882				\$ 87,701	\$ 3,819	4.55%			
90			Average	200.00		\$ 6,990.17				\$ 7,308.42	\$ 318.24	4.55%			
91															
78	Outdoor & Street Lighting	3													
79			100 Watt Outdoor Light	12,301	10.78	\$ 132,605	20.68%		11.32	\$ 139,247	\$ 6,643	5.01%	20.68%	0.00%	
80			250 Watt Directional Flood	1,140	16.12	\$ 18,377	2.87%		16.93	\$ 19,300	\$ 923	5.02%	2.87%	0.00%	
81			100 Watt Decorative Colonial	510	14.41	\$ 7,349	1.15%		15.13	\$ 7,716	\$ 367	5.00%	1.15%	0.00%	
82			400 Watt Directional Flood	536	22.57	\$ 12,098	1.89%		23.70	\$ 12,703	\$ 606	5.01%	1.89%	0.00%	
83			150 Watt Decorative Acorn	12	17.31	\$ 208	0.03%		18.18	\$ 218	\$ 10	5.03%	0.03%	0.00%	
84		3L	Standard	29,006	11.34	\$ 328,928	51.30%		11.91	\$ 345,461	\$ 16,533	5.03%	51.30%	0.00%	
85			Decorative Colonial	2,377	14.06	\$ 33,421	5.21%		14.76	\$ 35,085	\$ 1,664	4.98%	5.21%	0.00%	
86			Cobra Head	2,441	15.46	\$ 37,738	5.89%		16.23	\$ 39,617	\$ 1,880	4.98%	5.88%	0.00%	
87			Directional Flood Light	3,310	21.29	\$ 70,470	10.99%		22.36	\$ 74,012	\$ 3,542	5.03%	10.99%	0.00%	
88			Total Base Rates			\$ 641,192	100.00%	\$ 673,302		\$ 673,360	\$ 32,168	5.02%	100.00%	0.00%	\$ 57.72
89			FAC			\$ 19,379				\$ 19,379	\$ -	-			
90			ES			\$ 61,649				\$ 61,649	\$ -	-			
91			Misc Adj			\$ -				\$ -	\$ -	-			
92			Other			\$ -				\$ -	\$ -	-			
93			Total Riders			\$ 81,027				\$ 81,027	\$ -	-			
94			TOTAL REVENUE			\$ 722,220				\$ 754,387	\$ 32,168	4.45%			
95															
96															
97															
98	TOTALS		Total Base Rates			\$ 50,507,175				\$ 53,384,085	\$ 2,876,910	5.70%			
99			FAC			\$ (453,717)				\$ (453,717)	\$ -	-			
100			ES			\$ 5,321,501				\$ 5,321,501	\$ -	-			
101			Misc Adj			\$ 27,533				\$ 27,533	\$ -	-			
102			Other			\$ -				\$ -	\$ -	-			
103			Total Riders			\$ 4,895,317				\$ 4,895,317	\$ -	-			
104			TOTAL REVENUE			\$ 55,402,492				\$ 58,279,402	\$ 2,876,910	5.19%			
105															
106			Rate Rounding Variance								\$ 1,321				



## **Exhibit 5**

### **Certificate of Service to Attorney General**

**Exhibit 5**  
**Statement of Service to the Attorney General**

Pursuant to 807 KAR 5:007, Sections 1(6) and Section 2(2), the undersigned does hereby certify that a complete copy of this filing has been sent electronically to the Kentucky Attorney General's Office of Rate Intervention at [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov) on this the 1<sup>st</sup> day of August 2025.

*Heather S. Temple*

\_\_\_\_\_  
Heather S. Temple  
Attorney, Honaker Law Office

## **Exhibit 6**

### **Customer Notice**

## AFFIDAVIT OF MAILING

Notice is hereby given that the August 2025 issue of *KENTUCKY LIVING*, bearing official notice of PSC Case No. 2025-00212 for the purpose of proposing a general adjustment of the existing rates of **SHELBY ENERGY COOPERATIVE** to reflect the wholesale rate adjustment of wholesale supplier, East Kentucky Power Cooperative, Inc., was entered as direct mail on July 30, 2025, in accordance to the requirements of the cooperative's bylaws.



Shannon Brock  
Editor  
*Kentucky Living*

County of Jefferson  
State of Kentucky

Sworn to and subscribed before me, a Notary Public,

This 30th day of July, 2025.

My commission expires 6-9-2029



Mary Ann Lyons #KYWP100716  
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)

# Value of electricity

People living in the late 19th century would hardly know what to do if they could see the world in 2025. The entirety of the way we live has changed so drastically in the last 150 years it would be unrecognizable to anyone living before December 1879. That was the time period when Thomas Edison produced his first “incandescent” lamps.

A precursor to today’s modern LED lightbulb, Edison’s first successful electric lamp, and later his first electric generation station, Pearl Street Generation Station (1882), would usher in a lifestyle that was truly unimaginable as recently as the 1870s.

Today, almost all of us wake up in a home that is at a comfortable temperature, connected to a nationwide power grid. Most of us have the entirety of the world’s information available at our fingertips via devices that also play music, serve as alarm clocks, and allow us to talk to anyone in the world at any time. It’s all powered by electricity.

According to the U.S. Energy Information Administration, total U.S. electricity consumption was 4.07 trillion kilowatt hours in 2022. That’s 14 times more electric than was used in 1950. We not only depend on electricity for everything; it would be hard to imagine a life without it.

Think about what your kitchen or living room would look like without electricity. No oven, refrigerator, freezer, icemaker, toaster oven, microwave, lights or air conditioning. No television or modern arts like film and TV shows. No recorded music. No ceiling fans. No LED lighting. Entertainment might be reading a book via candlelight and a fire for warmth.

Electricity remains an undeniable bargain. It is one of life’s great conveniences, and in modern times, is a necessity. It has made our lives easier and more enjoyable, too.



Like everything else, the cost for electricity has gone up over time due to a number of factors.

But consider the cost of a gallon of gas 30 years ago compared to today’s price. How about a pound of coffee or a loaf of bread? The cost of electricity is somewhat higher than it was 30 years ago. While this doesn’t take the sting out of rising costs, electricity has typically increased at a rate lower than that of normal inflation.

Whenever you plug in an electrical device, flip on the TV or get a cold drink from the fridge, electricity remains a good value for the lifestyle we all enjoy.

Here are some common household electronics and how much it typically costs to operate them:

- Refrigerator: 22¢ for 24 hours
- Ceiling fan: 10¢ for 24 hours



- Microwave: 2¢ for 5 minutes
- Phone charger: 50¢ for 1 year
- Dishwasher: 4¢ for 1 hour
- 40-inch HD TV: 4¢ for 2 hours

Sources: U.S. Department of Energy,  
U.S. Energy Information Administration

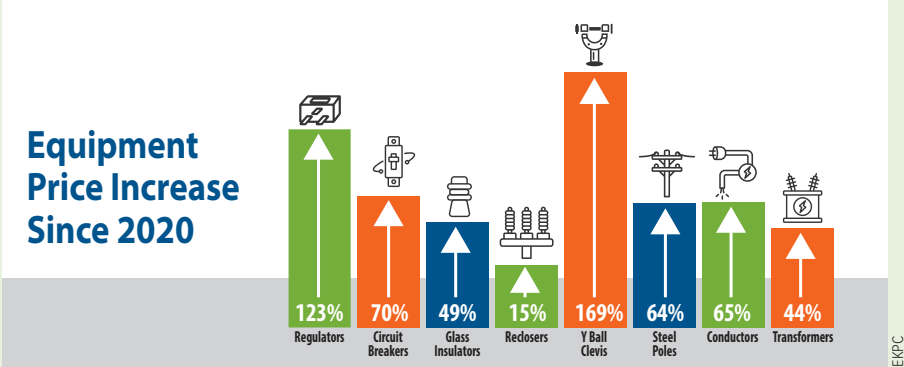
# East Kentucky Power Cooperative seeks rate increase

East Kentucky Power Cooperative, which generates and transmits wholesale electricity to Shelby Energy, is seeking to raise the base rates it charges Shelby Energy and 15 other electric co-ops.

*The proposed rate increase is from EKPC, not Shelby Energy, and any additional revenue from this rate increase will go to EKPC, not Shelby Energy.*

EKPC filed the rate-adjustment request with the Kentucky Public Service Commission August 1, 2025. Shelby Energy also filed an application with the PSC detailing how the adjustment would be passed through its monthly bills to the membership.

If approved by the PSC, the proposal by EKPC will increase Shelby Energy’s rates and add about \$8.05 or 4.85% to the monthly bill of the average residential member.



**EKPC needs a base rate increase** to ensure there are sufficient margins to maintain financial strength and reliable service. Inflationary costs of the materials needed to operate and maintain the system along with increased interest expense from higher interest rates are driving the need for an increase.

Please bear in mind that the wholesale power (EKPC) component of your electric bill is about 73%. The remaining funds are used by Shelby Energy to

maintain and operate its system and to cover other costs.

As a not-for-profit, member-owned organization, EKPC strives to keep rates steady by containing and reducing operating costs. One of the most effective ways EKPC has done that is by obtaining low-cost energy through PJM, a major regional energy marketplace. As a result of the effort by our co-op and EKPC to keep energy economical, Shelby Energy’s rates are competitive with neighboring utilities.

## NOTICE

In accordance with the requirements of the Public Service Commission (“Commission”) as set forth in 807 KAR 5:001, Section 17 and 807 KAR 5:007, Section 3, of the Rules and Regulations of the Commission, notice is hereby given to the member consumers of Shelby Energy Cooperative, Inc. (“Shelby Energy”) of a proposed rate adjustment. Shelby Energy intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc. (“EKPC”), pursuant to KRS 278.455(2), by filing an application with the Commission on or after August 1, 2025, in Case No. 2025-00212. The application will request that the proposed rates become effective on or after September 1, 2025.

The present and proposed rates for each customer classification to which the proposed rates will apply are set forth below:<sup>1</sup>

RATE	ITEM	PRESENT	PROPOSED
12	Residential Service		
	Customer Charge	\$ 19.00	\$ 20.01
	Energy Charge per kWh	\$ 0.10482	\$ 0.11039

RATE		ITEM	PRESENT	PROPOSED
9		<b>Off Peak Retail Marketing (ETS)</b>		
		Energy Charge per kWh	\$ 0.07224	\$ 0.07608
2		<b>Large Power Service &gt; 50 kW</b>		
		Customer Charge	\$ 53.84	\$ 56.70
		Energy Charge per kWh	\$ 0.07361	\$ 0.07752
		Demand Charge per kW	\$ 6.24	\$ 6.57
11		<b>General Service &lt; 50kW</b>		
		Customer Charge Single Phase	\$ 23.55	\$ 24.80
		Customer Charge Three Phase	\$ 52.41	\$ 55.19
		Energy Charge per kWh	\$ 0.10349	\$ 0.10899
B1		<b>Large Industrial Rate (500 kW to 4,999 kW)</b>		
		Customer Charge	\$ 633.60	\$ 684.82
		Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
		Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
		Energy Charge per kWh	\$ 0.06139	\$ 0.06635
B2		<b>Large Industrial Rate (5,000 kW to 9,999 kW)</b>		
		Customer Charge	\$ 1,266.41	\$ 1,368.79
		Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
		Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
		Energy Charge per kWh	\$ 0.05489	\$ 0.05933
3		<b>Outdoor &amp; Street Lighting</b>		
	3	100 Watt Outdoor Light	\$ 10.78	\$ 11.35
	3	250 Watt Directional Flood	\$ 16.12	\$ 16.98
	3	100 Watt Decorative Colonial	\$ 14.41	\$ 15.18
	3	400 Watt Directional Flood	\$ 22.57	\$ 23.77
	3	150 Watt Decorative Acorn	\$ 17.31	\$ 18.23
	3L	Standard	\$ 11.34	\$ 11.94
	3L	Decorative Colonial	\$ 14.06	\$ 14.81
	3L	Cobra Head	\$ 15.46	\$ 16.28
	3L	Directional Flood Light	\$ 21.29	\$ 22.42
15		<b>Prepay Service</b>		
		Consumer Facility Charge per day	\$ 0.62	\$ 0.65
		Energy Charge per kWh	\$ 0.10481	\$ 0.11038
		Prepay Service Fee per day	\$ 0.10	\$ 0.10
22		<b>Optional TOD Demand</b>		
		Customer Charge	\$ 47.38	\$ 49.90
		Energy Charge per kWh - First 100	\$ 0.08298	\$ 0.08739
		Energy Charge per kWh - Next 100	\$ 0.07638	\$ 0.08044
		Energy Charge per kWh - All Over 200	\$ 0.06979	\$ 0.07350
		Demand Charge - Contract per kW	\$ 6.21	\$ 6.54
33		<b>Special Outdoor Lighting</b>		
		Energy Rate	\$ 0.06971	\$ 0.07386
B3		<b>Large Industrial Rate</b>		
		Customer Charge Transformer 10,000 - 14,999 kVA	\$ 3,530.38	\$ 3,816.33
		Customer Charge Transformer 15,000+ kVA	\$ 5,603.59	\$ 6,057.46
		Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
		Demand Charge - Excess per kW	\$ 9.98	\$ 10.79
		Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05868
C1		<b>Large Industrial Rate</b>		
		Customer Charge	\$ 633.81	\$ 690.85
		Energy Charge per kWh	\$ 0.06139	\$ 0.06692
		Demand Charge per kW	\$ 7.49	\$ 8.10

<sup>1</sup> The present and proposed rates in this notice reflect Shelby Energy's approved rates at the time of this notice and not the rates Shelby Energy has proposed in Case No. 2024-00351, *Electronic Application of Shelby Energy Cooperative, Inc. for a General Adjustment of Rates*. Therefore, the present and proposed rates in this proceeding could differ based upon the Commission's decision, and timing of the decision, in Case No. 2024-00351.

RATE	ITEM	PRESENT	PROPOSED
<b>C2</b>	<b>Large Industrial Rate</b>		
	Customer Charge	\$ 1,266.43	\$ 1,380.41
	Energy Charge per kWh	\$ 0.05489	\$ 0.05983
	Demand Charge per kW	\$ 7.49	\$ 8.10
<b>C3</b>	<b>Large Industrial Rate</b>		
	Customer Charge Transformer 10,000 - 14,999 kVA	\$ 3,530.38	\$ 3,848.11
	Customer Charge Transformer 15,000+ kVA	\$ 5,603.59	\$ 6,107.91
	Demand Charge - Contract per kW	\$ 7.49	\$ 8.10
	Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05917

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

RATE		INCREASE	
		DOLLARS	PERCENT
12	Residential Service	\$ 1,276,615	4.85%
9	Off Peak Retail Marketing (ETS)	\$ 524	4.80%
15	Prepay Service	\$ 82,030	4.71%
2	Large Power Service > 50 kW	\$ 302,668	4.84%
11	General Service < 50kW	\$ 265,206	4.84%
B1	Large Industrial Rate (500 kW to 4,999 kW)	\$ 719,813	7.28%
B2	Large Industrial Rate (5,000 kW to 9,999 kW)	\$ 191,138	7.22%
22	Optional TOD Demand	\$ 4,052	4.83%
3	Outdoor & Street Lighting	\$ 33,967	4.70%
Total		\$ 2,876,013	5.41%

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

RATE		AVERAGE USAGE (KWH)	INCREASE	
			DOLLARS	PERCENT
12	Residential Service	1,264	\$ 8.05	4.85%
9	Off Peak Retail Marketing (ETS)	711	\$ 2.73	4.80%
15	Prepay Service	48	\$ 0.30	4.71%
2	Large Power Service > 50 kW	80,025	\$ 389.53	4.84%
11	General Service < 50kW	830	\$ 6.00	4.84%
B1	Large Industrial Rate (500 kW to 4,999 kW)	723,777	\$ 4,614.18	7.28%
B2	Large Industrial Rate (5,000 kW to 9,999 kW)	2,844,789	\$ 15,928.17	7.22%
22	Optional TOD Demand	200	\$ 337.70	4.83%
3	Outdoor & Street Lighting	NA	NA	4.70%

A person may examine the application and any related documents Shelby Energy has filed with the PSC at the utility's principal office, located at 620 Old Finchville Road, Shelbyville, Kentucky 40065-1714, (800) 292-6585.

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

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

## **Exhibit 7**

### **Direct Testimony of John Wolfram**

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

**DIRECT TESTIMONY**

**OF**

**JOHN WOLFRAM  
PRINCIPAL OF CATALYST CONSULTING LLC**

**ON BEHALF OF**

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

**FILED: August 1, 2025**

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


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**VERIFICATION OF JOHN WOLFRAM**

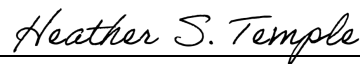
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COMMONWEALTH OF KENTUCKY     )  
  )  
COUNTY OF JEFFERSON            )

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

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

The foregoing Verification was signed, acknowledged and sworn to before me this 28th day of July, 2025, by John Wolfram.

  
\_\_\_\_\_

Notary Commission No. KYNP98715

Commission expiration: April 9, 2029

**DIRECT TESTIMONY  
OF  
JOHN WOLFRAM**

**I. INTRODUCTION**

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

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

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

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

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

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

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

1 A. Yes. To date I have testified or otherwise participated in nearly eighty different regulatory  
2 proceedings before this Commission, most recently in Case No. 2025-00107.<sup>1</sup>

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

4 A. The purpose of my testimony is to support the proposed rates of the Owner-Members of  
5 EKPC, reflecting the flow through of the effects of the increase in wholesale rates proposed  
6 by EKPC in Case No. 2025-00208,<sup>2</sup> pursuant to KRS 278.455.

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

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

- 9       • Exhibit 3: Comparison of Current and Proposed Rates  
10       • Exhibit 4: Billing Analysis

11

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

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

14 A. KRS 278.455(2) specifies that

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

22

23 KRS 278.455(3) specifies that

24               “Any rate increase or decrease as provided for in subsections (1) and (2) of  
25               this section **shall not apply to special contracts** under which the rates are

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<sup>1</sup> See *In the Matter of: The Electronic Application of Farmers Rural Electric Cooperative Corporation for a General Adjustment of Rates*, Case No. 2025-00107 (Ky. P.S.C. May 5, 2025).

<sup>2</sup> See *In The Matter Of: Electronic Application Of East Kentucky Power Cooperative, Inc. For A General Adjustment Of Rates, Approval Of Depreciation Study, Amortization Of Certain Regulatory Assets, And Other General Relief*, Case No. 2025-00208 (filed August 1, 2025).

1 subject to change or adjustment only as stipulated in the contract.”  
2 (emphasis added)  
3

4 **Q. What is the historical test period for the pass-through rate modeling?**

5 A. The historical test period for the filing is the 12 months ended December 31, 2023.

6 **Q. Why is this period used?**

7 A. The historical test period for the pass-through cases was chosen to match that used by  
8 EKPC in its wholesale rate case. The pass-through of wholesale rate increases to retail is  
9 best achieved when the wholesale and retail billing determinants align.

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

12 A. The approach can be divided into two steps. First, for each distribution cooperative, I  
13 collected 2023 billing information for each rate class in the cooperative’s Commission-  
14 approved tariffs, to correspond with the 2023 test period used by EKPC in Case No. 2025-  
15 00208. I calculated the billings for each rate class and for each base rate billing component  
16 within the respective classes (*e.g.*, customer charge, energy charge, demand charge). I also  
17 compiled annual amounts for rate riders, billing adjustments, and other non-base-rate  
18 billing items by class. I then determined “present” rates and revenues by accounting for a  
19 limited number of adjustments that I describe below. All of this is necessary for the  
20 proportional allocation of the EKPC revenue increase to the retail classes under the statute.

21 Second, I allocated the EKPC wholesale rate increase to the classes in a  
22 proportional manner, as described in more detail below.

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

1 A. Yes. EKPC provided me with a summary of the proposed increase in dollars and percent,  
2 by distribution cooperative and by wholesale rate class, along with the proposed per-unit  
3 charges for each wholesale rate class.

4 **Q. Please describe how you allocated the EKPC increases to the retail rate classes for**  
5 **each cooperative.**

6 A. For each cooperative, I calculated the current share of (a) each rate class revenue to total  
7 cooperative revenue, and (b) each rate class rate component revenue (e.g., customer charge,  
8 energy charge, demand charge) to total rate class revenue. This is the “to and within the  
9 classes” information (in that order). Then I allocated the EKPC wholesale rate revenue  
10 increases proportionately, first to the relevant retail rate classes, and then to the individual  
11 base rate billing components of each class, such that the shares of (a) and (b) did not  
12 change.<sup>3</sup> This means I determined the proposed per-unit charges such that the rate class  
13 revenue allocation shares and the billing component allocation shares were maintained. In  
14 other words, I allocated the increase first to the rate classes and then to the billing  
15 components on a proportionate basis – “to and within the rate classes” -- ensuring to the  
16 fullest extent possible that the result would not change the rate design currently in effect,  
17 consistent with the statute.

18

19 **III. PASS THROUGH OF WHOLESALE RATE INCREASE: DETAIL**

20 **Q. Please describe the relationship between the EKPC wholesale rate schedules, and the**  
21 **retail rate schedules for most of the Owner-Members.**

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<sup>3</sup> The data does include *de minimis* variations due to rate rounding.

1 A. EKPC provides service to its 16 Owner-Members on four standard rate schedules – Rates  
2 B, C, G, and E – plus various rate riders – along with contracts for one large customer, gas  
3 pumping stations, and steam service. Most Owner-Members meet the needs of most of  
4 their retail rate classes pursuant to EKPC Rate E. Some Owner-Members have a few  
5 members taking service under EKPC Rates B or C, and a handful have special contracts  
6 that correspond to EKPC Rate G. The vast majority of retail members are served under  
7 these EKPC standard rate schedules. Finally, as EKPC demonstrated in the rate increase  
8 data provided to me, EKPC provides certain service outside of these standard rate  
9 schedules; Owen Electric provides service to an exceptionally large customer under a  
10 special contract, Fleming-Mason Energy and Taylor County RECC provide service to gas  
11 pumping stations and Fleming-Mason Energy provides steam service.

12 **Q. Did you identify which retail rate classes directly correspond to service on EKPC Rate**  
13 **B, C and G?**

14 A. Yes. The Owner-Members identified these classes for me. Most of them actually refer to  
15 the EKPC schedule (e.g., B, C, or G) in the name of the retail rate schedule. Here the word  
16 “correspond” means that every member on the retail schedule takes wholesale service  
17 exclusively on the given wholesale rate schedule.

18 **Q. Please list the retail rate classes which directly correspond to EKPC Rate B.**

19 A. Owner-Members with retail rate classes that correspond to Rate B include the following:

20	Big Sandy	Industrial Rate 1B
21	Blue Grass	Large Industrial Rates B-1 and B-2
22	Fleming-Mason	Large Industrial Rate LIS-6B
23	Grayson	Large Industrial Service - MLF
24	Inter-County	Schedule B1 – Large Industrial Rate
25	Jackson	Large Power Rate 47
26	Nolin	Large Power Rates LLP-4-B1 and LPR-1-B2
27	Owen	Schedule 9 Industrial

1                   Salt River                   Large Power Rates LLP-4-B1 and LPR-1-B2  
2                   Shelby                   Large Industrial Rates B1 and B2  
3                   South Kentucky           Large Power Rate LP-3  
4

5 **Q.     Please list the retail rate classes which directly correspond to EKPC Rate C.**

6 A.     Owner-Members with retail rate classes that correspond to EKPC Rate C include the  
7     following:

8                   Cumberland Valley   Schedule V-C  
9                   Fleming-Mason   Large Industrial Service LIS-7  
10                  Jackson           Large Power Rate 46  
11                  South Kentucky   Large Power Rates LP-1, LP-2  
12

13 **Q.     Please list the retail rate classes which directly correspond to EKPC Rate G.**

14 A.     Owner-Members with retail rate classes or special contracts that correspond to EKPC Rate  
15     G include the following:

16                  Blue Grass           Special Contract  
17                  Cumberland Valley   Schedule V-B  
18                  Fleming-Mason   Special Contract  
19                  Inter-County       Schedule G – Large Industrial Rate  
20                  Licking Valley     Large Power Rate LPG  
21                  Nolin               Special Contract  
22

23 **Q.     For the listings above did you only include retail rate classes under which the Owner-**  
24 **Members provided service during 2023?**

25 A.     Yes. The lists do not include any retail rate classes that may correspond to EKPC Rates B,  
26     C, or G but which had no retail members taking service in 2023.

27 **Q.     Did you allocate EKPC Rate G increases to specific retail classes for the special**  
28 **contracts?**

29 A.     Yes. I separately calculated proposed rates for retail members served under the EKPC Rate  
30     G - Special Electric Contract Rate, as well as for those served under EKPC's other large

1 special contracts. These are listed separately in Exhibit 3. These classes are given specific  
2 consideration by EKPC, so I determined the retail rate increases associated with these  
3 classes using the specific data provided to me for these classes by EKPC.

4 **Q. Why?**

5 A. The statute in KRS 278.455(3) states that

6 “Any increase or decrease as provided for in subsections (1) and (2) of this  
7 section shall not apply to special contracts under which the rates are subject  
8 to change or adjustment only as stipulated in the contract.”  
9

10 This treatment is also consistent with that approved by the Commission for the special  
11 contracts in at least EKPC’s last two rate cases, in 2021 and in Case No. 2010-00167.<sup>4</sup>

12 **Q. Did you allocate EKPC Rate B and C increases to specific retail classes?**

13 A. For the Owner-Members listed above, yes. For EKPC Rate B, for the Owner-Members  
14 listed above with retail rate classes that directly correspond to EKPC Rate B, I allocated  
15 the EKPC Rate B increase to those classes. Then I allocated the remaining EKPC increases  
16 to the remaining retail rate classes. All of the allocations were applied proportionately to  
17 and within the relevant rate classes, consistent with the statute. I did the same for EKPC  
18 Rate C.

19 **Q. Why?**

20 A. Because the proposed rate increases by EKPC vary so much by wholesale rate class, and  
21 because certain Owner Member retail rate schedules correspond to particular wholesale  
22 classes, this approach complies with the statute.

23 **Q. How did you allocate the remainder of the EKPC rate increases to the retail classes?**

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<sup>4</sup> *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates*, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011).

1 A. For the Owner-Members not listed above, that do not have retail rate classes that  
2 correspond to EKPC Rates B, C, or G, I allocated all of the combined/remaining EKPC  
3 increases to all of the retail rate classes, proportionately to and within those classes,  
4 consistent with the statute.

5 **Q. Overall, is this the same approach used in the last set of pass-through cases associated**  
6 **with EKPC's wholesale rate cases in 2021 and in 2010?**

7 A. For the Owner-Members with no retail rate classes that correspond to EKPC Rates B or C,  
8 yes it is exactly the same. For the Owner-Members listed above with retail rate classes that  
9 correspond to EKPC Rates B or C, it is not exactly the same.

10 **Q. Why is it appropriate to use this method of allocation?**

11 A. Because the approach can be shown to allocate the wholesale rate increase to the retail  
12 distribution cooperatives, to each class and within each tariff on a proportional basis, in a  
13 manner that will result in no change in the rate design currently in effect, while also  
14 avoiding an inappropriate subsidy to large industrial customers from residential and other  
15 customer classes.

16 This allocation maintains the rate design currently in effect. The current rate  
17 design for certain Owner-Members makes a distinction in retail rates between EKPC Rate  
18 B or C and EKPC Rate E. For these Owner-Members, the current rate design considers  
19 the fact that certain retail rates correspond to EKPC Rate B and/or C, and others do not. If  
20 EKPC changed all of its wholesale rates by the same percentage, then this approach would  
21 be moot, but at this time, EKPC is changing its Rate B and C quite differently than it is the  
22 Rate E. See the table below:

23

1

**Table 1. EKPC Proposed Revenue Increases**

<b>EKPC Wholesale Rate Class</b>	<b>Present Revenue \$</b>	<b>Proposed Revenue \$</b>	<b>Increase \$</b>	<b>Percent Change</b>
Rate E	802,194,158	857,865,743	55,671,585	6.94%
Rate B	76,651,633	83,549,772	6,898,140	9.00%
Rate C	30,261,662	32,985,063	2,723,402	9.00%
Rate G	45,700,643	50,727,650	5,027,007	11.00%
Large Special Contract	82,398,571	91,461,856	9,063,284	11.00%
Special Contract Pumping Stations	13,169,151	13,169,151	0	0.00%
Steam Service	13,946,275	14,294,772	348,497	2.50%
Total	1,064,322,093	1,144,054,008	79,731,915	7.49%

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13 **Q.**14 **A.**

15

Here the EKPC Rate E increases are less than 7 percent, while the Rates B and C increases are both 9 percent. The special contract increases are even larger at 11 percent. Pumping Stations are zero percent and steam service is 2.5 percent. The overall range is relatively wide.

This matters because certain retail rates correspond to the EKPC Rate B and C rates. If all of the wholesale rates were increasing by the same percentage then the allocation approach used would not matter as much. But since the majority of EKPC's revenues are increasing by just under 7% under Rate E, and the larger customers taking service on Rates B and C are increasing by 9 percent, the allocation used in this proceeding maintains the current rate design better than other allocation methods that could be used.

**Why is the allocation method used in this proceeding the best method?**

If this approach is not used, it will create incremental subsidization of large industrial customers by residential customers at the retail level for some of the Owner-Members. For

1 example, Big Sandy has only one retail rate class (Industrial Rate IND-1B) that  
2 corresponds to EKPC's Rate B and actually Big Sandy only has one member on this rate  
3 schedule. All other Big Sandy members take service under EKPC's Rate E. By using the  
4 method proposed in this proceeding, Big Sandy's IND-1B rate bears all of the EKPC Rate  
5 B increase, and the remaining Big Sandy rate classes bear the EKPC Rate E increase. This  
6 prevents an incremental and inappropriate subsidization of the industrial member by all  
7 other Big Sandy members, including residential, as a result of the pass-through.

8 The proposed allocation method maintains the current rate design since the current  
9 rate design recognizes differences in the wholesale rate schedules and translates those  
10 differences to retail customers via the retail rate schedules. If this translation is lost by  
11 virtue of the pass-through, the value of having separate wholesale rate cases diminishes,  
12 and the current retail rate designs – which recognize that value – are no longer maintained.  
13 If the differences in the retail rate schedules are lost then why would they have more than  
14 one wholesale rate schedule?

15 **Q. How does the allocation work for the Owner-Members that do not have retail rate**  
16 **classes linked to EKPC Rates B or C?**

17 A. For Owner-Members with no retail rate classes linked to EKPC Rates B or C, all of the  
18 wholesale increase amounts are allocated proportionately to and within all of the retail rate  
19 classes in such a way that it will result in no change to the rate design currently in effect.

20

21 **IV. ADJUSTMENTS**

22 **Q. Did you make any adjustments to the actual 2023 amounts to determine the “present”**  
23 **amounts for the pass-through?**

1 A. Yes. I made two types of adjustments to actual 2023 data. The first was to account for  
2 base rate changes related to the Fuel Adjustment Clause (“FAC”), and the second was to  
3 account for any retail rate changes stemming from other Commission rate proceedings.

4 **Q. Please describe the adjustments made to account for the FAC.**

5 A. Because the Commission approved a FAC roll-in for service rendered on or after  
6 September 1, 2023,<sup>5</sup> it was necessary to adjust 2023 amounts to reflect the revised base  
7 energy charges and FAC charges. I adjusted 2023 amounts to account for the FAC roll-in  
8 for all Owner-Members. These adjustments are reflected where applicable in the “Present  
9 Rates” and “Present Revenues” in Exhibit 4 and are needed to ensure that the full effects  
10 of the wholesale rate increase are flowed through proportionately.

11 **Q. Please describe the adjustments made to account for other rate proceedings before**  
12 **the Commission.**

13 A. Some of the Owner-Members had active rate case proceedings at the Commission when  
14 the pass-through models were developed. In these instances, for the purpose of developing  
15 the public notices of present and proposed rates, the “present” rates in the pass-through  
16 models reflected the effective rates at that time, not the rates that the Owner-Members had  
17 proposed in their respective rate filings. The reason for this is that those proposed rates  
18 had not been approved, were not “effective” under the Commission-approved tariffs and  
19 thus did not qualify as “present” rates for the purpose of applying the pass-through. For  
20 some of these dockets, the Commission has not yet issued its findings on the proposed  
21 rates. The cooperatives to which this applies are:

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<sup>5</sup> See *In The Matter Of Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. From November 1, 2020 Through October 31, 2022*, Order, Case No. 2023-00014 (Ky. P.S.C. Aug. 30, 2024).

- 1           1) Farmers RECC <sup>6</sup>
- 2           2) South Kentucky RECC <sup>7</sup>

3           For these cooperatives, the pass-through models filed herein are based on the currently  
4           effective retail rates. I expect the Commission to issue orders in these dockets during the  
5           pendency of this case. When that occurs, the respective cooperatives will update their pass-  
6           through models to revise the “present” rates to reflect any rate revisions ordered by the  
7           Commission.

8           On July 11, 2025, Clark Energy filed a Notice of Intent to submit a rate filing and  
9           expects to file its Application for an alternative rate adjustment pursuant to 807 KAR 5:078  
10          in the next few weeks.<sup>8</sup> For Clark Energy, like the cooperatives listed above, the pass-  
11          through model filed herein is based on the currently effective retail rates. Under the  
12          streamlined regulation, the Commission should issue a final order in the Clark Energy  
13          docket during the pendency of the instant case. When that occurs, Clark Energy expects  
14          to update the pass-through models to revise the “present” rates to reflect any rate revisions  
15          ordered by the Commission.

16          Blue Grass Energy had an active rate case before the Commission earlier this year.  
17          The Commission issued an order revising Blue Grass Energy’s base rates before this  
18          Application was filed but after the public notice for this case had to be submitted for

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<sup>6</sup> *In the Matter of: The Electronic Application Of Farmers Rural Electric Cooperative Corporation For A General Adjustment Of Rates*, Case No. 2025-00107.

<sup>7</sup> *In the Matter of: The Electronic Application Of South Kentucky Rural Electric Cooperative Corporation For A General Adjustment Of Rates And Other General Relief*, Case No. 2024-00402.

<sup>8</sup> *In the Matter of: Electronic Application Of Clark Energy Cooperative, Inc. For An Alternative Rate Adjustment Pursuant To 807 KAR 5:078*, Case No. 2025-00230.

1 publication. The present rates in this Application reflect the rates that the Commission  
2 approved in its Order dated July 21, 2025.<sup>9</sup>

3 Shelby Energy also had an active rate case before the Commission earlier this year.  
4 The Commission issued an order revising Shelby Energy's base rates before this  
5 Application was filed but after the public notice for this case had to be submitted for  
6 publication. The present rates in this Application reflect the rates that the Commission  
7 approved in its Order dated July 23, 2025.<sup>10</sup>

8 The net effect of each of these qualified conditions will be the same – that is, in  
9 each case the dollar amount allocated to each Owner-Member from EKPC will be passed  
10 through to the Owner-Member to and within its retail rate classes on a proportional basis.  
11 It is only the “starting point” of that allocation which will be revised to ensure that when  
12 the instant case is resolved, the pass-throughs reflect the retail rates most recently approved  
13 by the Commission for each Owner-Member.

14 **Q. Did you make any other adjustments to the 2023 data for the Owner-Members for**  
15 **period-end normalizations, rate switching, or other changes?**

16 **A.** No. EKPC did not propose adjustments of that kind, so neither did I, in order to preserve  
17 consistency for the wholesale and retail billing determinants.

18

19 **V. VACANT RATE CLASSES**

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<sup>9</sup> *In the Matter of: Electronic Application Of An Alternative Rate Adjustment For Blue Grass Energy Cooperative Corporation Pursuant To 807 KAR 5:078*, Case No. 2025-00103 (Ky. P.S.C. July 21, 2025).

<sup>10</sup> *In the Matter of: Electronic Application Of Shelby Energy Cooperative, Inc. For A General Adjustment Of Rates*, Case No. 2024-00351 (Ky. P.S.C. July 23, 2025).

1 **Q. How did you determine proposed rates for any rate classes under which no retail**  
2 **members took service in 2023 (“vacant rate classes”)?**

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

14

15 **VI. CONCLUSION**

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

17 A. In this docket, the proposed rates are based on pass-through models in which the wholesale  
18 EKPC increase is allocated to each retail class and within each retail tariff on a proportional  
19 basis and results in no change in the retail rate design currently in effect. This is consistent  
20 with KRS 278.455. The approach yields rates that are fair, just, and reasonable, and are  
21 also consistent with prior Commission precedent. The Commission should find that the  
22 pass-through models comply with the statute and are a reasonable basis for retail rate  
23 design.

1           The Commission should accept the pass-through models as filed and should accept  
2           any updates to certain Owner Member pass-through models to capture any revisions to  
3           “present” rates noted in any Commission orders in other Owner Member rate case dockets  
4           as appropriate. The Commission should approve the “proposed” rates determined in the  
5           pass-through models, either as filed or as revised to reflect the EKPC increase ultimately  
6           approved by the Commission, with an effective date identical to the effective date of the  
7           EKPC rate revisions.

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

9 **A.     Yes, it does.**