

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF	)	
CUMBERLAND VALLEY ELECTRIC, INC.	)	
FOR PASS-THROUGH OF EAST KENTUCKY	)	Case No. 2025-00218
POWER COOPERATIVE, INC.'S WHOLESALE	)	
RATE ADJUSTMENT	)	

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CUMBERLAND VALLEY ELECTRIC INC.'S APPLICATION

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Comes now Cumberland Valley Electric, Inc. ("Cumberland Valley"), 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. Cumberland Valley is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Cumberland Valley is engaged in the business of distributing retail electric power to approximately 24,300 members in the Kentucky counties of Bell, Clay, Harlan, Knox, Laurel, Leslie, Letcher, McCreary and Whitley.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Cumberland Valley's mailing address is P.O. Box 440, Gray, Kentucky 40734 and its electronic mail address is psc@cumberlandvalley.coop. Cumberland Valley's phone number is (606) 528-2677 and its fax number is (606) 526-0158. Cumberland Valley requests the following individuals be included on the service list:

Robert Tolliver, Office Manager

rtolliver@cv.coop

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), Cumberland Valley is a Kentucky corporation that was incorporated on July 12, 1940, 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), Cumberland Valley 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 Cumberland Valley.<sup>1</sup> In accordance with KRS 278.455, Cumberland Valley seeks to pass-through the increase in EKPC's wholesale rates to Cumberland Valley'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 Cumberland Valley 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 Cumberland Valley.

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 Cumberland Valley's rate classes. Cumberland Valley 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 Cumberland Valley's members. Members who have opted out of *Kentucky Living* recieved a direct mailing 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.

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

WHEREFORE, on the basis of the foregoing, Cumberland Valley respectfully requests that the Commission accept this Application for filing and allow Cumberland Valley to pass-through to its retail members the increase in the wholesale rates granted to EKPC and for the

effective date of Cumberland Valley'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

**HONAKER LAW OFFICE, PLLC**

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allyson@hloky.com

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*Counsel for Cumberland Valley Electric, 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

*Counsel for Cumberland Valley Electric, Inc.*

### **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: 329441  
Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

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

**CUMBERLAND VALLEY ELECTRIC, INC.**

CUMBERLAND VALLEY ELECTRIC, INC. is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 272, whose date of incorporation is July 12, 1940 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 February, 2025, in the 233<sup>rd</sup> year of the Commonwealth.



*Michael G. Adams*

Michael G. Adams  
Secretary of State  
Commonwealth of Kentucky  
329441/0012671

## **Exhibit 2**

### **Present and Proposed Tariffs**



## **Proposed Tariffs**

P.S.C. Ky. NO. 1  
ORIGINAL SHEET NO. 1

CUMBERLAND VALLEY ELECTRIC, INCORPORATED

of

6219 US-25E (N)

Gray, Kentucky

cumberlandvalley.coop (N)

RATES, RULES AND REGULATIONS FOR FURNISHING

ELECTRICITY

at

Whitley, Knox, Harlan, Bell, Leslie, Letcher, Laurel  
and McCreary Counties in Kentucky

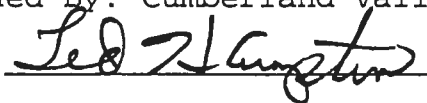
FILED WITH THE PUBLIC SERVICE COMMISSION OF KENTUCKY

Issued: August 1, 2025

Effective: September 1, 2025

Issued By: Cumberland Valley Electric, Incorporated

By:



General Manager

CLASSIFICATION OF SERVICE**Rates for Residential, Schools and Churches – Schedule I**APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Residential, Schools and Churches.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge	\$23.45 Per month per customer	(I)
ALL KWH	\$0.10331 Per kWh	(I)

MINIMUM CHARGE

1. The minimum charge under the above rate shall be the current customer charge listed above.
2. For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

SPECIAL RULES

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

TERMS OF PAYMENT

Customer bills will be due by the fifteenth of each month.

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DATE OF ISSUE      August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE      September 1<sup>st</sup>, 2025

Month / Date / Year

ISSUED BY      /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218      DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE**Rates for Residential, Schools and Churches – Schedule I Time of Day (TOD)**APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Residential, Schools and Churches eligible for Schedule I. Consumers must remain on this rate schedule for one (1) year.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge	\$23.45 Per month per customer	(l)
ENERGY CHARGE:		
On-Peak Per kWh	\$0.12018	(l)
Off-Peak Per kWh	\$0.07465	(l)

<u>Months</u>	<u>On Peak Hours-EPT</u>	<u>Off Peak Hours-EPT</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.
May through September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.

MINIMUM CHARGE

1. The minimum charge under the above rate shall be the current customer charge listed above.
2. For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

SPECIAL RULES

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

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DATE OF ISSUE August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218 DATED: \_\_\_\_\_

**Inclining Block Rate – Schedule VII****APPLICABLE**

In all territory served by the Seller.

**AVAILABILITY**

Available to all Single Phase Residential, Schools, Churches and Single Phase Small Commercial.

**TYPE OF SERVICE**

Single phase at available voltages.

Customer Charge: \$16.34 (l)

Energy Charge:

<b><u>Block</u></b>	<b><u>Energy Charge</u></b>	
First 200 per kWh	.10503	(l)
Next 300 per kWh	.11051	(l)
Over 500 per kWh	.11599	(l)

**MINIMUM CHARGE**

1. The minimum charge under the above rate shall be the current customer charge listed above.
2. For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

**SPECIAL RULES**

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

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DATE OF ISSUE August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
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ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218 DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE**Small Commercial and Small Power - Schedule II**APPLICABLE

Entire Territory served.

AVAILABILITY OF SERVICE

Available to all commercial and small power service under 50 KW.

TYPE OF SERVICE

## SINGLE PHASE

ENERGY CHARGE: Customer charge \$25.63 per month per customer	(l)
First 3,000 KWH	\$0.10329 Per kWh (l)
Over 3,000 KWH	\$0.09963 Per kWh (l)

## THREE PHASE WHERE AVAILABLE

DEMAND CHARGE: Per KW of billing demand \$4.61	
ENERGY CHARGE: Customer charge \$34.78 per month per customer	(l)
First 3,000 KWH	\$0.10692 Per kWh (l)
Over 3,000 KWH	\$0.10304 Per kWh (l)

DETERMINATION OF BILLING DEMAND

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

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$5.00 where 5 KVA or less transformer capacity is required. Each customer who requires more than 5 KVA of transformer capacity shall pay in addition to the above minimum, .75 on each additional KVA or fraction thereof required.

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DATE OF ISSUE	August 1 <sup>st</sup> , 2025
	Month / Date / Year

DATE EFFECTIVE	September 1 <sup>st</sup> , 2025
	Month / Date / Year

ISSUED BY	/s/ Ted Hampton
	President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218      DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE

All Three Phase Schools and Churches - Schedule III

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all public or non-profit private schools and churches whose total energy requirement, including but not limited to heating, air conditioning, lighting and water heating is supplied by electricity furnished by the Cooperative.

CHARACTER OF SERVICE

The electric service furnished under this rate schedule will be 60 cycle, alternating current, three phase service, present facilities permitting and at the following nominal voltages: Three phase, 120/240, 120/280Y, 240/480, 277/480Y volts.

RATE

Customer Charge \$49.16 Per month per customer	(I)
All KWH	\$0.090517 (I)

MINIMUM CHARGE

The minimum annual charge will be not less than \$0.75 per KVA of required transformer capacity as determined by the Cooperative.

TERM OF CONTRACT

Service under this rate schedule will be furnished under an "Agreement for Purchase of Power".

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DATE OF ISSUE August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025

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ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218 DATED: \_\_\_\_\_

**CLASSIFICATION OF SERVICE****Large Power – Industrial Schedule IV****APPLICABLE**

In all territory served by the Seller.

**AVAILABILITY**

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 2500 KW for lighting and/or heating and/or power.

**CONDITIONS**

An "Agreement for Purchase of Power" shall be executed by the consumer for service under this schedule.

**CHARACTER OF SERVICE**

The electric service furnished under this Schedule will be 60-cycle alternating current and at available nominal voltage.

**RATE**

Customer Charge: \$110.40 Per customer per month	(l)
DEMAND CHARGE: Per KW of billing demand \$6.94	(l)
ENERGY CHARGE:	
All KWH                      \$0.06993	(l)

**DETERMINATION OF BILLING DEMAND**

The billing demand shall be the maximum kilowatt demand established by the consumer for a period of fifteen 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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DATE OF ISSUE	August 1 <sup>st</sup> , 2025
	Month / Date / Year
DATE EFFECTIVE	September 1 <sup>st</sup> , 2025
	Month / Date / Year
ISSUED BY	/s/ Ted Hampton
	President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218      DATED: \_\_\_\_\_



**CLASSIFICATION OF SERVICE****Large Power Rate – 50 KW to 2,500 KW. Schedule IV-A****APPLICABLE**

In all territory served by the Seller.

**AVAILABILITY**

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 50 KW for lighting and/or heating and/or power up to 2,500 KW.

**CONDITIONS**

An "Agreement for Purchase of Power" shall be executed by the consumer for service under this Schedule.

**CHARACTER OF SERVICE**

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

**RATE**

Customer Charge: \$71.01 Per month per customer	(I)
DEMAND CHARGE: Per KW of billing demand \$7.02	(I)
ENERGY CHARGE:	
All KWH	\$0.07437 (I)

**DETERMINATION OF BILLING DEMAND**

The billing demand shall be the maximum kilowatt demand established by the consumer for a period of fifteen 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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DATE OF ISSUE      August 1<sup>st</sup>, 2025  
   Month / Date / Year

DATE EFFECTIVE      September 1<sup>st</sup>, 2025  
   Month / Date / Year

ISSUED BY      /s/ Ted Hampton  
   President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218      DATED: \_\_\_\_\_

**CLASSIFICATION OF SERVICE****Large Power Rate – 1000 KW to 2,500 KW. Schedule V****APPLICABLE**

In all territory served by the Seller.

**AVAILABILITY**

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 1,000 KW to 2,500 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

**CONDITIONS**

The consumer shall execute an “Industrial Power Agreement” with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

**CHARACTER OF SERVICE**

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

**MONTHLY RATE**

Consumer Charge:	\$	678.38	(l)
Demand Charge:	\$	6.94 per kw of contract demand	(l)
	\$	9.92 per kw for all billing demand in excess of contract demand	(l)
Energy Charge:	\$	0.06993 per KWH	(l)

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DATE OF ISSUE      August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE      September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY      /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218      DATED: \_\_\_\_\_

**CLASSIFICATION OF SERVICE****Large Power Rate – Industrial Schedule V-A****APPLICABLE**

In all territory served by the Seller.

**AVAILABILITY**

Available to all commercial and industrial consumers willing to contract for a kilowatt demand in excess of 2500 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

**CONDITIONS**

The consumer shall execute an “Industrial Power Agreement” with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

**CHARACTER OF SERVICE**

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

**MONTHLY RATE**

<u>Consumer Charge:</u>	\$	1,355.48	(l)
<u>Demand Charge:</u>	\$	6.94 per kw of contract demand	(l)
	\$	9.92 per kw for all billing demand in excess of contract demand	(l)
<u>Energy Charge:</u>	\$	0.06993 per KWH	(l)

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DATE OF ISSUE August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00218 DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE

Large Power Rate – Industrial Schedule V-B

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 10,000 KW or greater and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an “Industrial Power Agreement” with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE

<u>Consumer Charge:</u>	\$	6,127.60
<u>Demand Charge:</u>	\$	9.14 per KW of Billing Demand
<u>Energy Charge:</u>	\$	0.056868 per KWH

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DATE OF ISSUE      August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE      September 1<sup>st</sup>, 2025

Month / Date / Year

ISSUED BY      /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00128      DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE

Large Power Rate – Industrial Schedule V-C

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 2,500 KW to 9,999 KW and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an “Industrial Power Agreement” with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE

<u>Consumer Charge:</u>	\$	3,414.09	(l)
<u>Demand Charge:</u>	\$	8.45 per KW of Billing Demand	(l)
<u>Energy Charge:</u>	\$	0.061710 per KWH	(l)

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DATE OF ISSUE August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025

Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00128 DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE

Outdoor Lighting – Security Lights Schedule VI

AVAILABILITY

Available to all consumers of the Cooperative for dusk to dawn outdoor lighting in close proximity to existing overhead secondary circuits.

RATE PER LIGHT PER MONTH**Mercury Vapor Lamps**

1) 175 Watt	APPROX. LUMENS 7,000	\$ 10.74 Per Lamp Per Month	(I)
2) 400 Watt	APPROX. LUMENS 22,000	\$16.26 Per Lamp Per Month	(I)

**Other Lamps**

3) 100 Watt OPEN BOTTOM	APPROX. LUMENS 9,500	\$10.76 Per Lamp Per Month	(I)
4) 100 Watt COLONIAL POST	APPROX. LUMENS 9,500	\$12.05 Per Lamp Per Month	(I)
5) 100 Watt DIRECTIONAL FLOOD	APPROX. LUMENS 9,500	\$12.93 Per Lamp Per Month	(I)
6) 400 Watt DIRECTIONAL FLOOD	APPROX. LUMENS 50,000	\$20.78 Per Lamp Per Month	(I)
7) 400 Watt COBRA HEAD	APPROX. LUMENS 50,000	\$20.78 Per Lamp Per Month	(I)

**LED Lighting**

8) OPEN BOTTOM	APPROX. LUMENS 6,200	\$10.07 Per Lamp Per Month	(I)
9) COBRA HEAD	APPROX. LUMENS 13,650	\$17.27 Per Lamp Per Month	(I)
10) DIRECTIONAL	APPROX. LUMENS 18,800	\$21.29 Per Lamp Per Month	(I)

CONDITIONS OF SERVICE

1. The Cooperative shall furnish, install, operate and maintain the outdoor lighting equipment including lamp, luminaire, bracket attachment and control device on an existing secondary pole.
2. The lighting equipment shall remain the property of the Cooperative. The Consumer shall protect the lighting equipment from deliberate damage.

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DATE OF ISSUE August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00128 DATED: \_\_\_\_\_

**PREPAY SERVICE****STANDARD RIDER:**

Cumberland Valley Electric's Prepay Service ("Prepay") is an optional rider to Rate Schedule 1 – Residential Service as defined by the Cooperative.

**AVAILABILITY:**

All Rate Schedule 1 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Bank Draft, Net Metering, accounts greater than 200 Amp Service and three-phase accounts within the territory served by Cumberland Valley Electric.

**MONTHLY RATE:**

Consumer Facility Charge:	\$ 23.45 (\$0.77 per day)	(I)
Energy Charge per kWh:	\$ 0.10331	(I)

**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 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 shall sign a Prepay Service Agreement ("Agreement"). The Agreement shall remain in effect until the member notifies Cumberland Valley Electric, 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 Cumberland Valley Electric'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 August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025

Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2025-00128 DATED: \_\_\_\_\_

## **Strike Through Tariffs**



P.S.C. Ky. NO. 1  
ORIGINAL SHEET NO. 1

CUMBERLAND VALLEY ELECTRIC, INCORPORATED

of

6219 US-25E (N)

Gray, Kentucky

cumberlandvalley.coop (N)

RATES, RULES AND REGULATIONS FOR FURNISHING  
ELECTRICITY

at

Whitley, Knox, Harlan, Bell, Leslie, Letcher, Laurel  
and McCreary Counties in Kentucky

FILED WITH THE PUBLIC SERVICE COMMISSION OF KENTUCKY

Issued: March 1, 2001

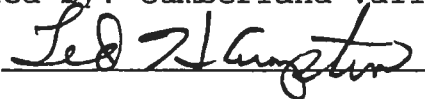
Effective: March 1, 2001

— August 1, 2025

September 1, 2025

Issued By: Cumberland Valley Electric, Incorporated

By:



General Manager



CLASSIFICATION OF SERVICE

**Rates for Residential, Schools and Churches – Schedule I**

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Residential, Schools and Churches.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge	\$ <del>22.25</del> <sup>23.45</sup> Per month per customer	(I)
ALL KWH	\$ <del>0.09802</del> <sup>10331</sup> Per kWh	(I)

MINIMUM CHARGE

1. The minimum charge under the above rate shall be the current customer charge listed above.
2. For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

SPECIAL RULES

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

TERMS OF PAYMENT

Customer bills will be due by the fifteenth of each month.

DATE OF ISSUE 7/15/2025<sup>August 1<sup>st</sup>, 2025</sup>  
Month / Date / Year

DATE EFFECTIVE 7/10/2025<sup>September 1<sup>st</sup>, 2025</sup>  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2024-00388<sup>2025-00218</sup> DATED: July 10<sup>th</sup>, 2025

CLASSIFICATION OF SERVICE**Rates for Residential, Schools and Churches – Schedule I Time of Day (TOD)**APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Residential, Schools and Churches eligible for Schedule I. Consumers must remain on this rate schedule for one (1) year.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge	\$ <del>22.25</del> <u>23.45</u> Per month per customer	(l)
ENERGY CHARGE:		
On-Peak Per kWh	\$ <del>0.11402</del> <u>12018</u>	(l)
Off-Peak Per kWh	\$ <del>0.07003</del> <u>07465</u>	(l)

<u>Months</u>	<u>On Peak Hours-EPT</u>	<u>Off Peak Hours-EPT</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.
May through September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.

MINIMUM CHARGE

- The minimum charge under the above rate shall be the current customer charge listed above.
- For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

SPECIAL RULES

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

DATE OF ISSUE 7/15/2025 August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE 7/10/2025 September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2024-00388 2025-00218 DATED: July 10<sup>th</sup>, 2025



**Inclining Block Rate – Schedule VII**

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Single Phase Residential, Schools, Churches and Single Phase Small Commercial.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge: \$~~15.50~~16.34 (l)

Energy Charge:

<u>Block</u>	<u>Energy Charge</u>	
First 200 per kWh	<u>.<del>09965</del>10503</u>	(l)
Next 300 per kWh	<u>.<del>10485</del>11051</u>	(l)
Over 500 per kWh	<u>.<del>11005</del>11599</u>	(l)

MINIMUM CHARGE

1. The minimum charge under the above rate shall be the current customer charge listed above.
2. For seasonal load, water pumps, barns, camps, mobile homes, and similar type consumers, the customer must pay no less than twelve (12) times the monthly customer charge. Cooperative may bill such in advance.

SPECIAL RULES

Service under this schedule is limited to individual motors up to and including ten horsepower (10 H.P.)

DATE OF ISSUE 7/15/2025 August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE 7/10/2025 September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2024-00388 2025-00218 DATED: July 10<sup>th</sup>, 2025



CLASSIFICATION OF SERVICE

**Small Commercial and Small Power - Schedule II**

APPLICABLE

Entire Territory served.

AVAILABILITY OF SERVICE

Available to all commercial and small power service under 50 KW.

TYPE OF SERVICE

SINGLE PHASE

ENERGY CHARGE: Customer charge	<del>\$24.32</del> <u>25.63</u>	per month per customer	(l)
First 3,000 KWH	<del>\$0.09800</del> <u>10329</u>	Per kWh	(l)
Over 3,000 KWH	<del>\$0.09453</del> <u>09963</u>	Per kWh	(l)

THREE PHASE WHERE AVAILABLE

DEMAND CHARGE: Per KW of billing demand	<del>\$4.37</del> <u>4.61</u>		(l)
ENERGY CHARGE: Customer charge	<del>\$33.00</del> <u>34.78</u>	per month per customer	(l)
First 3,000 KWH	<del>\$0.10145</del> <u>10692</u>	Per kWh	(l)
Over 3,000 KWH	<del>\$0.09776</del> <u>10304</u>	Per kWh	(l)

DETERMINATION OF BILLING DEMAND

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

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$5.00 where 5 KVA or less transformer capacity is required. Each customer who requires more than 5 KVA of transformer capacity shall pay in addition to the above minimum, .75 on each additional KVA or fraction thereof required.

DATE OF ISSUE 7/15/2025 August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE 7/10/2025 September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2024-00388 2025-00218 DATED: July 10<sup>th</sup>, 2025



CLASSIFICATION OF SERVICE

All Three Phase Schools and Churches - Schedule III

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all public or non-profit private schools and churches whose total energy requirement, including but not limited to heating, air conditioning, lighting and water heating is supplied by electricity furnished by the Cooperative.

CHARACTER OF SERVICE

The electric service furnished under this rate schedule will be 60 cycle, alternating current, three phase service, present facilities permitting and at the following nominal voltages: Three phase, 120/240, 120/280Y, 240/480, 277/480Y volts.

RATE

Customer Charge \$~~46.64~~<sup>49.16</sup> Per month per customer (I)

All KWH \$~~0.09027~~<sup>0.090517</sup> (I)

MINIMUM CHARGE

The minimum annual charge will be not less than \$0.75 per KVA of required transformer capacity as determined by the Cooperative.

TERM OF CONTRACT

Service under this rate schedule will be furnished under an "Agreement for Purchase of Power".

DATE OF ISSUE ~~September 15<sup>th</sup>, 2023~~<sup>August 1<sup>st</sup>, 2025</sup>  
Month / Date / Year

DATE EFFECTIVE ~~September 1<sup>st</sup>, 2025~~  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~<sup>2025-00218</sup> DATED:



CLASSIFICATION OF SERVICE

**Large Power – Industrial Schedule IV**

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 2500 KW for lighting and/or heating and/or power.

CONDITIONS

An "Agreement for Purchase of Power" shall be executed by the consumer for service under this schedule.

CHARACTER OF SERVICE

The electric service furnished under this Schedule will be 60-cycle alternating current and at available nominal voltage.

RATE

Customer Charge:	<del>\$103.65</del> <u>110.40</u>	Per customer per month	(l)
DEMAND CHARGE:	Per KW of billing demand	<del>\$6.526</del> <u>.94</u>	(l)
ENERGY CHARGE:			
	All KWH	<del>\$0.06565</del> <u>06993</u>	(l)

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for a period of fifteen 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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DATE OF ISSUE 7/15/2025~~August 1<sup>st</sup>, 2025~~  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025 ~~7/10/2025~~  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2024-003882025-00218 DATED: July 10<sup>th</sup>, 2025



CLASSIFICATION OF SERVICE

**Large Power Rate – 50 KW to 2,500 KW. Schedule IV-A**

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 50 KW for lighting and/or heating and/or power up to 2,500 KW.

CONDITIONS

An "Agreement for Purchase of Power" shall be executed by the consumer for service under this Schedule.

CHARACTER OF SERVICE

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

RATE

Customer Charge:	<del>\$67.37</del> 71.01	Per month per customer	(I)
DEMAND CHARGE:	Per KW of billing demand	<del>\$6.66</del> 7.02	(I)
ENERGY CHARGE:			
	All KWH	\$0. <del>07056</del> 07437	(I)

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for a period of fifteen 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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DATE OF ISSUE 7/15/2025~~August 1<sup>st</sup>, 2025~~  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025~~7/10/2025~~  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2024-003882025-00218 DATED: July 10<sup>th</sup>, 2025





## CLASSIFICATION OF SERVICE

**Large Power Rate – 1000 KW to 2,500 KW. Schedule V**APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 1,000 KW to 2,500 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

MONTHLY RATE

Consumer Charge:	\$	<del>636.89</del> 678.38	(l)
Demand Charge:	\$	<del>6.526.94</del> per kw of contract demand	(l)
demand	\$	<del>9.319.92</del> per kw for all billing demand in excess of contract demand	(l)
Energy Charge:	\$	0. <del>06565-06993</del> per KWH	(l)

DATE OF ISSUE ~~7/15/2025~~ August 1<sup>st</sup>, 2025

Month / Date / Year

DATE EFFECTIVE ~~September 1<sup>st</sup>, 2025~~ 7/10/2025

Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. ~~2024-00388~~2025-00218 DATED: ~~July 10<sup>th</sup>, 2025~~



CLASSIFICATION OF SERVICE

**Large Power Rate – Industrial Schedule V-A**

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand in excess of 2500 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an “Industrial Power Agreement” with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

The electric service furnished under this schedule will be 60 cycle alternating current and at available nominal voltage.

MONTHLY RATE

<u>Consumer Charge:</u>	\$	<del>1,272.59</del> 1,355.48	(l)
<u>Demand Charge:</u>	\$	<del>6.526.94</del> per kw of contract demand	(l)
	\$	<del>9.319.92</del> per kw for all billing demand in excess of contract demand	(l)
<u>Energy Charge:</u>	\$	0. <del>06565-06993</del> per KWH	(l)

DATE OF ISSUE ~~7/15/2025~~August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE ~~September 1<sup>st</sup>, 2025~~ 7/10/2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2024-00388~~2025-00218 DATED: ~~July 10<sup>th</sup>, 2025~~



CLASSIFICATION OF SERVICE

Large Power Rate – Industrial Schedule V-B

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 10,000 KW or greater and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE

<u>Consumer Charge:</u>	\$	<del>5,726.70</del> <u>6,127.60</u>	(I)
<u>Demand Charge:</u>	\$	<del>7.309.14</del> <u>per KW of Billing Demand</u>	(I)
<u>Energy Charge:</u>	\$	<del>0.05154</del> <u>0.056868</u> per KWH	(I)

DATE OF ISSUE ~~September 15<sup>th</sup>, 2003~~ August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~ 2025-00128 DATED: \_\_\_\_\_



CLASSIFICATION OF SERVICE

Large Power Rate – Industrial Schedule V-C

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 2,500 KW to 9,999 KW and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE

<u>Consumer Charge:</u>	\$	<del>3,025.05</del> <u>3,414.09</u>	(I)
<u>Demand Charge:</u>	\$	<del>7.498</del> <u>7.45</u> per KW of Billing Demand	(I)
<u>Energy Charge:</u>	\$	<del>0.054640</del> <u>0.061710</u> per KWH	(I)

DATE OF ISSUE ~~September 15<sup>th</sup>, 2003~~ August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~ 2025-00128 DATED: \_\_\_\_\_

CLASSIFICATION OF SERVICE

Outdoor Lighting – Security Lights Schedule VI

AVAILABILITY

Available to all consumers of the Cooperative for dusk to dawn outdoor lighting in close proximity to existing overhead secondary circuits.

RATE PER LIGHT PER MONTH**Mercury Vapor Lamps**

1) 175 Watt	APPROX. LUMENS 7,000	\$ <del>10.18</del> <sup>10.74</sup> Per Lamp Per Month	(I)
2) 400 Watt	APPROX. LUMENS 22,000	\$ <del>15.43</del> <sup>16.26</sup> Per Lamp Per Month	(I)

**Other Lamps**

3) 100 Watt OPEN BOTTOM	APPROX. LUMENS 9,500	\$ <del>10.20</del> <sup>10.76</sup> Per Lamp Per Month	(I)
4) 100 Watt COLONIAL POST	APPROX. LUMENS 9,500	\$ <del>11.42</del> <sup>12.05</sup> Per Lamp Per Month	(I)
5) 100 Watt DIRECTIONAL FLOOD	APPROX. LUMENS 9,500	\$ <del>12.26</del> <sup>12.93</sup> Per Lamp Per Month	(I)
6) 400 Watt DIRECTIONAL FLOOD	APPROX. LUMENS 50,000	\$ <del>19.72</del> <sup>20.78</sup> Per Lamp Per Month	(I)
7) 400 Watt COBRA HEAD	APPROX. LUMENS 50,000	\$ <del>19.72</del> <sup>20.78</sup> Per Lamp Per Month	(I)

**LED Lighting**

8) OPEN BOTTOM	APPROX. LUMENS 6,200	\$ <del>9.55</del> <sup>10.07</sup> Per Lamp Per Month	(I)
9) COBRA HEAD	APPROX. LUMENS 13,650	\$ <del>16.39</del> <sup>17.27</sup> Per Lamp Per Month	(I)
10) DIRECTIONAL	APPROX. LUMENS 18,800	\$ <del>20.20</del> <sup>21.29</sup> Per Lamp Per Month	(I)

CONDITIONS OF SERVICE

1. The Cooperative shall furnish, install, operate and maintain the outdoor lighting equipment including lamp, luminaire, bracket attachment and control device on an existing secondary pole.
2. The lighting equipment shall remain the property of the Cooperative. The Consumer shall protect the lighting equipment from deliberate damage.

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DATE OF ISSUE ~~September 15<sup>th</sup>, 2003~~ August 1<sup>st</sup>, 2025  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. ~~2023-00014~~ 2025-00128 DATED: \_\_\_\_\_

**PREPAY SERVICE**STANDARD RIDER:

Cumberland Valley Electric's Prepay Service ("Prepay") is an optional rider to Rate Schedule 1 – Residential Service as defined by the Cooperative.

AVAILABILITY:

All Rate Schedule 1 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Bank Draft, Net Metering, accounts greater than 200 Amp Service and three-phase accounts within the territory served by Cumberland Valley Electric.

MONTHLY RATE:

Consumer Facility Charge: \$ ~~22.25~~<sup>23.45</sup> (\$~~0.73~~<sup>0.77</sup> per day) (I)

Energy Charge per kWh: \$ ~~0.09802~~<sup>0.10331</sup> (I)

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 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 shall sign a Prepay Service Agreement ("Agreement"). The Agreement shall remain in effect until the member notifies Cumberland Valley Electric, 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 Cumberland Valley Electric'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.

DATE OF ISSUE August 1<sup>st</sup>, 2025~~7/15/2025~~  
Month / Date / Year

DATE EFFECTIVE September 1<sup>st</sup>, 2025~~7/10/2025~~  
Month / Date / Year

ISSUED BY /s/ Ted Hampton  
President & Chief Executive Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2024-003882025-00128 DATED: July 10<sup>th</sup>, 2025

## **Exhibit 3**

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

**CUMBERLAND VALLEY ELECTRIC**  
**Present & Proposed Rates**

<b>Rate</b>	<b>Item</b>	<b>Present</b>	<b>Proposed</b>
R1	<u>Sch I - Residential, Schools &amp; Churches</u>		
	Customer Charge	\$ 22.25	\$ 23.45
	Energy Charge per kWh	\$ 0.09802	\$ 0.10331
	<u>Prepay Service</u>		
	Consumer Facility Charge	\$ 22.25	\$ 23.45
	Energy Charge per kWh	\$ 0.09802	\$ 0.10331
	Prepay Service Fee	\$ -	\$ -
TOD	<u>Sch I - Res TOD</u>		
	Customer Charge	\$ 22.25	\$ 23.45
	Energy Charge - On Peak per kWh	\$ 0.11402	\$ 0.12018
	Energy Charge - Off Peak per kWh	\$ 0.07083	\$ 0.07465
C1	<u>Sch II - Small Commercial Small Power</u>		
	Customer Charge	\$ 24.32	\$ 25.63
	Energy Charge - First 3000 per kWh	\$ 0.09800	\$ 0.10329
	Energy Charge - Over 3000 per kWh	\$ 0.09453	\$ 0.09963
C2	<u>Sch II - Small Commercial Small Power</u>		
	Customer Charge	\$ 33.00	\$ 34.78
	Energy Charge - First 3000 per kWh	\$ 0.10145	\$ 0.10692
	Energy Charge - Over 3000 per kWh	\$ 0.09776	\$ 0.10304
	Demand Charge per kW	\$ 4.37	\$ 4.61
IB	<u>Sch VII - Inclining Block Rate</u>		
	Customer Charge	\$ 15.50	\$ 16.34
	Energy Charge - First 200 per kWh	\$ 0.09965	\$ 0.10503
	Energy Charge - Next 300 per kWh	\$ 0.10485	\$ 0.11051
	Energy Charge - Over 500 per kWh	\$ 0.11005	\$ 0.11599
E1	<u>Sch III - All 3Phase Schools &amp; Churches</u>		
	Customer Charge	\$ 46.64	\$ 49.16
	Energy Charge per kWh	\$ 0.09030	\$ 0.09517
L1	<u>Sch IV-A - Large Power 50-2500 kW</u>		
	Customer Charge	\$ 67.37	\$ 71.01
	Energy Charge per kWh	\$ 0.07056	\$ 0.07437
	Demand Charge per kW	\$ 6.66	\$ 7.02
VI	<u>Lighting</u>		
	Mercury Vapor 175 Watt	\$ 10.19	\$ 10.74
	Mercury Vapor 400 Watt	\$ 15.43	\$ 16.26
	100 Watt OPEN BOTTOM	\$ 10.21	\$ 10.76
	100 Watt COLONIAL POST	\$ 11.43	\$ 12.05
	100 Watt DIRECTIONAL FLOOD	\$ 12.27	\$ 12.93
	400 Watt DIRECTIONAL FLOOD	\$ 19.72	\$ 20.78
	400 Watt COBRA HEAD	\$ 19.72	\$ 20.78
	LED OPEN BOTTOM	\$ 9.55	\$ 10.07
	LED COBRA HEAD	\$ 16.39	\$ 17.27
	LED DIRECTIONAL	\$ 20.20	\$ 21.29
V	<u>Sch V - Large Power 1000-2500 kW</u>		
	Consumer Charge	\$ 636.89	\$ 678.38
	Demand Charge - Contract per kW	\$ 6.52	\$ 6.94
	Demand Charge - Excess per kW	\$ 9.31	\$ 9.92
	Energy Charge per kWh	\$ 0.06565	\$ 0.06993
V-A	<u>Sch V-A - Large Power</u>		
	Consumer Charge	\$ 1,272.59	\$ 1,355.48
	Demand Charge - Contract per kW	\$ 6.52	\$ 6.94
	Demand Charge - Excess per kW	\$ 9.31	\$ 9.92
	Energy Charge per kWh	\$ 0.06565	\$ 0.06993
V-B	<u>Sch V-B- Large Power</u>		
	Consumer Charge	\$ 5,726.70	\$ 6,127.60
	Demand Charge -- per kW	\$ 7.30	\$ 9.14
	Energy Charge per kWh	\$ 0.051570	\$ 0.056868
V-C	<u>Sch V-C- Large Power</u>		
	Consumer Charge	\$ 3,025.05	\$ 3,414.09
	Demand Charge -- per kW	\$ 7.49	\$ 8.45
	Energy Charge per kWh	\$ 0.054674	\$ 0.061710
P1	<u>Sch IV - Large Power Industrial</u>		
	Customer Charge	\$ 103.65	\$ 110.40
	Demand Charge per kW	\$ 6.52	\$ 6.94
	Energy Charge per kWh	\$ 0.06565	\$ 0.06993



## **Exhibit 4**

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

CUMBERLAND VALLEY ELECTRIC  
Billing Analysis for Pass-Through Rate Increase

Total Revenue Increase Allocated by East Kentucky Power Cooperative:	\$3,328,700
Rate G Increase Allocated by East Kentucky Power Cooperative:	\$528,852
Rate C Increase Allocated by East Kentucky Power Cooperative:	\$341,239
Remaining Revenue Increase Allocated by East Kentucky Power Cooperative:	\$2,458,609

#	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	Sch I - Residential, Schools & Churches	R1	\$ 32,300,169	70.92%	\$ 32,300,169	70.92%	\$ 1,743,647	\$ 34,043,147	70.92%	\$ 1,742,978	5.40%	4.83%	\$ (669)
3	Sch I - Res TOD	TOD	\$ 6,755	0.01%	\$ 6,755	0.01%	\$ 365	\$ 7,119	0.01%	\$ 365	5.40%	4.81%	\$ (0)
4	Sch II - Small Commercial Small Power	C1	\$ 1,783,144	3.92%	\$ 1,783,144	3.92%	\$ 96,259	\$ 1,879,344	3.92%	\$ 96,201	5.40%	4.83%	\$ (58)
5	Sch II - Small Commercial Small Power	C2	\$ 1,198,382	2.63%	\$ 1,198,382	2.63%	\$ 64,692	\$ 1,263,214	2.63%	\$ 64,831	5.41%	4.79%	\$ 140
6	Sch VII - Inclining Block Rate	IB	\$ 102,232	0.22%	\$ 102,232	0.22%	\$ 5,519	\$ 107,758	0.22%	\$ 5,526	5.41%	4.90%	\$ 8
7	Sch III - All 3Phase Schools & Churches	E1	\$ 1,139,586	2.50%	\$ 1,139,586	2.50%	\$ 61,518	\$ 1,201,048	2.50%	\$ 61,462	5.39%	4.83%	\$ (56)
8	Sch IV-A - Large Power 50-2500 kW	L1	\$ 7,234,648	15.88%	\$ 7,234,648	15.88%	\$ 390,545	\$ 7,625,270	15.89%	\$ 390,623	5.40%	4.88%	\$ 78
9	Lighting	VI	\$ 1,779,549	3.91%	\$ 1,779,549	3.91%	\$ 96,065	\$ 1,875,678	3.91%	\$ 96,129	5.40%	5.72%	\$ 65
10	SubTotal Base Rates		\$ 45,544,464	100.00%	\$ 45,544,464	100.00%	\$ 2,458,609	\$ 48,002,579	100.00%	\$ 2,458,115	5.40%		\$ (494)
11													
12	Sch V-B- Large Power	V-B	\$ 2,906,041	100.00%	\$ 2,906,041	100.00%	\$ 528,852	\$ 3,435,246	100.00%	\$ 529,205	18.21%	14.19%	\$ 352
13	Sch V-C- Large Power	V-C	\$ 2,653,370	100.00%	\$ 2,653,370	100.00%	\$ 341,239	\$ 2,994,808	100.00%	\$ 341,439	12.87%	10.41%	\$ 200
14													
15	TOTAL Base Rates		\$ 51,103,875		\$ 51,103,875		\$ 3,328,700	\$ 54,432,633		\$ 3,328,758			\$ 58
16													
17	<u>Riders</u>												
18	FAC		\$ 197,409					\$ 197,409					
19	ES		\$ 5,960,796					\$ 5,960,796					
20	Other		\$ 228,278					\$ 228,278					
21	Other		\$ -					\$ -					
22	Total Riders		\$ 6,386,482					\$ 6,386,482					
23													
24	Total Revenue		\$ 57,490,357					\$ 60,819,116		\$ 3,328,758		5.79%	
25	Target Revenue									\$ 3,328,700			
26	Rate Rounding Variance									\$ 58			
27	Rate Rounding Variance									0.00%			

CUMBERLAND VALLEY ELECTRIC  
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	Sch I - Residential, Schools & Churches	R1													
2			Customer Charge	269,736	22.25	\$ 6,001,626	18.58%		23.45	\$ 6,325,309	\$ 323,683	5.39%	18.58%	0.00%	
3			Energy Charge per kWh	268,297,725	0.09802	\$ 26,298,543	81.42%		0.10331	\$ 27,717,838	\$ 1,419,295	5.40%	81.42%	0.00%	
4			Total Base Rates			\$ 32,300,169	100.00%	\$ 34,043,816		\$ 34,043,147	\$ 1,742,978	5.40%	100.00%	0.00%	\$ (669.29)
5			FAC			\$ 106,446				\$ 106,446	\$ -	-			
6			ES			\$ 3,658,466				\$ 3,658,466	\$ -	-			
7			Other			\$ -				\$ -	\$ -	-			
8			Other			\$ -				\$ -	\$ -	-			
9			Total Riders			\$ 3,764,913				\$ 3,764,913	\$ -	-			
10			TOTAL REVENUE			\$ 36,065,082				\$ 37,808,060	\$ 1,742,978	4.83%			
11			Average	994.67		\$ 133.71				\$ 140.17	\$ 6.46	4.83%			
12	Sch I - Res TOD	TOD													
13			Customer Charge	102	22.25	\$ 2,270	33.60%		23.45	\$ 2,392	\$ 122	5.39%	33.60%	0.00%	
14			Energy Charge - On Peak per kWh	22,519	0.11402	\$ 2,568	38.01%		0.12018	\$ 2,706	\$ 139	5.40%	38.01%	0.00%	
15			Energy Charge - Off Peak per kWh	27,072	0.07083	\$ 1,918	28.39%		0.07465	\$ 2,021	\$ 103	5.39%	28.39%	0.00%	
16			Total Base Rates			\$ 6,755	100.00%	\$ 7,119		\$ 7,119	\$ 365	5.40%	100.00%	0.00%	\$ (0.10)
17			FAC			\$ 127				\$ 127	\$ -	-			
18			ES			\$ 702				\$ 702	\$ -	-			
19			Misc Adj			\$ -				\$ -	\$ -	-			
20			Other			\$ -				\$ -	\$ -	-			
21			Total Riders			\$ 829				\$ 829	\$ -	-			
22			TOTAL REVENUE			\$ 7,584				\$ 7,948	\$ 365	4.81%			
23			Average	486.19		\$ 74.35				\$ 77.92	\$ 3.57	4.81%			
24															
25															
26	Sch II - Small Commercial	C1													
27	Small Power		Customer Charge	15,343	24.32	\$ 373,142	20.93%		25.63	\$ 393,241	\$ 20,099	5.39%	20.92%	0.00%	
28			Energy Charge - First 3000 per kWh	10,819,343	0.09800	\$ 1,060,296	59.46%		0.10329	\$ 1,117,530	\$ 57,234	5.40%	59.46%	0.00%	
29			Energy Charge - Over 3000 per kWh	3,699,422	0.09453	\$ 349,706	19.61%		0.09963	\$ 368,573	\$ 18,867	5.40%	19.61%	0.00%	
30			Total Base Rates			\$ 1,783,144	100.00%	\$ 1,879,402		\$ 1,879,344	\$ 96,201	5.40%	100.00%	0.00%	\$ (58.04)
31			FAC			\$ 4,596				\$ 4,596	\$ -	-			
32			ES			\$ 203,834				\$ 203,834	\$ -	-			
33			Misc Adj			\$ 530				\$ 530	\$ -	-			
34			Other			\$ -				\$ -	\$ -	-			
35			Total Riders			\$ 208,960				\$ 208,960	\$ -	-			
36			TOTAL REVENUE			\$ 1,992,104				\$ 2,088,304	\$ 96,201	4.83%			
37			Average	946.28		\$ 129.84				\$ 136.11	\$ 6.27	4.83%			
38															
39	Sch II - Small Commercial	C2													
40	Small Power		Customer Charge	2,051	33.00	\$ 67,683	5.65%		34.78	\$ 71,334	\$ 3,651	5.39%	5.65%	0.00%	
41			Energy Charge - First 3000 per kWh	3,637,124	0.10145	\$ 368,980	30.79%		0.10692	\$ 388,881	\$ 19,901	5.39%	30.79%	0.00%	
42			Energy Charge - Over 3000 per kWh	6,102,581	0.09776	\$ 596,599	49.78%		0.10304	\$ 628,810	\$ 32,211	5.40%	49.78%	-0.01%	
43			Demand Charge per kW	37,785	4.37	\$ 165,120	13.78%		4.61	\$ 174,189	\$ 9,068	5.49%	13.79%	0.01%	
44			Total Base Rates			\$ 1,198,382	100.00%	\$ 1,263,074		\$ 1,263,214	\$ 64,831	5.41%	100.00%	0.00%	\$ 139.65
45			FAC			\$ (2,228)				\$ (2,228)	\$ -	-			
46			ES			\$ 139,601				\$ 139,601	\$ -	-			
47			Misc Adj			\$ 18,477				\$ 18,477	\$ -	-			
48			Other			\$ -				\$ -	\$ -	-			
49			Total Riders			\$ 155,850				\$ 155,850	\$ -	-			
50			TOTAL REVENUE			\$ 1,354,233				\$ 1,419,064	\$ 64,831	4.79%			
			Average	4,748.76		\$ 660.28				\$ 691.89	\$ 31.61	4.79%			



CUMBERLAND VALLEY ELECTRIC  
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
88	Lighting	VI	175 Watt MV	37,804	10.19	\$ 385,223	21.65%		10.74	\$ 406,015	\$ 20,792	5.40%	21.65%	0.00%	
89			400 Watt MV	-	15.43	\$ -	0.00%		16.26	\$ -	\$ -	0.00%	0.00%	0.00%	
90			100 Watt Colonial Post	-	11.43	\$ -	0.00%		12.05	\$ -	\$ -	0.00%	0.00%	0.00%	
90			100 Watt Open Bottom	8,994	10.21	\$ 91,829	5.16%		10.76	\$ 96,775	\$ 4,947	5.39%	5.16%	0.00%	
91			100 Watt Directional Flood	775	12.27	\$ 9,509	0.53%		12.93	\$ 10,021	\$ 512	5.38%	0.53%	0.00%	
92			175 Watt MV	573	10.19	\$ 5,839	0.33%		10.74	\$ 6,154	\$ 315	5.40%	0.33%	0.00%	
93			400 Watt Cobra Head	7,806	19.72	\$ 153,934	8.65%		20.78	\$ 162,209	\$ 8,274	5.38%	8.65%	0.00%	
94			400 Watt Directional Flood	3,060	19.72	\$ 60,343	3.39%		20.78	\$ 63,587	\$ 3,244	5.38%	3.39%	0.00%	
95			LED Open Bottom 6200 L	57,714	9.55	\$ 551,169	30.97%		10.07	\$ 581,180	\$ 30,011	5.45%	30.99%	0.01%	
96			LED Cobra Head 13,650 L	20,393	16.39	\$ 334,241	18.78%		17.27	\$ 352,187	\$ 17,946	5.37%	18.78%	-0.01%	
97			LED Directional 18,800 L	2,883	20.20	\$ 58,237	3.27%		21.29	\$ 61,379	\$ 3,142	5.40%	3.27%	0.00%	
98			400W MH Dir	6,553	19.72	\$ 129,225	7.26%		20.78	\$ 136,171	\$ 6,946	5.38%	7.26%	0.00%	
99			Total Base Rates	8,549,445		\$ 1,779,549	100.00%	\$ 1,875,614		\$ 1,875,678	\$ 96,129	5.40%	100.00%	0.00%	\$ 64.59
100			FAC			\$ (101,613)				\$ (101,613)	\$ -	-			
101			ES			\$ 2,087				\$ 2,087	\$ -	-			
102			Misc Adj			\$ -				\$ -	\$ -	-			
103			Other									-			
104			Total Riders			\$ (99,526)				\$ (99,526)	\$ -	-			
105			TOTAL REVENUE			\$ 1,680,023				\$ 1,776,152	\$ 96,129	5.72%			
106															
107	Sch V-C- Large Power	V-C													
108			Consumer Charge	12	3,025.05	\$ 36,301	1.37%		3,414.09	\$ 40,969	\$ 4,668	12.86%	1.37%	0.00%	
109			Demand Charge -- per kW	97,282	7.49	\$ 728,642	10.07%		8,453.26	\$ 822,350	\$ 93,708	12.86%	27.46%	17.39%	
110			Interruptible Credit - per kW	85,282	(5.60)	\$ (477,579)	-6.60%		(6.32)	\$ (538,998)	\$ (61,419)	12.86%	-18.00%	-11.40%	
110			Energy Charge per kWh	43,274,796	0.054674	\$ 2,366,006	32.70%		0.06171	\$ 2,670,488	\$ 304,481	12.87%	89.17%	56.47%	
111			Total Base Rates			\$ 2,653,370	37.54%	\$ 2,994,609		\$ 2,994,808	\$ 341,439	12.87%	100.00%	62.46%	\$ 199.72
112			FAC			\$ 121,237				\$ 121,237	\$ -	-			
113			ES			\$ 478,218				\$ 478,218	\$ -	-			
114			Misc Adj			\$ 28,075				\$ 28,075	\$ -	-			
115			Other			\$ -				\$ -	\$ -	-			
116			Total Riders			\$ 627,530				\$ 627,530	\$ -	-			
117			TOTAL REVENUE			\$ 3,280,900				\$ 3,622,338	\$ 341,439	10.41%			
118				8,106.83		273,408.33				301,861.54	28,453.21	10.41%			
119	Sch V-B- Large Power	V-B													
120			Consumer Charge	12	5,726.70	\$ 68,720	2.36%		6,127.60	\$ 73,531	\$ 4,811	7.00%	2.14%	-0.22%	
121			Demand Charge -- per kW	144,000	7.30	\$ 1,051,200	14.53%		9.14	\$ 1,316,160	\$ 264,960	25.21%	38.31%	23.78%	
122			Interruptible Credit - per kW	132,000	(5.60)	\$ (739,200)	-10.22%		(5.60)	\$ (739,200)	\$ -	0.00%	-21.52%	-11.30%	
123			Energy Charge per kWh	48,968,794	0.051570	\$ 2,525,321	34.91%		0.05687	\$ 2,784,754	\$ 259,434	10.27%	81.06%	46.16%	
124			Total Base Rates			\$ 2,906,041	41.58%	\$ 3,434,893		\$ 3,435,246	\$ 529,205	18.21%	100.00%	58.42%	\$ 352.15
125			FAC			\$ 70,798				\$ 70,798	\$ -	-			
126			ES			\$ 569,745				\$ 569,745	\$ -	-			
127			Misc Adj			\$ 181,812				\$ 181,812	\$ -	-			
128			Other			\$ -				\$ -	\$ -	-			
129			Total Riders			\$ 822,355				\$ 822,355	\$ -	-			
130			TOTAL REVENUE			\$ 3,728,396				\$ 4,257,601	\$ 529,205	14.19%			
131				12,000.00		310,699.67				354,800.04	44,100.38	14.19%			
132															
133															
134															
135	TOTALS		Total Base Rates			\$ 51,103,875				\$ 54,432,633	\$ 3,328,758	6.51%			
136			FAC			\$ 197,409				\$ 197,409	\$ -	-			
137			ES			\$ 5,960,796				\$ 5,960,796	\$ -	-			
138			Misc Adj			\$ 228,278				\$ 228,278	\$ -	-			
139			Other			\$ -				\$ -	\$ -	-			
140			Total Riders			\$ 6,386,482				\$ 6,386,482	\$ -	-			
141			TOTAL REVENUE			\$ 57,490,357				\$ 60,819,116	\$ 3,328,758	5.79%			
142															
143			Rate Rounding Variance								\$ 58				

[illegible]

## **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



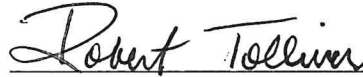
## **Exhibit 6**

### **Customer Notice**

## AFFIDAVIT OF PROOF OF MAILING OF NOTICE

Comes the undersigned, Robert Tolliver, Office Manager of Cumberland Valley Electric, Inc. and after being duly sworn states as follows:

That I am the Office Manager of Cumberland Valley Electric, Inc., and I have personal knowledge of the required Notice of the Application being filed in Case No. 2025-00218. Further I state, a copy of Notice was mailed to the 682 members of Cumberland Valley Electric, Inc. that do not receive Kentucky Living Magazine.



Robert Tolliver  
Office Manager  
Cumberland Valley Electric, Inc.

The foregoing Verification was verified, sworn to and affirmed before me, a NOTARY PUBLIC, by Robert Tolliver, Office Manager of Cumberland Valley Electric, Inc., on this 30 day of July, 2025.

  
NOTARY PUBLIC

My Commission Expires: 4-11-2026

## AFFIDAVIT OF MAILING

Notice is hereby given that the August 2025 issue of *KENTUCKY LIVING*, bearing official notice of PSC Case No. 2025-00218 for the purpose of proposing a general adjustment of the existing rates of **CUMBERLAND VALLEY ELECTRIC** to reflect the wholesale rate adjustment of wholesale supplier, East Kentucky Power Cooperative, Inc., entered the United State Postal Service mail on July 30, 2025, in accordance to the requirements of the cooperatives bylaws.



Shannon Brock

Editor

*Kentucky Living*

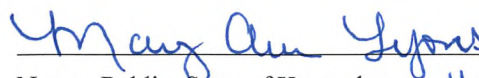
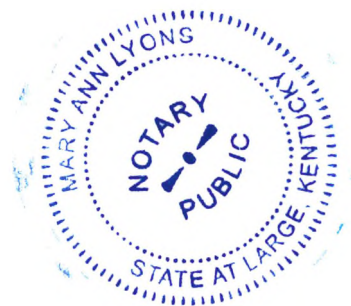
County of Jefferson

State of Kentucky

Sworn to and subscribed before me, a Notary Public,

This 30th day of July, 2025.

My commission expires 6-9-2029



Notary Public, State of Kentucky

#KYNP100716

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)

# East Kentucky Power Cooperative seeks rate increase

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

**The proposed rate increase is from EKPC, not Cumberland Valley Electric, and any additional revenue from this rate increase will go to EKPC, not Cumberland Valley Electric.**

EKPC filed the rate-adjustment request with the Kentucky Public Service Commission August 1, 2025. Cumberland Valley Electric 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 Cumberland Valley's rates and add about \$6.47 or 5.06% 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 Cumberland Valley Electric 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, Cumberland Valley's rates are competitive with neighboring utilities.

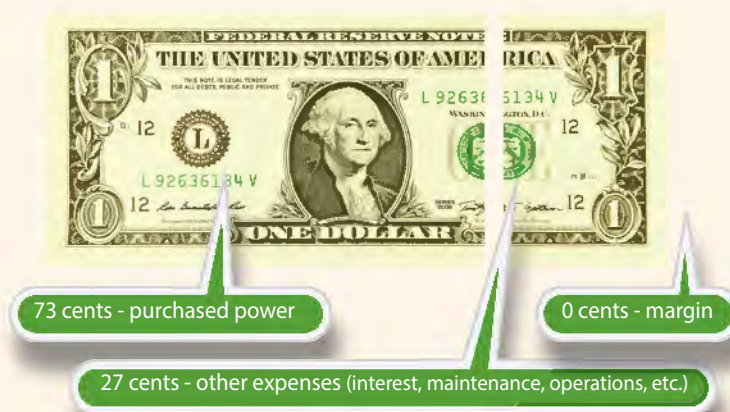
## Most Cumberland Valley Electric revenue goes to purchase power

When you look at your monthly electric bill from Cumberland Valley Electric, you might wonder how the money is used to keep the lights on.

You may be surprised that out of every dollar of revenue we collect, about 73 cents of that dollar goes to buy wholesale electricity from our power supplier, East Kentucky Power Cooperative. We spend another 27 cents of each dollar on operating and maintenance costs, interest expense, depreciation and other costs of doing business.

Typically, our margin—the money left over from revenue after expenses are paid—is around zero cents on every dollar received. The margin is reserve capital that covers storm damage, uncollected bills and business risks. If we gain a reserve and it becomes too large, we sometimes share the excess revenue with members in the form of capital credits.

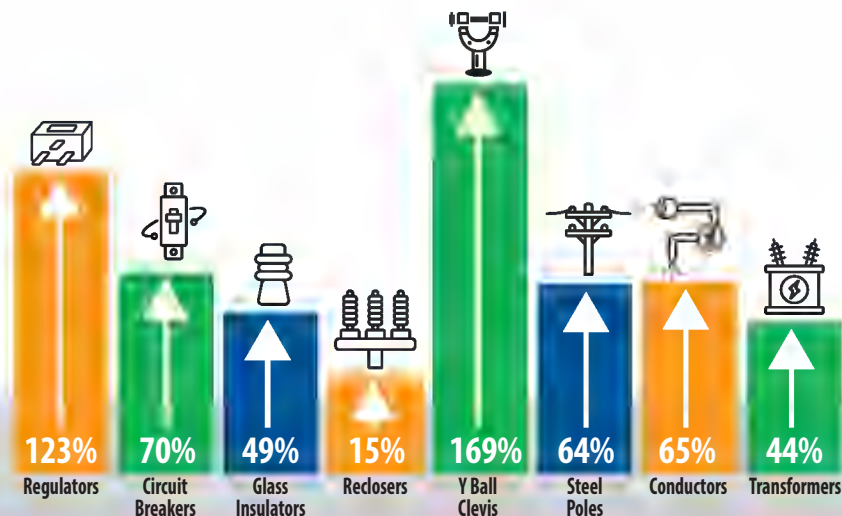
### CUMBERLAND VALLEY ELECTRIC Where the revenue goes to keep the lights on



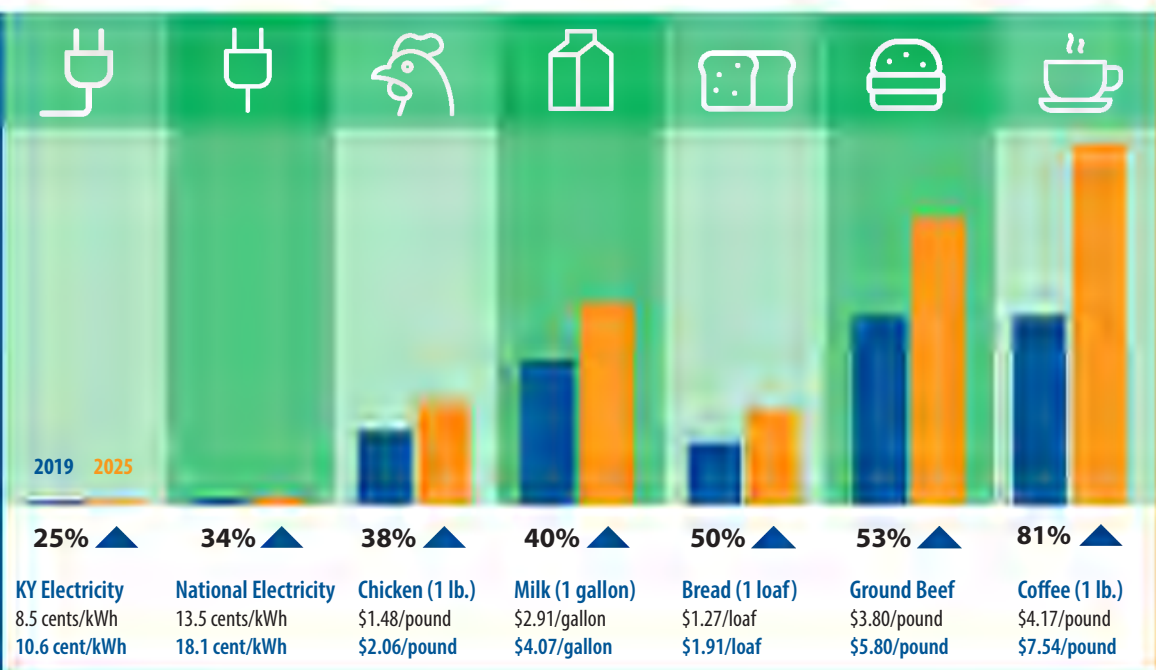
Distribution of revenue dollars for Cumberland Valley Electric \*based on Q1 2025 financials

EKPC

## Equipment Price Increase Since 2020



## 2019-2025 Inflation Rates by Categories



Sources:  
Federal Bureau of  
Labor and Statistics  
Energy Information  
Administration

## Value of electricity

People living in the late 19th century would hardly know what to do if they could see the world today. The way we live has changed so much 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.

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, and 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, lights or air conditioning. No television. Entertainment might be reading a book via candlelight and a fire for warmth.

Electricity is one of life’s great conveniences, and in modern times, is a necessity. Electricity remains a good value for the lifestyle we all enjoy.

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

# 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 Cumberland Valley Electric, Inc. ("Cumberland Valley") of a proposed rate adjustment. Cumberland Valley intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc., pursuant to KRS 278.455(2), by filing an application with the Commission on or after August 1, 2025, in Case No. 2025-00218. 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:

RATE	ITEM	PRESENT	PROPOSED
<b>R1</b>	<b>Sch I - Residential, Schools &amp; Churches</b>		
	Customer Charge	\$ 22.25	\$ 23.45
	Energy Charge per kWh	\$ 0.09802	\$ 0.10331
	<b>Prepay Service</b>		
	Consumer Facility Charge	\$ 22.25	\$ 23.45
	Energy Charge per kWh	\$ 0.09802	\$ 0.10331
	Prepay Service Fee	\$ -	\$ -
<b>TOD</b>	<b>Sch I - Res TOD</b>		
	Customer Charge	\$ 22.25	\$ 23.45
	Energy Charge - On Peak per kWh	\$ 0.11402	\$ 0.12018
	Energy Charge - Off Peak per kWh	\$ 0.07083	\$ 0.07465
<b>C1</b>	<b>Sch II - Small Commercial Small Power</b>		
	Customer Charge	\$ 24.32	\$ 25.63
	Energy Charge - First 3000 per kWh	\$ 0.09800	\$ 0.10329
	Energy Charge - Over 3000 per kWh	\$ 0.09453	\$ 0.09963
<b>C2</b>	<b>Sch II - Small Commercial Small Power</b>		
	Customer Charge	\$ 33.00	\$ 34.78
	Energy Charge - First 3000 per kWh	\$ 0.10145	\$ 0.10692
	Energy Charge - Over 3000 per kWh	\$ 0.09776	\$ 0.10304
	Demand Charge per kW	\$ 4.37	\$ 4.61
<b>IB</b>	<b>Sch VII - Inclining Block Rate</b>		
	Customer Charge	\$ 15.50	\$ 16.34
	Energy Charge - First 200 per kWh	\$ 0.09965	\$ 0.10503
	Energy Charge - Next 300 per kWh	\$ 0.10485	\$ 0.11051
	Energy Charge - Over 500 per kWh	\$ 0.11005	\$ 0.11599
<b>E1</b>	<b>Sch III - All 3Phase Schools &amp; Churches</b>		
	Customer Charge	\$ 46.64	\$ 49.16
	Energy Charge per kWh	\$ 0.09030	\$ 0.09517
<b>L1</b>	<b>Sch IV-A - Large Power 50-2500 kW</b>		
	Customer Charge	\$ 67.37	\$ 71.01
	Energy Charge per kWh	\$ 0.07056	\$ 0.07437
	Demand Charge per kW	\$ 6.66	\$ 7.02
<b>VI</b>	<b>Lighting</b>		
	Mercury Vapor 175 Watt	\$ 10.19	\$ 10.74
	Mercury Vapor 400 Watt	\$ 15.43	\$ 16.26
	100 Watt OPEN BOTTOM	\$ 10.21	\$ 10.76
	100 Watt COLONIAL POST	\$ 11.43	\$ 12.05
	100 Watt DIRECTIONAL FLOOD	\$ 12.27	\$ 12.93
	400 Watt DIRECTIONAL FLOOD	\$ 19.72	\$ 20.78
	400 Watt COBRA HEAD	\$ 19.72	\$ 20.78
	LED OPEN BOTTOM	\$ 9.55	\$ 10.07
	LED COBRA HEAD	\$ 16.39	\$ 17.27
	LED DIRECTIONAL	\$ 20.20	\$ 21.29
<b>V</b>	<b>Sch V - Large Power 1000-2500 kW</b>		
	Consumer Charge	\$ 636.89	\$ 678.38
	Demand Charge - Contract per kW	\$ 6.52	\$ 6.94
	Demand Charge - Excess per kW	\$ 9.31	\$ 9.92
	Energy Charge per kWh	\$ 0.06565	\$ 0.06993
<b>V-A</b>	<b>Sch V-A - Large Power</b>		
	Consumer Charge	\$ 1,272.59	\$ 1,355.48
	Demand Charge - Contract per kW	\$ 6.52	\$ 6.94
	Demand Charge - Excess per kW	\$ 9.31	\$ 9.92
	Energy Charge per kWh	\$ 0.06565	\$ 0.06993

*Continued on page 26H*



Continued from page 26G

<b>V-B</b>	<b>Sch V-B- Large Power</b>			
		Consumer Charge	\$ 5,726.70	\$ 6,127.60
		Demand Charge -- per kW	\$ 7.30	\$ 9.14
		Energy Charge per kWh	\$ 0.051570	\$ 0.056868
<b>V-C</b>	<b>Sch V-C- Large Power</b>			
		Consumer Charge	\$ 3,025.05	\$ 3,414.09
		Demand Charge -- per kW	\$ 7.49	\$ 8.45
		Energy Charge per kWh	\$ 0.054674	\$ 0.061710
<b>P1</b>	<b>Sch IV - Large Power Industrial</b>			
		Customer Charge	\$ 103.65	\$ 110.40
		Demand Charge per kW	\$ 6.52	\$ 6.94
		Energy Charge per kWh	\$ 0.06565	\$ 0.06993

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

RATE CLASS		INCREASE	
		DOLLARS	PERCENT
R1	Sch I - Residential, Schools & Churches	\$ 1,742,978	4.83%
TOD	Sch I - Res TOD	\$ 365	4.81%
C1	Sch II - Small Commercial Small Power	\$ 96,201	4.83%
C2	Sch II - Small Commercial Small Power	\$ 64,831	4.79%
IB	Sch VII - Inclining Block Rate	\$ 5,526	4.90%
E1	Sch III - All 3Phase Schools & Churches	\$ 61,462	4.83%
L1	Sch IV-A - Large Power 50-2500 kW	\$ 390,623	4.88%
VI	Lighting	\$ 96,129	5.72%
V-C	Sch V-C- Large Power	\$ 341,439	10.41%
V-B	Sch V-B- Large Power	\$ 529,205	14.19%
Total		\$ 3,328,758	5.79%

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

RATE CLASS		AVERAGE USAGE (KWH)	INCREASE	
			DOLLARS	PERCENT
R1	Sch I - Residential, Schools & Churches	995	\$ 6.46	4.83%
TOD	Sch I - Res TOD	486	\$ 3.57	4.81%
C1	Sch II - Small Commercial Small Power	946	\$ 6.27	4.83%
C2	Sch II - Small Commercial Small Power	4,749	\$ 31.61	4.79%
IB	Sch VII - Inclining Block Rate	282	\$ 2.39	4.90%
E1	Sch III - All 3Phase Schools & Churches	21,859	\$ 108.98	4.83%
L1	Sch IV-A - Large Power 50-2500 kW	105,041	\$ 530.74	4.88%
VI	Lighting	NA	NA	5.72%
V-C	Sch V-C- Large Power	8,107	\$ 28,453.21	10.41%
V-B	Sch V-B- Large Power	12,000	\$ 44,100.38	14.19%

A person may examine the application and any related documents Cumberland Valley has filed with the PSC at the utility's principal office, located at 6219 North U.S. Hwy. 25 East, Gray, Kentucky 40734, (800) 513-2677.

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 Cumberland Valley, 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**

# VERIFICATION OF JOHN WOLFRAM

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.**

---

<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?**

---

<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.**