COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION FOR PASS-THROUGH OF EAST KENTUCKY POWER COOPERATIVE, INC. WHOLESALE RATE ADJUSTMENT

CASE NO. 2021-00104

<u>ORDER</u>

On April 1, 2021, Big Sandy Rural Electric Cooperative Corporation (Big Sandy RECC) filed an application to pass through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. (EKPC) in Case No. 2021-00103¹ pursuant to KRS 278.455(2) and 807 KAR 5:007. On July 30, 2021, Big Sandy RECC filed a revised schedule of proposed rates for its pass-through of EKPC's wholesale rate adjustment based upon the Stipulation, Settlement Agreement and Recommendation filed in Case No. 2021-00103.

There are no intervenors in this proceeding. By Order entered April 16, 2021, Big Sandy RECC's proposed rates were suspended up to and including October 5, 2021. Big Sandy RECC responded to two requests for information from Commission Staff. This matter now stands submitted for a decision.

¹ Case No. 2021-00103, 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 (filed Apr. 6, 2021).

LEGAL STANDARD

The review of Big Sandy RECC's application is governed by KRS 278.455, which provides that authorized increases and decreases in a generation and transmission (G&T) cooperative's rates may be flowed through to the customers of a distribution cooperative. Specifically, KRS 278.455(2) states, in relevant part, that an authorized increase or decrease in a G&T cooperative's rates:

[M]ay, at the distribution cooperative's discretion, be allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. In the event of an increase in the wholesale rats and tariffs of the wholesale supplier by the Public Service Commission, the rates and tariffs of the distribution cooperative that have been revised on a proportional basis to result in no change in the rate design shall be authorized and shall become effective on the same date as those of the wholesale supplier.

The review of Big Sandy RECC's application is also governed by Commission regulation 807 KAR 5:007, which establishes the filing and notice requirements for a distribution cooperative when rates change to reflect a change in the rates of its wholesale supplier. Specifically, pursuant to 807 KAR 5:007, Section 1(3) and Section 2(2), Big Sandy RECC is one of the 16 owner-member cooperatives of EKPC, and in accordance with KRS 278.455, Big Sandy RECC seeks to pass-through the increase in EKPC's wholesale rates. In accordance with 807 KAR 5:007, Sections 1(4), 2(1), and 2(2), Big Sandy RECC included with its application proposed tariffs, a comparison of current and proposed rates, and a billing analysis to demonstrate that the rate change does not alter the rate design currently in effect and the revenue change has been allocated to each class and within each tariff on a proportional basis.

-2-

BACKGROUND

Big Sandy RECC is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Big Sandy RECC is engaged in the business of distribution retail electric power to 12,850 members in Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin, and Morgan counties, Kentucky.² Big Sandy RECC does not own any electric generating facilities and is one of the 16-member cooperatives that own and receive wholesale power from EKPC. Big Sandy RECC's last general rate adjustment was effective April 26, 2018, in Case No. 2017-00374.³

PROPOSED PASS-THROUGH RATE ADJUSTMENT

Big Sandy RECC proposed to pass through EKPC's proposed wholesale rate increase based upon the 2019 billing information for each rate class in Big Sandy RECC's Commission-approved tariffs. Big Sandy RECC choose 2019 because it corresponds to the 2019 test period used by EKPC in Case No. 2021-00103.⁴ After adjustments for riders, billing adjustments, and other non-base-rate billing items,⁵ Big Sandy RECC allocated EKPC's revenue increase first to each rate class and then to the individual base rate billing components of each class in order to maintain the current rate design in effect.⁶ Except for retail members served under a special electric contract, no distinctions were

² Annual Report of Big Sandy R.E.C.C. to the Public Service Commission of the Commonwealth of Kentucky for the Calendar Year Ended December 31, 2020 at 44 and 52.

³ Case No. 2017-00374, Application of Big Sandy Rural Electric Cooperative Corporation for a General Adjustment of Existing Rates (Ky. PSC Apr. 26, 2018).

⁴ Application, Exhibit 6, Direct Testimony of John Wolfram (Wolfram Testimony) at 3.

⁵ These limited adjustments include a base energy charge adjustment due to a Commissionapproved Fuel Adjustment Clause roll-in effective February 1, 2020, and a few large commercial or industrial retail members who either switched rates or received revised contract demand amounts since 2019. Wolfram Testimony at 4.

⁶ Wolfram Testimony at 3.

made between retail rate classes taking service under EKPC's different wholesale rate classes. For special electric contracts, the retail rate increases were determined using specific data provided by EKPC and is consistent with the treatment applied to these particular classes in EKPC's last rate case, Case No. 2010-00167.⁷ For vacant rate classes, if the per-unit charges were identical to another existing rate class, the per-unit charge applied was equivalent.⁸ Otherwise, a vacant rate classes' increase to each per-unit charge was the same percentage as the overall base rate increase for Big Sandy RECC.⁹

Big Sandy RECC stated that it considered the recent Commission Order in Case No. 2020-00095¹⁰ (Kenergy Order), where the Commission clarified "proportional" in light of the language contained in KRS 278.455(2).¹¹ The Commission explained that proportional increases should result in an increase that would avoid undoing any past rate design and avoid distorting the current rate design while maintaining the spirit of the regulation.¹² The Commission stated the revenue generated from each class and each of the class's rate components must continue to contribute in the same proportion to the total distribution cooperative revenue.¹³ To accomplish this, the Commission explained

⁹ Id.

⁷ *Id.* at 9. Case No. 2010-00167, *Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates* (Ky. PSC Jan. 14, 2011).

⁸ Wolfram Testimony at 9.

¹⁰ Case No. 2020-00095, *Electronic Application of Kenergy Corp. for a Declaratory Order* (Ky. PSC Mar. 11, 2021).

¹¹ *Id*. at 4.

¹² Kenergy Order at 7.

¹³ Id.

that each class's revenue contribution percentage should be determined based upon the most recent Commission-approved revenue allocation. The revenue contribution percentage is then applied to the total of the distribution cooperative's portion of the G&T increase.¹⁴

Big Sandy RECC stated that the proposed rates were originally calculated based on the allocations from the last rate Order, but asserted that the Kenergy Order method produced self-evidently unreasonable results if the last approved revenue allocation was not consistent with the test year.¹⁵ Big Sandy RECC argued that due to changes in the customers mix within the rate calculation, specifically for those rates with a three-part rate design, the demand charge could actually decrease leading to the conclusion that it would be unreasonable to pass-through a wholesale increase in such a manner.¹⁶ Thus, the pass-through was allocated consistent with the method approved in the pass-through filings for EKPC's last two rate cases so not to run afoul of the proportionality standard in KRS 278.455(2).¹⁷ Big Sandy RECC further argued that although the Kenergy Order stated that any revenue distortions could be addressed through subsequent rate filings by a distribution cooperative, near-simultaneous rate cases would be filed due to the possible skewing effect between retail customer classes and such a result would be

¹⁴ Id.

¹⁵ Wolfram Testimony at 4–5.

¹⁶ *Id.* at 5 and Big Sandy RECC's Response to Commission Staff's First Request for Information (Staff's First Request) (filed May 27, 2021), Item 2.

¹⁷ Wolfram Testimony at 5–6.

inconsistent with the enactment of KRS 278.455, where the intent is to avoid the need for each distribution cooperative to file a rate case.¹⁸

DISCUSSION

Based upon the case record and being otherwise sufficiently advised, the Commission finds that, due to the \$36,355,254 annualized increase in EKPC's wholesale rates for service rendered on and after October 1, 2021, that was approved by the Commission in Case No. 2021-00103, Big Sandy RECC's request for approval of a pass-through rate increase pursuant to KRS 278.455(2) should be approved.

The Commission further finds that, based on sufficient evidence in the case records, Big Sandy RECC met its burden of proof, in accordance with KRS 278.455(2), that the rate change does not alter the rate design currently in effect and that the revenue change has been allocated to each class and with each tariff on a proportional basis. This finding is based upon the Commission's review of the approach proposed by Big Sandy RECC to pass-through the increase of EKPC's wholesale rates and the allocation of such increase to its retail rates. The Commission recognizes the concern over using the last approved revenue allocation, especially given the anomalous results that are especially present in those distribution cooperatives that have not filed for a general rate increase for a substantial time.¹⁹ In the Kenergy Order, the Commission expressed its concern that rate increases, particularly revenue neutral increases, may result in a change of

¹⁸ *Id*. at 8.

¹⁹ For example, the last general rate increase for Salt River Electric Cooperative (Salt River Electric) was September 28, 1993; hence, the necessary information needed to obtain the appropriate revenue allocation was not readily available. See Case No. 2021-00116, *Electronic Application of Salt River Electric Cooperative Corporation for Pass-Through of East Kentucky Power Cooperative, Inc. Wholesale Rate Adjustment,* Salt River Electric's Response to Commission Staff's First Request for Information (filed May 26, 2021), Items 3 and 4.

revenue allocation due to the change in rate design. For example, if a distribution cooperative proposes a revenue neutral rate design based upon a test year that differs from a Commission-approved test year, the class revenue allocation may differ, thus altering the approved allocation and rate design. Based upon this review, the Commission finds that Big Sandy RECC's approach complies with the provisions of KRS 278.455(2) and 807 KAR 5:007, Section 2(2), and, therefore, should be accepted. However, any revenue neutral case filed as a general rate case or under the Commission-approved streamlined process in Case No. 2018-00407²⁰ will apply the methodology outlined in the Kenergy Order.

In reviewing Big Sandy RECC's proposed revenue increase allocation under the settlement, the Commission notes that the proposed increase, \$790,392, differs from the \$789,226 increase allocated to Big Sandy RECC by EKPC.²¹ Big Sandy RECC maintained that EKPC calculated member system rates on a wholesale rate class basis, and not by member system, while Big Sandy RECC's pass-through exhibit was prepared individually.²² Big Sandy RECC further maintained that the difference was due to rounding and calculation of the fuel adjustment charge and environmental surcharge, and was negligible.²³ In its response, Big Sandy RECC did not provide adequate support to explain why the proposed increase for the member system differed from EKPC's calculation. While rounding errors may occur in rate design, the Commission expects Big

²⁰ Case No. 2018-00407, A Review of the Rate Case Procedure for Electric Distribution Cooperatives (Ky. PSC Dec. 20. 2019).

²¹ Big Sandy RECC's Response to Commission Staff's Third Request for Information (filed Sept. 17, 2021), Item 1.

²² Id.

²³ Id.

Sandy RECC to explain and support why inputs differ between the wholesale provider and the member system.²⁴

Based upon the Commission's authorization of a \$36,355,254 annualized increase in EKPC's wholesale rates effective for service rendered on and after October 1, 2021, Big Sandy RECC's wholesale power cost will increase by \$744,015, or 4.8 percent, annually.²⁵ Furthermore, based upon Big Sandy RECC's proposed pass-through analysis as filed on July 30, 2021, the Commission will maintain the dollar denominated differences between the estimated wholesale increase and member system increase in the determination of the rates.

IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by Big Sandy RECC are denied.

2. The approach proposed by Big Sandy RECC to allocate its portion of the

increase in wholesale rates authorized in Case No. 2021-00103 is accepted.

3. The rates and charges in Appendix B, attached hereto, are fair, just and reasonable for Big Sandy RECC to charge for service rendered on and after October 1, 2021.

²⁴ For example, there is a billing determinant difference between the special contract rate for Owen Electric Cooperative, Inc. (Owen Electric) and EKPC which results in differing revenues. See Case No. 2021-00115, *Electronic Application of Owen Electric Cooperative, Inc. for Pass-Through of East Kentucky Power Cooperative, Inc.'s Wholesale Rate Adjustment,* Owen Electric's Notice of Filing (filed July 30, 2021), Owen Electric filed Revised Exhibits of the proposed rates for the a pass-through of EKPC's wholesale rate adjustment, Staff 1-5-Owen-Settle-v2.xlsx and Case No. 2021-00103, *EKPC*, EKPC's Response to Commission Staff's Post-Hearing Requests for Information (filed Aug. 18, 2021), Item 10.

²⁵ See Appendix A.

4. Within 20 days of the date of this Order, Big Sandy RECC shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariffs as set forth in this Order reflecting that they were approved pursuant to this Order.

5. This case is closed and removed from this Commission's docket.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission



ATTEST:

Bidwell

Executive Director

Case No. 2021-00104

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00104 DATED SEP 30 2021

Rate B									
EKPC Member		Present		Final		Change	As Percent		
Big Sandy	\$	341,987	\$	350,744	\$	8,757	2.6%		
Blue Grass	\$	10,757,845	\$	11,035,263	\$	277,418	2.6%		
Clark	\$	-	\$	-	\$	-			
Cumberland Valley	\$	-	\$	-	\$	-			
Farmers	\$	-	\$	-	\$	-			
Fleming-Mason	\$	-	\$	-	\$	-			
Grayson	\$	1,733,635	\$	1,778,438	\$	44,803	2.6%		
Inter-County	\$	3,853,087	\$	3,952,115	\$	99,029	2.6%		
Jackson	\$	3,261,843	\$	3,345,035	\$	83,192	2.6%		
Licking Valley	\$	-	\$	-	\$	-			
Nolin	\$	1,546,266	\$	1,587,786	\$	41,520	2.7%		
Owen	\$	15,691,907	\$	16,113,009	\$	421,101	2.7%		
Salt River	\$	7,849,642	\$	8,048,401	\$	198,759	2.5%		
Shelby	\$	9,959,655	\$	10,210,443	\$	250,788	2.5%		
South Ky	\$	3,987,957	\$	4,089,565	\$	101,608	2.5%		
Taylor	\$	831,893	\$	853,592	\$	21,699	2.6%		
Total	\$	59,815,719	\$	61,364,392	\$	1,548,673	2.6%		

Rate C								
EKPC Member		Present		Final		Change	As Percent	
Big Sandy	\$	-	\$	-	\$	-		
Blue Grass	\$	-	\$	-	\$	-		
Clark	\$	-	\$	-	\$	-		
Cumberland Valley	\$	-	\$	-	\$	-		
Farmers	\$	2,875,951	\$	2,951,756	\$	75,804	2.6%	
Fleming-Mason	\$	7,135,643	\$	7,323,237	\$	187,594	2.6%	
Grayson	\$	-	\$	-	\$	-		
Inter-County	\$	-	\$	-	\$	-		
Jackson	\$	1,001,698	\$	1,027,537	\$	25,839	2.6%	
Licking Valley	\$	-	\$	-	\$	-		
Nolin	\$	-	\$	-	\$	-		
Owen	\$	-	\$	-	\$	-		
Salt River	\$	-	\$	-	\$	-		
Shelby	\$	-	\$	-	\$	-		
South Ky	\$	5,690,287	\$	5,841,773	\$	151,486	2.7%	
Taylor	\$	449,732	\$	461,248	\$	11,516	2.6%	
	\$	17,153,311	\$	17,605,550	\$	452,238	2.6%	

Rate E									
EKPC Member		Present		Final		Change	As Percent		
Big Sandy	\$	15,194,682	\$	15,929,940	\$	735,258	4.8%		
Blue Grass	\$	75,472,253	\$	79,160,079	\$	3,687,826	4.9%		
Clark	\$	31,113,089	\$	32,623,992	\$	1,510,903	4.9%		
Cumberland Valley	\$	29,974,144	\$	31,421,531	\$	1,447,387	4.8%		
Farmers	\$	31,649,009	\$	33,198,129	\$	1,549,120	4.9%		
Fleming-Mason	\$	30,724,488	\$	32,207,720	\$	1,483,231	4.8%		
Grayson	\$	15,892,923	\$	16,660,933	\$	768,010	4.8%		
Inter-County	\$	29,674,742	\$	31,124,764	\$	1,450,022	4.9%		
Jackson	\$	58,279,094	\$	61,105,989	\$	2,826,895	4.9%		
Licking Valley	\$	17,298,143	\$	18,132,437	\$	834,294	4.8%		
Nolin	\$	43,686,325	\$	45,822,867	\$	2,136,542	4.9%		
Owen	\$	74,903,441	\$	78,540,230	\$	3,636,790	4.9%		
Salt River	\$	75,530,233	\$	79,217,543	\$	3,687,310	4.9%		
Shelby	\$	23,218,841	\$	24,344,807	\$	1,125,966	4.8%		
South Ky	\$	79,696,530	\$	83,594,165	\$	3,897,636	4.9%		
Taylor	\$	31,773,345	\$	33,322,474	\$	1,549,129	4.9%		
	\$	664,081,280	\$	696,407,599	\$	32,326,319	4.9%		

Rate G								
EKPC Member		Present		Final	(Change	As Percent	
Big Sandy	\$	-	\$	-	\$	-		
Blue Grass	\$	5,730,294	\$	5,874,687	\$	144,393	2.5%	
Clark	\$	-	\$	-	\$	-		
Cumberland Valley	\$	-	\$	-	\$	-		
Farmers	\$	-	\$	-	\$	-		
Fleming-Mason	\$	13,625,132	\$	13,976,173	\$	351,041	2.6%	
Grayson	\$	-	\$	-	\$	-		
Inter-County	\$	-	\$	-	\$	-		
Jackson	\$	-	\$	-	\$	-		
Licking Valley	\$	-	\$	-	\$	-		
Nolin	\$	6,160,848	\$	6,328,734	\$	167,886	2.7%	
Owen	\$	-	\$	-	\$	-		
Salt River	\$	-	\$	-	\$	-		
Shelby	\$	-	\$	-	\$	-		
South Ky	\$	-	\$	-	\$	-		
Taylor	\$	_	\$	_	\$	-		
	\$	25,516,274	\$	26,179,595	\$	663,320	2.6%	

Contract									
EKPC Member		Present		Final		Change	As Percent		
Big Sandy	\$	-	\$	-	\$	-			
Blue Grass	\$	-	\$	-	\$	-			
Clark	\$	-	\$	-	\$	-			
Cumberland Valley	\$	-	\$	-	\$	-			
Farmers	\$	-	\$	-	\$	-			
Fleming-Mason	\$	-	\$	-	\$	-			
Grayson	\$	-	\$	-	\$	-			
Inter-County	\$	-	\$	-	\$	-			
Jackson	\$	-	\$	-	\$	-			
Licking Valley	\$	-	\$	-	\$	-			
Nolin	\$	-	\$	-	\$	-			
Owen	\$	41,786,791	\$	42,872,821	\$	1,086,030	2.6%		
Salt River	\$	-	\$	-	\$	-			
Shelby	\$	-	\$	-	\$	-			
South Ky	\$	-	\$	-	\$	-			
Taylor	\$	-	\$	-	\$	-			
	\$	41,786,791	\$	42,872,821	\$	1,086,030	2.6%		

Steam								
EKPC Member		Present		Final	(Change	As Percent	
Big Sandy	\$	-	\$	-	\$	-		
Blue Grass	\$	-	\$	-	\$	-		
Clark	\$	-	\$	-	\$	-		
Cumberland Valley	\$	-	\$	-	\$	-		
Farmers	\$	-	\$	-	\$	-		
Fleming-Mason	\$	10,716,264	\$	10,994,937	\$	278,674	2.6%	
Grayson	\$	-	\$	-	\$	-		
Inter-County	\$	-	\$	-	\$	-		
Jackson	\$	-	\$	-	\$	-		
Licking Valley	\$	-	\$	-	\$	-		
Nolin	\$	-	\$	-	\$	-		
Owen	\$	-	\$	-	\$	-		
Salt River	\$	-	\$	-	\$	-		
Shelby	\$	-	\$	-	\$	-		
South Ky	\$	-	\$	-	\$	-		
Taylor	\$	_	\$	-	\$	-		
	\$	10,716,264	\$	10,994,937	\$	278,674	2.6%	

Rate TGP									
EKPC Member		Present		Final	(Change	As Percent		
Big Sandy	\$	-	\$	-	\$	-			
Blue Grass	\$	-	\$	-	\$	-			
Clark	\$	-	\$	-	\$	-			
Cumberland Valley	\$	-	\$	-	\$	-			
Farmers	\$	-	\$	-	\$	-			
Fleming-Mason	\$	3,422,394	\$	3,422,394	\$	-	0.0%		
Grayson	\$	-	\$	-	\$	-			
Inter-County	\$	-	\$	-	\$	-			
Jackson	\$	-	\$	-	\$	-			
Licking Valley	\$	-	\$	-	\$	-			
Nolin	\$	-	\$	-	\$	-			
Owen	\$	-	\$	-	\$	-			
Salt River	\$	-	\$	-	\$	-			
Shelby	\$	-	\$	-	\$	-			
South Ky	\$	-	\$	-	\$	-			
Taylor	\$	2,927,454	\$	2,927,454	\$	-	0.0%		
	\$	6,349,849	\$	6,349,849	\$	-	0.0%		

		٦	Fotal		
EKPC Member	Present		Final	Change	As Percent
Big Sandy	\$ 15,536,669	\$	16,280,684	\$ 744,015	4.8%
Blue Grass	\$ 91,960,392	\$	96,070,029	\$ 4,109,637	4.5%
Clark	\$ 31,113,089	\$	32,623,992	\$ 1,510,903	4.9%
Cumberland Valley	\$ 29,974,144	\$	31,421,531	\$ 1,447,387	4.8%
Farmers	\$ 34,524,960	\$	36,149,884	\$ 1,624,924	4.7%
Fleming-Mason	\$ 65,623,921	\$	67,924,461	\$ 2,300,540	3.5%
Grayson	\$ 17,626,559	\$	18,439,371	\$ 812,813	4.6%
Inter-County	\$ 33,527,829	\$	35,076,879	\$ 1,549,051	4.6%
Jackson	\$ 62,542,635	\$	65,478,561	\$ 2,935,926	4.7%
Licking Valley	\$ 17,298,143	\$	18,132,437	\$ 834,294	4.8%
Nolin	\$ 51,393,440	\$	53,739,387	\$ 2,345,948	4.6%
Owen	\$ 132,382,139	\$	137,526,060	\$ 5,143,921	3.9%
Salt River	\$ 83,379,874	\$	87,265,943	\$ 3,886,069	4.7%
Shelby	\$ 33,178,496	\$	34,555,250	\$ 1,376,754	4.1%
South Ky	\$ 89,374,774	\$	93,525,503	\$ 4,150,730	4.6%
Taylor	\$ 35,982,424	\$	37,564,768	\$ 1,582,344	4.4%
	\$ 825,419,487	\$	861,774,741	\$ 36,355,254	4.4%

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00104 DATED SEP 30 2021

The following rates and charges are prescribed for the customers served by Big

Sandy RECC. All other rates and charges not specifically mentioned herein shall remain

the same as those in effect under the authority of this Commission prior to the effective

date of this Order.

SCHEDULE A-1 Farm & Home		
Customer Charge per month	\$	21.95
Energy Charge per kWh On-peak Off-Peak	\$ \$	0.08877 0.05194
SCHEDULE A-1-ETS Farm & Home (ETS)		
Energy Charge Off-Peak per kWh	\$	0.05194
SCHEDULE A-2 Commercial & Small Power		
Customer Charge per month Demand Charge per kW Energy Charge per kWh	\$ \$ \$	30.98 5.68 0.06973
<u>SCHEDULE LP</u> Large Power Service (25-750 kV)		
Customer Charge per month Demand Charge per kW Energy Charge Secondary per kWh Energy Charge Primary per kWh	\$ \$ \$ \$ \$	96.34 6.48 0.05893 0.05261
SCHEDULE LPR Large Power Service 750 kVA +		
Customer Charge per month Demand Charge per kW	\$ \$	118.25 6.68

Energy Charge Secondary Energy Charge Primary per	•	\$ \$	0.05844 0.05218
	<u>SCHEDULE IND-1B</u> Industrial		
Customer Charge per mont Demand Charge-Contract p Demand Charge-Excess pe Energy Charge Secondary Energy Charge Primary per	er kW er kW per kWh	\$ \$ \$ \$ \$ \$ \$ \$	179.01 6.65 9.65 0.05348 0.05275
	<u>SCHEDULE IND-1</u> Industrial		
Customer Charge per mont Demand Charge-Contract p Energy Charge Secondary Energy Charge Primary per	\$ \$ \$ \$	170.47 6.12 0.05462 0.05397	
	<u>SCHEDULE IND-2</u> Industrial		
Customer Charge per mont Demand Charge-Contract p Energy Charge Secondary Energy Charge Primary per	\$ 1,; \$ \$ \$	214.91 6.12 0.04894 0.04844	
	<u>SCHEDULE YL-1</u> Lighting		
400 Watt 500 Watt 1,500 Watt	6,000-13,000 Lumens 13,001-25,000 Lumens 13,000-25,000 Lumens	\$ \$ \$ \$ \$ \$ \$	9.50 14.09 16.47 37.74 19.26

*L Allyson Honaker Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504

*Big Sandy R.E.C.C. 504 11th Street Paintsville, KY 41240

*David S Samford Goss Samford, PLLC 2365 Harrodsburg Road, Suite B325 Lexington, KENTUCKY 40504