

**NOTICE OF PROPOSED ADJUSTMENT TO
RETAIL ELECTRIC RATES & TARIFFS**

PLEASE TAKE NOTICE that, in accordance with the requirements of the Kentucky Public Service Commission (“Commission”), as set forth in 807 KAR 5:001, Section 17(2)(b), of the Commission’s Rules and Regulations, notice is hereby given to the member consumers of Shelby Energy Cooperative, Inc., (“Shelby Energy”) that it intends to propose a general adjustment of its existing rates and revisions to its tariff by filing an application with the Kentucky Public Service Commission (“Commission”). Shelby Energy intends to propose an adjustment only to certain rates.

Shelby Energy intends to file an application in Case No. 2024-00351 styled, *The Electronic Application of Shelby Energy Cooperative Inc. for General Adjustment of Rates, and Other General Relief*, to the Commission, on or after December 1, 2024.

The rate adjustment, with a requested effective date of January 1, 2025 will result in an increase in retail power costs to its member consumers, and in an increase in revenue of \$2,332,517 or 4.33% for Shelby Energy.

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

Rate	Class	Increase	
		Dollars	Percent
12	Residential	\$ 2,200,621	8.36%
9	Off Peak Retail Marketing (ETS)	\$ -	0.00%
15	Prepay Service	\$ 131,651	7.56%
11	General Service	\$ 244	0.01%
2	Large Power Service	\$ -	0.00%
B1	Large Industrial Rate	\$ -	0.00%
B2	Large Industrial Rate	\$ -	0.00%
22	Optional TOD Demand	\$ -	0.00%
3	Outdoor and Street Lighting	\$ -	0.00%
Total		\$ 2,332,517	4.33%

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

Rate	Class	Average Usage (kWh)	Increase	
			Dollars	Percent
12	Residential	1,264	\$ 13.88	8.36%
9	Off Peak Retail Marketing (ETS)	711	\$ -	0.00%
15	Prepay Service*	1,463	\$ 14.51	7.56%
11	General Service	777	\$ 0.01	0.00%
2	Large Power Service	80,025	\$ -	0.00%
B1	Large Industrial Rate	723,777	\$ -	0.00%
B2	Large Industrial Rate	2,844,789	\$ -	0.00%
22	Optional TOD Demand	66,899	\$ -	0.00%
3	Outdoor and Street Lighting	NA	\$ -	0.00%
Total				4.33%

*Table above shows the monthly average for Rate 15 Prepay Service. The average daily usage for Prepay Service is 48 kWh per day, and the average daily increase will be \$0.48, an increase of 7.56%.

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

Rate	Item		Present	Proposed	Incr(Decr)
12	<u>Residential Service</u>				
	Customer Charge per Month	\$	19.00	\$ 29.00	\$ 10.00
	Energy Charge per kWh	\$	0.10482	\$ 0.10789	\$0.00307
9	<u>Off Peak Retail Marketing (ETS)</u>				
	Customer Charge per Month		-	-	-
	Energy Charge per kWh	\$	0.07224	\$ 0.07224	-
15	<u>Prepay Service</u>				
	Consumer Facility Charge per day	\$	0.62	\$ 0.95	\$ 0.33
	Energy Charge per kWh	\$	0.10481	\$ 0.10789	\$0.00308
	Prepay Service Fee per day	\$	0.10	\$ 0.10	-
11	<u>General Service</u>				
	Customer Charge Single Phase	\$	23.55	\$ 33.55	\$ 10.00
	Customer Charge Three Phase	\$	52.41	\$ 52.41	-
	Energy Charge per kWh	\$	0.10349	\$ 0.09144	\$(0.01205)
2	<u>Large Power Service</u>				
	Customer Charge	\$	53.84	\$ 53.84	
	Energy Charge per kWh	\$	0.07361	\$ 0.07282	\$(0.00079)
	Demand Charge per kW	\$	6.24	\$ 6.52	\$ 0.28
B1	<u>Large Industrial Rate</u>				
	Customer Charge	\$	633.60	\$ 633.60	-
	Demand Charge - Contract per kW	\$	7.49	\$ 7.49	-
	Demand Charge - Excess per kW	\$	9.98	\$ 9.98	-
	Energy Charge per kWh	\$	0.06139	\$ 0.06139	-
B2	<u>Large Industrial Rate</u>				
	Customer Charge	\$	1,266.41	\$ 1,266.41	-
	Demand Charge - Contract per kW	\$	7.49	\$ 7.49	-
	Demand Charge - Excess per kW	\$	9.98	\$ 9.98	-
	Energy Charge per kWh	\$	0.05489	\$ 0.05489	-
22	<u>Optional TOD Demand</u>				
	Customer Charge	\$	47.38	\$ 47.38	-
	Energy Charge per kWh - First 100	\$	0.08298	\$ 0.08298	-
	Energy Charge per kWh - Next 100	\$	0.07638	\$ 0.07638	-
	Energy Charge per kWh - All Over 200	\$	0.06979	\$ 0.06979	-
	Demand Charge - Contract per kW	\$	6.21	\$ 6.21	-
3	<u>Outdoor and Street Lighting</u>				
	100 Watt Outdoor Light	\$	10.78	\$ 10.78	-
	250 Watt Directional Flood	\$	16.12	\$ 16.12	-
	100 Watt Decorative Colonial	\$	14.41	\$ 14.41	-
	400 Watt Directional Flood	\$	22.57	\$ 22.57	-
	150 Watt Decorative Acorn Standard	\$	17.31	\$ 17.31	-
	Decorative Colonial	\$	11.34	\$ 11.34	-
	Cobra Head	\$	14.06	\$ 14.06	-
	Directional Flood Light	\$	15.46	\$ 15.46	-
		\$	21.29	\$ 21.29	-

33	<u>Special Outdoor Lighting</u>	Energy Rate	\$ 0.06971	\$ 0.06971	-
B3	<u>Large Industrial Rate</u>	Customer Charge Transformer 10,000 - 14,999 kVA	\$ 3,530.38	\$ 3,530.38	-
		Customer Charge Transformer 15,000+ kVA	\$ 5,603.59	\$ 5,603.59	-
		Demand Charge - Contract per kW	\$ 7.49	\$ 7.49	-
		Demand Charge - Excess per kW	\$ 9.98	\$ 9.98	-
		Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05428	-
C1	<u>Large Industrial Rate</u>	Customer Charge	\$ 633.81	\$ 633.81	-
		Energy Charge per kWh	\$ 0.06139	\$ 0.06139	-
		Demand Charge per kW	\$ 7.49	\$ 7.49	-
C2	<u>Large Industrial Rate</u>	Customer Charge	\$ 1,266.43	\$ 1,266.43	-
		Energy Charge per kWh	\$ 0.05489	\$ 0.05489	-
		Demand Charge per kW	\$ 7.49	\$ 7.49	-
C3	<u>Large Industrial Rate</u>	Customer Charge Transformer 10,000 - 14,999 kVA	\$ 3,530.38	\$ 3,530.38	-
		Customer Charge Transformer 15,000+ kVA	\$ 5,603.59	\$ 5,603.59	-
		Demand Charge - Contract per kW	\$ 7.49	\$ 7.49	-
		Energy Charge per kWh - All Over 200	\$ 0.05428	\$ 0.05428	-

Shelby Energy also proposes to remove the following tariffs: Tariff Sheet No. 238 (Meter Poles), 242, 242.1 (Extension to Mobile Homes), 243.1 (Single Phase Extensions to camps, barns and pumps), and 501.1 (Average Underground Cost Differential).

Shelby Energy proposes to revise Tariff Sheet No. 240, changing “Single Phase Loads” to “Single Phase Primary Residences”; to revise the language to state: “This distribution line extension shall be limited to service where installed transformer capacity does not exceed twenty-five (25) KVA and there is no Right-Of-Way (ROW) to be cleared for the line extension.” Removing the following: *Any extensions to a member who may require multi-phase service or whose installed transformer capacity will exceed twenty-five (25) KVA will be required to pay, in advance, additional cost of construction which exceeds that for a single-phase line where the installed transformer capacity does not exceed twenty-five (25) KVA.*

Shelby Energy proposes to add the following language, “Any extensions to a member whose installed transformer capacity will exceed twenty-five (25) KVA will be required to pay, in advance, additional cost of construction. Any extensions to a member who may require ROW to be cleared shall be cleared by the member to the Cooperative’s specifications and inspected by the Cooperative prior to construction. Shall the member request the Cooperative to perform ROW clearing, the member will be required to pay, in advance, additional cost of ROW determined by the Cooperative.”

Shelby Energy proposes to add Single Phase Commercial/Industrial to its Tariff Sheet No. 241, Multi-Phase Loads. Shelby Energy proposes to revise Tariff Sheet No. 243, Other Single Phase Extensions regarding barns, garages, pumps, camps etc., replacing, “ *Construction to a permanent camp, campsite, barn or barnsite, or other services with low usages, whereby low usage is any usage pattern that is substantially less than that of an average permanent single family residence is as follows:* with new language, “ other Single-Phase extensions that do not fall under section 40 are as follows:

An extension, via the least expensive route of 300 feet or less from the nearest existing Cooperative facility shall be made by Shelby Energy to its existing distribution line without charge for a prospective member who shall apply for

and agree to use the service for one (1) year or more and provides guarantee for such service. The “service drop” to the structure from the distribution line at the last pole shall not be included in the foregoing measurements. This distribution line extension shall be limited to service where installed transformer capacity does not exceed twenty-five (25) KVA and there is no Right-Of-Way (ROW) to be cleared for the line extension.

Any extensions to a member whose installed transformer capacity will exceed twenty-five (25) KVA will be required to pay, in advance, additional cost of construction.

Any extensions to a member who may require ROW to be cleared shall be cleared by the member to the Cooperatives specifications and inspected by the Cooperative prior to construction. Shall the member request the Cooperative to perform ROW clearing, the member will be required to pay, in advance, additional cost of ROW determined by the Cooperative.

1. When an extension of Shelby Energy’s line to service a member or a group of members amounts to more than 300 feet per member or the extension is made at the member’s request, via a more expensive route, the total cost of the excessive footage over 300 feet per member or the increased expense of the route shall be paid by the applicant or applicants based on the estimated cost of the total extension.”

Shelby Energy proposes to revise its Tariff Sheet No. 244.4, Underground Electric Service, removing the language, *“The Cooperative normally will perform or cause to be performed all necessary trenching and backfilling. The Applicant may elect to perform all necessary trenching and backfilling in accordance with the Cooperative’s specification. The Cooperative shall then credit the Applicant’s cost in an amount equal to the Cooperative’s normal cost for trenching and backfilling. However, the Cooperative personnel must be present at the time of backfilling if the Applicant elects to trench and backfill.”* And replacing with language, *“The Applicant shall perform all necessary trenching, backfilling, and conduit installation in accordance with the Cooperative’s specifications.”*

Shelby Energy proposes to remove the last paragraph of Tariff Sheet No. 244.5, stating *“For all other developments that do not meet the conditions set forth in these rules, underground distribution will be installed provided a Member Advance for Construction to the Cooperative is made in an amount equal to the difference between the Cooperative’s estimated cost of underground facilities and overhead facilities, which it would otherwise provide.”*

Finally, Shelby Energy proposes to add language to its Tariff Sheet No. 501, Average Underground Cost Differential, stating, *“Shelby Energy encourages members to install Underground Primary and Secondary, therefore waives all underground differential costs. This results in one average cost per foot for either. Overhead or Underground Primary. The average costs above are based on actual 2023 work order costs. Average Cost, Individual Single Phase Primary Cost per Foot \$19.00”*

Shelby Energy does not propose revisions to other tariffs or schedules not listed above.

Additional information, links, and a copy of Shelby Energy’s application and related documents concerning its proposed rate adjustment can be found at Shelby Energy’s principal office (Shelby Energy Cooperative Inc., 620 Old Finchville Road, Shelbyville, KY 40065), (502) 633-4420 and its website (<https://www.shelbyenergy.com/>). Anyone can review the application in person at the Commission, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am to 4:30 pm, or 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.

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

The rates contained in this notice are the rates proposed by Shelby Energy Cooperative Inc. However, the Commission may order rates to be charged that differ from the proposed rates contained in this notice.