

FOR All Territory Served

PSC KY NO. 9

First Revised SHEET NO. 501

Shelby Energy Cooperative, Inc.  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 501

**3 YR Weighted Average Underground Cost Differential**

Filed in compliance with 807 KAR 5:041 Section 21 (5)

**Weighted Average Cost Differential-Individual Single Phase Underground Primary:**

Description	Cost per Foot	
3 YR Weighted Average Cost, Individual Single Phase U/G Primary	\$13.41	(R)
3 YR Weighted Average Cost, Individual Single Phase O/H Primary	\$ 9.63	(R)
<b>**Weighted Average Underground Differential Cost</b>	<b>\$ 3.78</b>	<b>(R)</b>

The above cost assumes the member will trench, furnish and install all conduits, and back fill in accordance to Shelby Energy Cooperative's ("Shelby Energy") specifications. Upon completion and submittal of all inspections, Shelby Energy will in turn, furnish and complete the installation of all conductor and make all necessary connections.

If a member elects underground primary for a line extension, the member is responsible for the full average cost as outlined above. However, credits may be applied to the average costs as applicable based on the facilities being served as set forth in Shelby Energy's Rules and Regulations.

For example, Section 40 of the Rules and Regulations allows an extension, via the least expensive route, to a permanent residence of 1,000 feet or less without charge. Therefore, if a member elected underground primary for a line extension to a permanent residence, a credit would be applied to the average underground costs in the amount of **\$9.63** per foot up to the first 1,000 feet, resulting in a per foot cost of **\$3.78**. Any additional footage over 1,000 feet would be billed at the full average underground cost of **\$13.41**. (R)

**Weighted Average Cost Differential-Individual Single Phase Underground Service:**

Shelby Energy strongly encourages all members to install secondary services underground. Therefore, Shelby Energy will install underground secondary services at **No Charge**.

However, this assumes the member will trench, furnish and install all conduits, and back fill in accordance to Shelby Energy specifications. Upon Completion and submittal of all inspections, Shelby Energy will in turn, furnish and complete the installation of all conductor and make all Necessary connections.

DATE OF ISSUE October 21, 2019  
MONTH / DATE / YEAR

DATE EFFECTIVE November 20, 2019  
MONTH / DATE / YEAR

ISSUED BY   
SIGNATURE OF OFFICER  
TITLE President & CEO

KENTUCKY  
PUBLIC SERVICE COMMISSION

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Gwen R. Pinson  
Executive Director

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EFFECTIVE  
**11/20/2019**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territory Served

PSC KY NO. 9

First Revised SHEET NO. 501.1

Shelby Energy Cooperative, Inc.  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 501.1

**\*\*Note:**

The above cost excludes trenching, backfilling, and all conduits associated with installing underground services. In the event, a member elects for Shelby Energy to complete this work for underground primary and/or secondary installations, an additional charge of **\$10.94 per foot** (I) will be added to the above outlined cost. If rock is encountered or other procedures are deemed necessary to ensure proper burial depth and/or compliance with applicable codes, the actual additional cost shall apply.

**Single Phase Construction Cost Analysis**

The above cost is calculated based on a compilation of all work orders built from **2016** through **2018**. Please find the supporting documentation located in the tables below. The total cost contains all labor, material, and overhead associated with each work order. The weighted % is based on total feet for the three years. (T)

**Overhead Cost Analysis**

Year	Cost	Feet	Cost/Foot	Weighted %		
2018	\$390,619.30	38,024	\$10.27	0.27	\$2.77	(N)
2017	\$347,789.10	35,585	\$ 9.77	0.27	\$2.64	(T)(R)
2016	\$320,247.41	34,933	\$ 9.17	0.46	\$4.22	(T)(R)
<b>Average</b>					<b>\$9.63</b>	(R)

**Underground Cost Analysis**

Year	Cost	Feet	Cost/Foot	Weighted %		
2018	\$235,697.32	16,262	\$14.49	0.38	\$5.51	(N)
2017	\$102,208.46	6,823	\$13.64	0.24	\$3.27	(T)(R)
2016	\$ 77,805.56	6,394	\$12.17	0.38	\$4.62	(T)(R)
<b>Average</b>					<b>\$13.41</b>	(R)

In addition, the cost outlined above does not reflect any trenching, backfilling, or conduit due to the fact Shelby Energy did not perform this work on the work orders used for the analysis. However, please find the below cost summary in the event a member requests Shelby Energy to provide this service.

	Cost/Foot	
<b>Conduit</b>	\$2.06	(I)
<b>Trenching</b>	\$8.88	(I)
<b>Total</b>	<b>\$10.94</b>	(I)

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**Gwen R. Pinson**  
*Executive Director*

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