

OFFICIAL NOTICE

Cumberland Valley Electric, Inc., with its principal office at Gray, Kentucky and with its address at 6219 North U.S. Highway 25E, Gray, Kentucky 40734, intends to file with the Kentucky Public Service Commission in Case No. 2016-00169 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Cumberland Valley Electric. The proposed effective date of these new rates are July 8, 2016 and these rates are to be filed with the Commission on June 6, 2016.

The present and proposed rates for each Customer Classification are provided below:

	Rates	
	Present	Proposed
Schedule I - Residential, Schools and Churches		
Customer Charge	\$ 8.73	\$ 14.10
Energy Charge per kWh	\$ 0.08563	\$ 0.08642
Marketing Rate - All kWh	\$ 0.05138	Rate Discontinued
<i>Cumberland Valley is proposing that the Schedule I - Marketing Rate be discontinued and replaced by a TOD rate.</i>		
Schedule II - Small Commercial and Small Power Service		
Single Phase		
Customer Charge	\$ 8.96	\$ 15.00
First 3,000 kWh per kWh	\$ 0.09519	\$ 0.09519
Over 3,000 kWh per kWh	\$ 0.08880	\$ 0.08905
Schedule II - Small Commercial and Small Power Service		
Three Phase		
Customer Charge	\$ 8.96	\$ 25.00
First 3,000 kWh per kWh	\$ 0.09519	\$ 0.09519
Over 3,000 kWh per kWh	\$ 0.08880	\$ 0.08905
Demand Charge per kW	\$ 4.22	\$ 4.22
Schedule III - Three Phase Schools and Churches		
Customer Charge	\$ 25.00	\$ 45.00
Energy Charge per kWh	\$ 0.07915	\$ 0.08040
Schedule IV - Large Power Industrial		
Customer Charge	\$ 50.00	\$ 100.00
Energy Charge per kWh	\$ 0.05112	\$ 0.05112
Demand Charge per kW	\$ 6.55000	\$ 6.55000
Schedule IV-A - Large Power Rate 50 kW -2500 kW		
Customer Charge	\$ 40.00	\$ 65.00
Energy Charge per kWh	\$ 0.06078	\$ 0.06078
Demand Charge per kW	\$ 4.22	\$ 4.22
Schedule VI - Outdoor Lights and Security Lights		
175W MV	\$ 8.57	\$ 9.42
400W MV	\$ 12.76	\$ 13.90
100W Open Bottom	\$ 8.59	\$ 9.44
100W Colonial Post	\$ 9.68	\$ 10.61
100W Direct. Flood	\$ 10.42	\$ 11.40
400W Direct. Flood	\$ 16.57	\$ 17.98
400W Cobra Head	\$ 16.57	\$ 17.98
LED Open Bottom	\$ 8.32	\$ 9.15
LED Cobra Head	\$ 14.19	\$ 15.43
LED Directional	\$ 17.42	\$ 18.89
Schedule I - Prepaid Service		
Customer Charge	\$ 8.73	\$ 14.10
Energy Charge per kWh	\$ 0.08563	\$ 0.08642
Prepaid Fee	\$ 3.00	\$ 3.00
Nonrecurring Charges		
Remote Disconnect Charge	\$ 20.00	\$ 25.00
Off-Peak Energy Charge per kWh	\$ 0.05138	\$ 0.06000

The amount of the change requested in dollar amounts and percentage change for each customer classification is presented below:

	Increase	
	Dollar	Percent
Schedule I - Residential, Schools and Churches	\$ 1,646,800	5.87%
Schedule II - Small Commercial and Small Power Service	97,406	6.49%
Schedule II - Small Commercial and Small Power Service 3PH	27,657	3.20%
Schedule III - Three Phase Schools and Churches	31,374	2.47%
Schedule IV - Large Power Industrial	750	0.07%
Schedule IV-A - Large Power Rate 50 kW -2500 kW	24,600	0.36%
Schedule VI - Outdoor Lights and Security Lights	128,675	9.43%
Schedule I - Prepaid Service	11,283	6.63%
Schedule I - Marketing Rate/Replaced by TOD Rate	6,358	21.76%
Nonrecurring Charge - Remote Disconnect	22,450	20.00%

The amount of the average usage and the effect upon the average bill for each customer classification is provided below

	Increase	
	Dollar	Percent
Schedule I - Residential, Schools and Churches	\$ 6.28	5.87%
Schedule II - Small Commercial and Small Power Service	\$ 6.10	6.49%
Schedule II - Small Commercial and Small Power Service	\$ 16.72	3.20%
Schedule III - Three Phase Schools and Churches	\$ 54.37	2.47%
Schedule IV - Large Power Industrial	\$ 50.00	0.07%
Schedule IV-A - Large Power Rate 50 kW -2500 kW	\$ 25.00	0.36%
Schedule VI - Outdoor Lights and Security Lights	\$ 0.97	9.43%
Schedule I - Prepaid Service	\$ 6.11	6.63%
Schedule I - Marketing Rate	\$ 10.63	21.76%
Nonrecurring Charge - Remote Disconnect	\$ 5.00	20.00%

New Rates Classes Proposed

	Rates	
	Present	Proposed
Residential Time of Day (TOD) Rate		
Customer Charge		\$ 20.00
On-Peak Energy Charge per kWh		0.10161
Off-Peak Energy Charge per kWh		0.06000
Inclining Block Rate		
Customer Charge		\$ 9.90
First 200 kWh		0.08842
Next 300		0.09342
Over 500		0.09842

A person may examine this application at the offices of Cumberland Valley Electric located at 6219 North U.S. Highway 25E, Gray, KY. A person may examine the application at commission's offices located at 211 Sower Boulevard, Frankfort, KY, Monday through Friday 8:00 a.m. to 4:00 p.m., through the commission's Web site at <http://psc.ky.gov>.

Comments regarding this application may be submitted to the Kentucky Public Service Commission through its Web site or by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

The rates proposed in this application are the rates proposed by Cumberland Valley Electric. However, the Kentucky Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this application.

A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, KY 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.