

Grayson Rural Electric Cooperative Corporation

109 Bagby Park • Grayson, KY 41143-1292
Telephone 606-474-5136 • 1-800-562-3532 • Fax 606-474-5862

June 28, 2013

RECEIVED

JUN 28 2013

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2012-00426

Dear Mr. Derouen:

Please find attached the original and ten (10) copies of Post Hearing clarifications to items discussed during the hearing held on June 18, 2013.

If you have any questions about this filing, please feel free to contact me.

Very truly yours,



Don M. Combs
Mgr. – Finance & Accounting

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

The adjustment of Rates of
Grayson Rural Electric Cooperative Corporation

Case No. 2012-00426

APPLICANT'S RESPONSES TO
COMMISSION STAFF'S POST HEARING REQUEST FOR INFORMATION

I have read the foregoing and hereby certify that the above responses are true and accurate to the best of my knowledge, information, and belief formed after reasonable inquiry.



Don M. Combs
Mgr. Finance & Accounting
Grayson Rural Electric

STATE OF KENTUCKY

COUNTY OF CARTER

Subscribed and sworn to before me by DON M. COMBS, this 25 th day of May, 2013.

Marsha A. Shanker

NOTARY PUBLIC, KENTUCKY STATE AT LARGE

My commission expires: 1-9-2015

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

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Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

ITEM 1

Union Contract of 1/1/13

Response: attached

International Brotherhood of Electrical Workers

LOCAL UNION NO. 317

afl - cio



JIM GILLETTE, Business Manager
Location: 1848 Madison Avenue, Suite A
Huntington, West Virginia 25704



Mailing Address: P.O. Box 9275
Huntington, West Virginia 25704
Telephone: (304) 429-5013
Fax: (304) 429- 5015

March 18, 2013

Ms. Carol Fraley
Grayson RECC
109 Bagby Park
Grayson, KY 41142

Dear Ms. Fraley:

Enclosed you will find the Agreement between Grayson Rural Electric Cooperative Corporation of Grayson, Kentucky, and Local Union No. 317 of the International Brotherhood of Electrical Workers, AFL-CIO, dated January 1, 2013 to January 1, 2018.

If you have any questions, please call this office.

Sincerely,

Jim Gillette
Business Manager

JG:cpl

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AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of January, 2013, by and between the GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION OF GRAYSON, KENTUCKY, hereinafter referred to as the COOPERATIVE, and LOCAL UNION NO. 317 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, hereinafter referred to as the UNION, as the collective bargaining representative for the employees of the COOPERATIVE in the classifications listed in Article VIII, Section 5 of this Agreement.

WITNESSETH:

WHEREAS, the COOPERATIVE and the UNION have a common and sympathetic interest in the electrical industry, and together with the Public will benefit from harmonious working arrangements for the adjustments of differences by rational and common sense methods, and therefore, for the purpose of facilitating the peaceful adjustments of differences that may arise from time to time, and to promote harmony and efficiency to the end that the COOPERATIVE, the UNION and the GENERAL PUBLIC may be benefited, the parties hereto contract and agree with each other as follows:

TO WIT:

ARTICLE I SCOPE

This Agreement shall constitute the complete agreement between the parties hereto with reference to wages, hours, working conditions and conditions of employment. Any additions, waivers, deletions, changes, amendments or modifications that may be made to this Agreement shall be effected through the collective bargaining process between authorized representatives of the COOPERATIVE and the UNION, subject to ratification by the employees of the COOPERATIVE covered by this Agreement. All other understandings between the parties not incorporated herein by reference or otherwise, at the effective date of this Agreement, are hereby terminated, with the exception of existing policies of the COOPERATIVE covering health and sanitation of employees while at work, which may or may not be incorporated in this Agreement. Any interpretation of this Agreement or of amendments hereto can be a proper subject for the grievance procedure.

ARTICLE II RECOGNITION

Section 1. In conformity with the Labor Management Relations Act of 1947, as amended, the COOPERATIVE recognizes the UNION as the sole and exclusive bargaining agent for those hourly employees, excluding salaried, supervisory and office personnel, included in the National Labor Relations Board Certification No. 9 RC-4683 with respect to rates of pay, wages, hours of employment, and other conditions of employment. The COOPERATIVE will bargain with no other UNION for the representation of employees within the bargaining unit during the life of this Agreement.

Section 2. The term "employee" as used herein shall mean any person represented by the UNION as set forth in Article II, Section 1 of this Agreement.

Section 3. As a means of informing all employees as to their rights, privileges and obligations under this Agreement, the UNION agrees to furnish a copy of this Agreement to each employee.

Section 4. All employees who are members of the UNION on the effective date of this Agreement shall be required to remain members of the UNION in good standing as a condition of employment during the term of this Agreement. Local Union 317 will provide the COOPERATIVE a complete and current membership list, updated as necessary. Huntington Local 317 will provide the COOPERATIVE with an enrollment card for any new UNION member before the 31st day of employment, so that UNION dues can be added to his/her payroll deduction. The COOPERATIVE agrees to collect UNION dues and remit them to Huntington Local 317 on a quarterly basis, and also to collect kitty fund dues and remit them to Local 317 treasurer on a monthly basis. New employees and employees who are not now members of the UNION shall be required to become and remain members of the UNION in good standing as a condition of employment within thirty-one (31) days following the date of their employment or the effective date of the Agreement, whichever is later. The terms of this Agreement shall apply to all such employees prior to their becoming members of the UNION.

Section 5. The COOPERATIVE agrees not to discriminate against any employee on account of UNION membership or UNION activity. The COOPERATIVE agrees to withhold UNION dues through the weekly payroll deduction plan and submit them to the Union Hall.

Section 6. The COOPERATIVE will recognize the following number of properly certified UNION representatives for the purpose of representing employees in the manners specified in this Agreement.

- (a) Business Manager of Local Union No. 317.
- (b) Assistant Business Manager of Local Union No. 317.
- (c) Immediate I.B.E.W. International Representative.
- (d) The Joint Conference Committee Consisting of three (3) representatives of the UNION.
- (e) Steward.

When a properly certified UNION representative is unable to participate as specified by this Agreement for any reason, the UNION will notify the COOPERATIVE within twenty-four (24) hours and the COOPERATIVE will recognize an alternate, certified by the UNION, who may act for him.

ARTICLE III MANAGEMENT CLAUSE

President & CEO of the COOPERATIVE has the exclusive authority to execute all of the various functions and responsibilities incident hereto which are vested in the COOPERATIVE. The direction of the workforce, the establishment of plant policies; the determination of the processes and means of operations, the units of personnel required to perform such processes and other responsibilities incidental to the operation and maintenance of the electrical system are vested in the COOPERATIVE. Such duties, functions, and responsibilities shall include the management of the work; the direction of the work, the supervision, direction and control of the working force, the right to hire, the right to discharge, right to discipline for just cause, or place employees, and are vested exclusively in the COOPERATIVE. The UNION shall not abridge this right provided there is no discrimination and nothing is done in violation of this Agreement. Nothing in this Agreement shall be construed to in any way restrict the installation, use, or application of labor saving devices, or equipment, provided safety of employees is not jeopardized. The UNION will be notified of any changes in **Board Policy # 504 Sick Leave, Accrual of Sick Leave and Accounting of Sick Leave Earned, Board Policy # 505 Payment of Sick Leave Upon Retirement or Termination, Board Policy # 510 Vacation, Board Policy # 511 Jury Duty, Board Policy # 512 Family Leave, Military Leave, etc., and Board Policy # 514 Insurance Benefits.**

The exercise of such authority shall not conflict with the rights of the UNION under the terms of this Agreement.

ARTICLE IV CONTINUITY OF OPERATION

Section 1. The UNION agrees that it will not authorize a strike, work stoppage, picket line, slow down or secondary boycott for the life of this Agreement. The COOPERATIVE agrees that it will not engage in a lockout.

Section 2. All questions, disputes or controversies under this Agreement shall be settled and determined solely and exclusively by the grievance and arbitration procedures provided in this Agreement.

Section 3. When an employee or employees participate in an act violating this article, the UNION agrees that the COOPERATIVE shall have the right to suspend, discipline or discharge, at its discretion, the employee or employees responsible for participating in the strike, work stoppage, picket line, slow down or secondary boycott.

ARTICLE V GRIEVANCE PROCEDURE

Section 1. Any complaint, grievance or dispute that may arise with respect to the application or performance of this Agreement between the COOPERATIVE and the UNION or its members shall be taken up for settlement in the simplest and most direct manner. Any such complaint, grievance or dispute must be filed in Step 1 within five (5) days of the occurrence of such complaint, grievance, or dispute exclusive of Saturdays, Sundays or Holidays. If a complaint, grievance or dispute is not filed within the time limit set forth herein for filing or an appeal is not taken within the time limits set forth in Steps 1 through 4, it shall be barred and shall not be subject to further appeal. Except where by mutual consent another procedure is agreed upon, such matters shall be handled in accordance with the following steps:

Step 1. Between the employee or employees concerned together with the UNION'S Steward and the Department Head of the aggrieved employee.

Step 2. Should any matter not be adjusted in the first step above within forty-eight (48) hours, exclusive of Sundays and holidays, it shall be reduced to writing and referred to the President & CEO of the COOPERATIVE and the Business Manager of the UNION.

Step 3. All questions or disputes which are not adjusted within ten (10) days as a result of the above procedure shall then be referred to a Joint Conference Committee of three (3) representatives of the UNION and three (3) representatives of the COOPERATIVE. Each party shall have the privilege of changing representatives upon the proper notice to the other party. The Joint Conference Committee shall meet within forty-eight (48) hours after such notice is given either party. It shall select its own secretary and chairman.

Step 4. If not satisfactorily adjusted after exhausting all of the above steps, the grievance or complaint shall be referred to arbitration provided such grievance involves an interpretation of the meaning or application of the terms of this Agreement, according to the following procedures:

- (a) The COOPERATIVE and the UNION will each appoint an arbitrator to represent them.
- (b) Within five (5) days, the parties shall jointly request the American Arbitration Association to appoint a third member, both parties to be bound by such appointment.
- (c) Each party shall defray the expenses of its members of the Board of Arbitration and the fee and expenses of the third member shall be borne equally by the parties, together with any incidental or general expenses in connection with the arbitration mutually agreed upon in advance.
- (d) The Arbitration Board's decision must be in accordance with the terms of this Agreement and has no authority to change, subtract from, or add to, its terms in any way. The majority decision of the Board shall be final and binding on both parties.

Section 2. If, after investigation, the employee or employees are found to have been unjustly terminated or suspended, such employee or employees shall be reinstated without loss of seniority or pay for all time lost. In any case which results in arbitration, the arbitrator shall have the discretion to determine the seniority and/or pay, if any, which an employee shall receive if he/she has been terminated or suspended.

ARTICLE VI VACATIONS

Section 1. An employee will be entitled to a vacation with pay in each calendar year, based upon the length of his/her continuous service in accordance with the following schedule:

- (a) One year but less than eight years of continuous service - ten workdays of vacation.
- (b) Eight years or more of continuous service - one additional day of vacation for each additional year of continuous service, including the eighth year, not to exceed twenty-six (26) workdays of vacation.
- (c) An employee must complete the full minimum continuous service requirements before becoming eligible to take vacation or additional vacation.

Section 2. The vacation period shall be on a calendar year basis from January 1, to December 31, inclusive.

- (a) An employee may carry forward into the succeeding year a maximum of 30 days of vacation earned, but not taken, or after 12 years of service may sell back to the COOPERATIVE vacation time in accordance with **Board Policy # 510 Vacation**.
- (b) No employee may be credited at the beginning of any calendar year with more than 30 days of previously accumulated vacation. All vacation earned in excess of the 30 day carry over will be taken within the vacation period.

Section 3. If a day observed as a holiday occurs during an employee's vacation such employee shall receive an additional day of vacation.

Section 4. Vacations are scheduled by the COOPERATIVE to be taken during the vacation period. Preference within a department as to dates will be given on the basis of seniority, provided such preference is indicated prior to February 1st.

An employee entitled to ten (10) workdays of vacation shall take at least one full work week of vacation at one time. The remaining balance of vacation may be taken or carried over in accordance with **Board Policy 510 Vacation**.

No pay will be made to an employee in lieu of vacation time, except after an employee becomes eligible for fifteen (15) workdays or more annual vacation in accordance with **Board Policy # 510 Vacation**. For the purpose of this sub-section overtime rules applicable to vacation time are hereby suspended.

Section 5. An employee who is laid off, released or discharged or who resigns will be paid for vacation earned but not taken at the time his/her employment is terminated.

Section 6. In the event an employee who is entitled to a vacation dies before he/she has taken that vacation, the person designated as beneficiary of his/her Group Life Insurance shall be entitled to his/her vacation pay.

ARTICLE VII HOURS OF WORK-OVERTIME

Section 1. Definitions:

Standard Workday means the continuous eight (8) hour period, excluding an interval of thirty (30) minutes for lunch, between the hours of 7:30 a.m. and 4:00 p.m., in any given day.

Standard Workweek means five (5) standard workdays, Monday through Friday inclusive within a workweek, amounting to a total of forty (40) hours.

Section 2. Employees will have a non-paid meal period of thirty (30) minutes to begin not earlier than three and one-half (3½) hours or later than five (5) hours after the start of the standard workdays. For a meal period outside of these hours required by the COOPERATIVE, a premium of thirty (30) minutes of straight time will be paid. If such employees are not permitted a meal period due to emergency conditions, they will be paid at one and one-half (1½) times their base hourly rate for the time worked in excess of eight (8) hours, as provided elsewhere in this Agreement.

Section 3. For all established work requiring twenty-four (24) hour periods to cover, shifts will be established provided such work continues for a minimum of five (5) consecutive days. The following schedule shall apply for all such shift work:

<u>SHIFT</u>	<u>HOURS</u>	<u>HOURS TO BE PAID</u>	<u>AT BASE HOURLY RATE</u>
1st	Standard workday as defined in Section 1 above.		8
2nd	Starting at the end of the standard workday and continuing for eight (8) hours including a meal period.		8
3rd	Commencing seven and one-half (7½) hours prior to the start of the standard workday and continuing for seven and one-half (7½) hours including a meal period.		8

For the purpose of Section 6 of this article, the shift an employee is assigned to shall be considered as his/her standard workday.

Section 4. Employees shall not be required to work outside during inclement weather as determined by the COOPERATIVE except to restore service because of emergency conditions. Employees shall be assigned to work inside or under shelter during such weather. Such assignments shall not be for more than the standard workday or workweek. Thus the employee is assured a full week's pay unless conditions warrant a reduction in force during the standard workweek. Due to the fact that construction and maintenance, are the only classifications directly affected by inclement weather, they shall not be required to climb poles or towers in temperatures of 0 degrees to 10 degrees above zero. This does not, restrict the line crew from doing other kinds of line work.

Section 5.

- (a) Overtime at the rate of one and one-half (1½) times his/her base hourly rate will be paid to an employee for all hours worked in excess of the hours in the standard work day or work week.
- (b) An employee will not be required to take off a corresponding amount of time in any of his/her subsequent standard workdays to offset any overtime worked.
- (c) Overtime will not be paid to an employee for travel to and from meetings and conferences held outside of the COOPERATIVE'S service area. Pay for such attendance shall be at the employee's base hourly rate for each standard workday employee is in attendance.

Section 6. An employee required to report for work before his/her regularly scheduled starting time shall receive not less than two (2) hours pay at one and one-half (1½) times his/her base hourly rate, or one and one half (1½) his/her regular rate for such work performed, whichever is greater. Such employee shall not be required to take off a corresponding amount of time before the end of his/her standard workweek.

Section 7. An employee who IS REQUIRED TO WORK PAST 4:30 P.M. DURING THE REGULAR WORK DAY will receive not less than two (2) hours pay at one and one-half (1½) time his/her base hourly rate, or one and one-half (1½) times his/her regular rate for such work performed, whichever is greater.

Section 8. Holidays not worked, jury duty time, vacations, and funeral absences, which are compensated for under other appropriate provisions of this Agreement, will be credited as hours worked in computing overtime except that, to avoid duplication, there will be credited only eight (8) hours for any one (1) calendar day.

Section 9.

- (a) An employee required to work overtime shall be allowed time to eat in accordance with applicable state laws.
- (b) An employee who is required to work overtime and who works ten (10) or more continuous and successive hours will be paid a meal allowance, by attaching a receipt for the meal with the names of all workers who ate written on back, unless the meal is provided by the COOPERATIVE. If the meal is paid by the Cooperative, the senior employee will see that all names of those who ate are listed on the back of the charge ticket. Any meal allowance will be paid within seven (7) days of the submission of a receipt
- (c) No time will be deducted for meal periods during such overtime work, it being understood that they will be made as short as possible.

Section 10.

- (a) The following holidays will be observed: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving Day, Christmas Eve, and Christmas Day. Any employee who has served in the United States Military will be entitled to a holiday on Veteran's Day. (In accordance with Board Policy # 513 Holidays)
- (b) Should Christmas fall on a Saturday, the preceding Thursday and Friday will be observed as holidays. Should Christmas fall on Sunday, Monday and Tuesday will be observed as holidays.
- (c) Should one of these holidays fall on a Saturday, it will be observed on the Friday preceding. Should one of these holidays fall on a Sunday, it shall be observed on the Monday following. Work on such Saturdays or Sundays shall not be compensated for under the holiday pay rules.
- (d) An employee who works on a day observed as a holiday will be paid at the rate of one and one-half (1½) times his/her base hourly rate for all such time worked, plus an amount equal to eight (8) times his/her base hourly rate, provided he/she meets the requirements.

Section 11. In cases of emergencies, an employee on vacation may be recalled from vacation, and in such event, he/she shall be paid one and one-half (1½) times his/her base hourly rate for actual time worked in addition to vacation pay as provided in Article VI, Section 1, or, with the approval of the employee's Department Head, equivalent hours may be taken off in lieu thereof.

Section 12. An employee who is required to serve on a municipal, county, state or federal petit, or grand jury, or who is subpoenaed as a witness in any case to testify as to facts observed by him/her shall be paid for such service at his/her base hourly rate for the time lost from his/her standard workday by reason of such service in accordance with **Board Policy # 511 Jury Duty**, subject to the following provisions:

- (a) An employee called for jury duty or as a witness and who is temporarily excused from attendance at court must report for work if a four hour period of time remains to be worked in his/her standard workday.

Section 13. Employees may not trade days off except with the prior approval of their respective Department Heads, and provided further that no overtime premium is involved.

Section 14. It shall be the responsibility of the Accounting/Payroll Clerk to keep a record of overtime worked. Weekly reports shall be posted on the Cooperative's bulletin boards by the Manager of Operations

There shall be six (6) maintenance areas currently based on the following:

Rowan County and West Elliott County
Lawrence County and South Elliott County
North Elliott County and South Carter County
Middle Carter County and North Elliott County
Carter County and South Greenup County
North Greenup County and Lewis County

There shall be two (2) overtime areas, north of Grayson Lake and south of Grayson Lake. The boundaries of these areas shall be defined exclusively by the President & CEO and shall be based on the changing demographics of the COOPERATIVE.

Maintenance personnel assigned to each section of these areas shall be first called for overtime. He /she shall be assisted by the next available Construction Department employee who is qualified for the necessary work, with consideration given to the fair and equitable distribution of available overtime work. A record of all employees called, available and unavailable, shall be kept by the Dispatcher and by the Accounting/Payroll Clerk. In fairness to all employees, every effort shall be made to equitably distribute overtime among employees in each classification within each service area. This does not, however, restrict qualified employees from working where ever necessary. Maintenance Leadmen should make every effort to call the classification necessary to perform the job safely.

It should be recognized that some departments offer very little overtime, but should be allowed to share in overtime in other departments on work they are qualified to do and make themselves available for.

Distribution of overtime shall be considered equitable if employees who live in the sections/areas defined by the **COOPERATIVE** are within one week (40 hours) of each other.

The goal of the COOPERATIVE is to minimize the length of time any member is out of power. Every effort will be made, consistent with COOPERATIVE policy, to balance fairness of overtime with minimal response time.

- (a) Applicable overtime lists which have been established shall be posted and kept up-to-date as overtime occurs.
- (b) When determined during a standard workday that additional personnel are needed for a period of time after the end of the standard workday, the overtime will be offered to those employees who are working.
- (c) If a new employee is hired or if an employee moves to a new department he/she shall be put on the Called Overtime list according to his/her seniority and charged with the same hours as the person of the same classification having the maximum hours charged on the list.
- (d) Employees who miss overtime because they are absent for any reason, or who refuse when offered, or who are not readily available by telephone, will be charged overtime as having been offered the overtime. The Department Head or Dispatcher shall maintain a record of telephone contacts and such record will be made available to the Steward on request. Time shall be charged against an employee who is unavailable due to worker's compensation, sick leave, vacation or personal leave or any other reason.

Excessive refusal or unavailability for overtime can cause undue hardship on other employees and will not be tolerated by management. Excessive unavailability may subject an employee to disciplinary measures. It is the responsibility of every employee to make themselves available for work during times of emergency, and in such cases, to contact COOPERATIVE personnel for instruction.

- (e) Overtime of less than thirty (30) minutes will not be charged.
- (f) On the effective date of this Agreement all prior records of overtime are null and void.

Section 15. Overtime shall not be duplicated for the same hours under any of the terms of this Agreement, and to the extent that hours are compensated for as overtime under one provision they shall not be counted as hours worked in determining overtime compensation under the same or any other provisions, except as specifically provided therefore.

Section 16. An employee who has completed his/her probationary period and is a member of a reserve component of the Armed Forces and who is required to enter upon active annual temporary training duty, shall be paid the difference between the amount of pay he/she received from the Federal or State government for such duty and his/her base hourly rate for the time lost while on such duty up to a maximum period of two (2) weeks per year, subject to the following provisions:

- (a) An employee must submit to his/her Department Head, as soon as possible after receipt, evidence of orders to report for training.
- (b) When the employee returns to work he/she must submit to his/her Department Head a statement supporting payment for such duty.
- (c) Time off from work paid for under this section will not be counted as hours worked in the computation of overtime or premium pay.

ARTICLE VIII WAGES

Section 1. The base hourly rates, labor grades and job classifications as set forth in Section 6 of this Article shall have been fixed on a permanent basis which remains in effect for the duration of this Agreement.

Section 2. An employee who moves to a classification having a higher labor grade shall begin at the starting rate of the higher labor grade. However, if such starting rate is the same or less than his/her existing rate, he/she shall begin at the next step rate of the higher labor grade above his/her existing rate, but not to exceed the maximum.

Section 3. An employee who at the request of the COOPERATIVE is temporarily required to do the work in a classification other than his/her own shall suffer no reduction in his/her rate of pay. An employee assigned temporarily to do work in a job classification in a higher labor grade will be paid at the starting rate for the higher labor grade.

Section 4. An employee recalled to a classification will assume a rate at the same relative position in the rate range as he/she had established when placed on the recall list for such classification.

Section 5. The COOPERATIVE agrees to pay Maintenance Leadman's pay to at least one person in the north area and the south area at all times. It shall be at the discretion of the COOPERATIVE whether to substitute a Maintenance Leadman on a daily basis, in accordance with the work load. If an employee is designated to substitute for a Maintenance Leadman, he/she shall be paid Maintenance Leadman's pay for regular or overtime work.

WAGES

Effective:	01/01/13	01/01/14	01/01/15	01/01/16	01/01/17
Construction Leadman	\$32.47	\$33.72	\$34.97	\$36.22	\$37.47
Maintenance Leadman	\$31.47	\$32.72	\$33.97	\$35.22	\$36.47
Lineman 1 st Class	\$30.35	\$31.60	\$32.85	\$34.10	\$35.35
Apprentice/Fourth Year	Ninety-five percent (95%) of the then existing wage rate for Lineman 1 st Class				
Apprentice/Third Year	Ninety percent (90%) of the then existing wage rate for Lineman 1 st Class				
Apprentice/Second Year	Eighty percent (80%) of the then existing wage rate for Lineman 1 st Class				
Apprentice/First Year	Seventy-five percent (75%) of the then existing wage rate for Lineman 1 st Class				
Warehouseman	\$31.36	\$32.61	\$33.86	\$35.11	\$36.36
Engineering Party Chief	\$30.64	\$31.89	\$33.14	\$34.39	\$35.64
Assist. Eng. Party Chief	\$28.69	\$29.94	\$31.19	\$32.44	\$33.69
Transit Man	\$27.61	\$28.86	\$30.11	\$31.36	\$32.61
Meterman 1 st Class	\$29.87	\$31.12	\$32.37	\$33.62	\$34.87
Meterman 2 nd Class	\$27.93	\$29.18	\$30.43	\$31.68	\$32.93
Meterman 3 rd Class	\$26.43	\$27.68	\$28.93	\$30.18	\$31.43
Mechanic	\$27.93	\$29.18	\$30.43	\$31.68	\$32.93
Groundman 15 years service	\$27.80	\$29.05	\$30.30	\$31.55	\$32.80
With 1-15 years service	\$26.43	\$27.68	\$28.93	\$30.18	\$31.43
With 0-1 years of service	\$25.56	\$26.81	\$28.06	\$29.31	\$30.56

**** THE FOLLOWING CLASSIFICATIONS ARE CURRENTLY VACANT**

Effective	01/01/13	01/01/14	01/01/15	01/01/16	01/01/17
Truck Driver/Groundman	\$27.17	\$28.42	\$29.67	\$30.92	\$32.17
With 8 years of service	\$27.61	\$28.86	\$30.11	\$31.36	\$32.61
With 15 years of service	\$28.48	\$29.73	\$30.98	\$32.23	\$33.48
Groundman/Right-of-way Supervisor	\$28.80	\$30.05	\$31.30	\$32.55	\$33.80
Laborer	\$24.39	\$25.64	\$26.89	\$28.14	\$29.39

25 CENT PER HOUR BONUS-UNION EMPLOYEES WITH OVER 20 YEARS OF SERVICE

Section 7. Effective July 1, 1975, all employees covered by this Agreement shall be paid on Friday of each week following one week's preparation time, from Sunday 12:01 a.m. to Saturday 12:00 p.m. In order to implement policy of paying on Friday of each week, the first payday will fall on July 13, 1975. When payday falls on a holiday, employees will be paid on the preceding day. (Amended 5/1/98)

In the event of a voluntary termination of employment an employee's final pay will be mailed or otherwise delivered on the regular scheduled payday. In the event of involuntary termination of employment the final pay will be mailed or otherwise delivered at the earliest practicable date.

Section 8. If a full-time employee (member of the UNION) is required to cut right-of-way, he/she will be paid at his/her regular rate of pay, plus fringes.

Section 9. Apprenticeship Program

The Apprenticeship Program for the position of (Lineman) shall be approved by the Kentucky Labor Cabinet. and administered by the COOPERATIVE. The determination of whether or not there is a need for a person in the Apprenticeship Program shall be made independently and exclusively by the COOPERATIVE. Such person or persons shall be selected by the COOPERATIVE and eligibility for entry into the Apprenticeship Program shall be that established by the Apprenticeship Program as now exists or which may hereafter be adopted by the COOPERATIVE. Selection of such apprentices by the COOPERATIVE will be on the basis of qualifications and all applications will be afforded equal opportunity without regard to race, color, national origin, age or handicap so long as the applicants meet the qualifications established by the Apprenticeship Program.

Training which takes place as part of the Apprenticeship Program and shall be established and outlined in such Apprenticeship Program or such other program as may be adopted by the COOPERATIVE. The term of the Apprenticeship Program, training, schooling, responsibilities and obligations of the apprentice, standards of performance and other such matters shall be that which are contained in the Apprenticeship Program or other program as may be adopted by the COOPERATIVE.

The term of apprenticeship shall not be less than four (4) years of continuous employment. Apprentices will be paid at the following hourly rates of pay:

Apprentice/First Year - Seventy-five percent (75%) of the then existing wage rate for Lineman First Class.

Apprentice/Second Year - Eighty percent (80%) of the then-existing wage rate for Lineman First Class.

Apprentice/Third Year - Ninety percent (90%) of the then-existing wage rate for Lineman First Class.

Apprentice/Fourth Year - Ninety-five percent (95%) of the then-existing wage rate for First Class Lineman

First Class Lineman

An apprentice shall be on probation throughout the entire period of the Apprenticeship Program and shall accrue no seniority until such time as he/she has completed the full Apprenticeship Program. At the point in time when an Apprentice completes the entire Apprenticeship Program and is accepted as a regular employee of the COOPERATIVE, then his/her seniority shall date from the first day of employment in the Apprenticeship program. In the event of a reduction of force in the Lineman classification, Apprentices shall be laid off first and, in the event more than one (1) Apprentice is involved in the Apprenticeship Program, such Apprentices shall be laid off in such order as the COOPERATIVE shall determine in its sole discretion.

An employee who leaves the Apprenticeship Program prior to completion shall have no transfer of other rights under the Agreement and his/her employment shall terminate. Further, the employment of any such Apprentice shall automatically terminate upon (1) failure of such Apprentice to comply or carry out any term or condition of the Apprenticeship Program; (2) failure to pass any periodic written, practical or other examination or (3) for such other reasons as may be determined by the COOPERATIVE. Under no circumstances, shall such termination of employment be subject to the grievance-arbitration procedure set forth in Article V of the Agreement. (Formerly Addendum #1 dated May 1, 1978).

ARTICLE IX SENIORITY

Section 1. Definitions:

- (a) Seniority - An employee shall become eligible for UNION membership on the thirty-first day of his/her employment and his/her seniority shall commence on the ninety-first day of his/her employment.
- (b) Vacancy - Shall be declared when it becomes necessary to place an employee in an existing or newly created position.
- (c) Surplus - A reduction of employees within a classification.

Section 2. An employee's continuous service with the COOPERATIVE shall consist of time actually spent on the payroll plus properly approved absences from work, to be determined under the following rules:

- (a) An employee may be granted a leave of absence not to exceed one (1) year for military service. All other requests for leave of absence are covered in various Board Policies, including Family Medical Leave and personal illness. If the leave of absence is granted, the employee shall not accumulate seniority, sick leave days, vacation days or holidays during that time, but will not lose prior seniority. The terms and conditions of **Board Policy 512 Leave of Absence, Military Leave, etc.,** shall prevail.
- (b) An employee who leaves the employment of the COOPERATIVE to enter the Armed Forces, either by enlistment or by draft, shall be reinstated as provided by Federal Law upon application within ninety (90) days after honorable discharge, provided he/she qualified under the seniority rules and is physically capable of performing the work required. Upon reinstatement, such employee will be given credit for continuous service prior to entering the Armed Forces plus credit for time spent in such service.
- (c) If any employee is laid off because of a reduction in force he/she must notify the COOPERATIVE in writing every ninety (90) days of his/her willingness to remain on the recall list to be given credit for continuous service prior to such layoff. If such layoff continues for more than two (2) years, he/she will not be given credit for continuous service prior to layoff.
- (d) An employee shall lose his/her continuous service when he/she is discharged, when he/she resigns, or when he/she is on the recall list and declines or fails to report or make satisfactory arrangements within five (5) working days after being notified of a re-employment opportunity. If such employee is later rehired, he/she shall be considered a new employee and his/her continuous service shall date from the date of his/her most recent hire.

An employee shall be considered to be notified of a re-employment opportunity when an offer of re-employment has been sent by registered mail to his/her address as recorded in his/her employee records.

Section 3. A new employee shall be considered a probationary employee and shall have no seniority rights for the first ninety (90) days of his/her employment. A probationary employee shall be subject to layoff, discipline, or discharge at the sole discretion of the COOPERATIVE provided there is no discrimination and nothing is done in violation of this Agreement.

Section 4. Reduction in force.

- (a) When a reduction in force is to be made in a classification, those having the least amount of classification seniority shall be the first to be declared surplus.
- (b) In accordance with (a), the employee with the least classification seniority may exercise one of the following options:
 - 1. Transfer to another department and/or classification for which he/she is qualified and displace any employee with less seniority.
 - 2. Accept a layoff.
- (c) An employee physically handicapped by reason of occupational injury while employed by the COOPERATIVE shall be given special consideration, subject to his/her qualifications and seniority if a vacancy occurs. Under no circumstances will the Cooperative be obligated to create a position to accommodate a handicapped/disabled employee.

An employee will be expected to return to work after extended sick leave upon receipt of a medical release from an attending physician and approved by the Cooperative's Workers Compensation Plan. Extended medical leave is defined as 10 weeks. The Cooperative reserves the right to review each individual situation with the Cooperative's Workers Compensation Plan administrators and attending physician. If it is determined that an employee is not likely to reach 100 percent recovery and is unable to meet the demands of his/her current position, that employee shall rely on the remedy available to them through Worker's Compensation and/or Long Term Disability.

- (d) In the event of a surplus, the Steward will be given a list of the names of employees who are surplus.
- (e) In the event of a layoff, the COOPERATIVE will mail to the UNION office a list of the names of the employees laid off.
- (f) When a reduction in force is necessary, the COOPERATIVE will notify employees who are affected as far in advance as possible.

Section 5. Filling a vacancy.

- (a) When the COOPERATIVE has determined that a vacancy exists in a classification, qualified employees on recall to that classification will be recalled in order of classification seniority, whether they have displaced other employees at the COOPERATIVE or have left the COOPERATIVE and are on the recall list.
- (b) When a vacancy cannot be filled by the procedures in (a) above, it will be posted for seven (7) calendar days at mutually agreed upon COOPERATIVE locations.
- (c) Vacancies will be awarded to the employee with the most seniority in another classification, who is qualified, and who has signed the posting subject to approval by the COOPERATIVE President & CEO. In the event a grievance is filed concerning qualifications under the preceding sentence, it shall be initiated at Step 2 of the grievance procedure. The hearing may be attended by the aggrieved employee and a representative of the UNION. If the grievance is not settled satisfactorily, it may be appealed to the Third Step in the grievance procedure. In the event a dispute concerning qualifications is referred by either party to arbitration, the Arbitration Board, as defined in Article V, Section 1, Step 4, of the Agreement shall have the authority to render a decision based on the criteria established by the COOPERATIVE.
 - 1. An employee who has been awarded a vacancy will be transferred as soon as possible but not later than thirty (30) days after being notified of the award.

2. An employee who has been awarded a vacancy will be required to accept the vacancy.
 3. An employee awarded a vacancy will be given up to thirty (30) days with proper instructions to learn the job. If he/she is unable to learn the job he/she may return to his/her base classification and displace the employee with the least classification seniority.
 4. When a vacancy cannot be filled by the procedure outlined above, consideration will be given to a qualified employee not on the active payroll but on an active recall list.
 5. Employees awarded vacancies will be advised by letter by the COOPERATIVE.
 6. After vacancies have been awarded, a list of the employees awarded such vacancies will be posted at each posting location. These lists will be identified, showing the classification in which the award was made. Copies of these lists will be sent to the UNION.
- (d) Pending the filling of a vacancy or in the assignment of an employee to temporarily fill a vacancy, the procedure below will be followed:
1. The classification from which supervision determines an assignment can be made will be canvassed in order of their seniority; if no one desires to move, the least senior employee is assigned temporarily to fill a vacancy. He/she will be returned to his/her prior assignment when the vacancy is permanently filled.

Section 6.

- (a) Within thirty (30) days after the date of this Agreement, the COOPERATIVE shall furnish the Business Manager of the UNION a seniority list and shall further post such list on the COOPERATIVE bulletin boards as shall be mutually agreed upon. This list shall be open for correction for a period of thirty (30) days thereafter and, if any employee does not make a protest in writing to his/her Department Head with a copy to the UNION within such thirty (30) day period, his/her seniority shall be as shown on the list.
- (b) Each six (6) months, current copies of seniority lists will be furnished by the COOPERATIVE for use by certified UNION representatives.

Section 7. The COOPERATIVE and the UNION agree not to discriminate against employees because of a "disability" as that term is defined and as is prohibited by the Americans with Disabilities Act and Kentucky law.

ARTICLE X SICKNESS AND ACCIDENT PLAN

Non-Occupational Disability Pay

Non occupational disability shall be handled in accordance with **Board Policy 504 Sick Leave, Accrual of Sick Leave and Accounting of Sick Leave Earned** and in accordance with all federal and state laws.

Section 1. Eligibility: Provided the "Conditions of Payment" outlined in Section 2 below are met, an employee will be eligible to receive non- occupational disability payments if:

- (a) He/she has completed ninety days (90) of continuous service as determined in accordance with the rules set forth in Article IX, Section 2.
- (b) He/she provides the COOPERATIVE, if it feels there is misuse of the sickness and accident plan and so requests, with a doctor's certificate subject to confirmation by a doctor selected by the COOPERATIVE.

Section 2. Conditions for payment: Non-occupational disability payments shall not be made for:

- (a) Any sickness or injury caused indirectly by war or riot; or
- (b) Any intentionally self-inflicted injury.
- (c) Any employee who is absent from work because of an occupational disability arising out of and in the course of his employment, or purposely self-inflicted, or due to willful misconduct, violation of plant rules, or refusal to use safety appliances.

Section 3. Accrual and Amount of Payment.

- (a) Payments at the employee's base hourly rate shall be made for non-occupational disability not to exceed the number of days of sick leave accrued to the employees credit.
- (b) Employees shall accrue sick leave at the rate of one (1) working day per month, with a maximum limitation of one hundred twenty (120) days that can be accumulated. Employees shall be required to furnish a doctor's certificate to substantiate all illness claims that exceed three (3) days. Any sick days which an employee has in excess of one hundred twenty (120) days will be paid by December 31 of the year involved. Further, employees will be permitted to use up to three (3) days of accumulated sick leave per year in accordance with **Board Policy # 504 Sick Leave, Accrual of Sick Leave and Accounting of Sick Leave** earned as personal days. In order to take such days, an employee must notify, and obtain approval of the employee's immediate supervisor before the employee's shift begins.
- (c) Payments are applicable only for the standard working schedule of forty (40) hours per week or eight (8) hours per day, Saturdays, Sundays, and holidays excluded.
- (d) An employee shall not be required to furnish a doctor's slip for a three (3) day absence from work due to illness. In the event an employee is found to be abusing the leave of absence clause by substantial proof, the COOPERATIVE upon written notification to the UNION Steward and Local Union 317 of the I.B.E.W. may immediately suspend the said employee three (3) working days without pay. The employee will be subject to immediate dismissal upon second violation. (Amended 5/1/75)
- (e) An employee shall be paid all accumulated sick leave at age 62 and upon retirement from the COOPERATIVE.

Section 4. All disability payments provided for in this Agreement shall be reduced by the amount or amounts of any other benefit which might provide through state or federal legislation or workmen's compensation from the same type of disability and for the same period of absence. Such period of absence to be deducted from accrued sick leave.

Section 5. For any accident or sickness which qualifies for weekly benefits under the NRECA Comprehensive Major Medical Coverage Program, the employee will be required to exhaust all days of sick leave accrued to the employee's credit prior to being eligible for any such accident and sickness weekly benefits. Such checks which are received by an employee prior to exhausting days of sick leave accrued to his/her credit will be endorsed payable to the COOPERATIVE. **Board Policy 504 Sick Leave, Accrual of Sick Leave and Accounting of Sick Leave Earned.**

Section 6. Occupational Disability

Occupational disability shall be handled in accordance with **Board Policy # 504 Sick Leave, Accrual of Sick Leave and Accounting of Sick Leave Earned** and in compliance with all state and federal laws.

ARTICLE XI

LEAVE OF ABSENCE

Section 1. Leave of Absence Without Pay

- (a) An employee may be granted a leave of absence for personal reasons without pay up to fifteen (15) consecutive calendar days upon application to the COOPERATIVE in writing, provided the employee presents evidence acceptable to the COOPERATIVE that such leave of absence is for a reasonable purpose and provided further that such leave of absence will not unreasonably interfere with operations. Such leave may be extended where necessary upon application for extension in writing and upon presentation of evidence satisfactory to the COOPERATIVE that such extensions is necessary, provided such extension does not unreasonably interfere with operations.
- (b) An employee will be granted a leave of absence for the period of a medical disability upon presentation of evidence satisfactory to the COOPERATIVE. An employee who returns to work after a leave of absence for medical disability will be reinstated in the classification which he/she left, provided he/she first obtains a medical clearance from his/her personal doctor, subject to the confirmation by a doctor, selected by the COOPERATIVE. (The doctor selected by the COOPERATIVE will be paid directly by the COOPERATIVE.)
- (c) Leave of Absence with Pay:
 - (1) An employee will be granted a reasonable leave of absence with pay in accordance with **Board Policy # 512 Leave of Absence, Military Leave, etc.**

Section 2. An employee who is absent from work for three (3) of his/her successive scheduled workdays, without notifying the COOPERATIVE, unless physically unable, will be considered to have resigned voluntarily. If the employee claims that such absence was because he/she was physically unable to work, then he/she shall be required to provide to the COOPERATIVE a doctor's certificate to substantiate that he/she was physically unable to work. The COOPERATIVE reserves the right to require the employee to be examined by a doctor selected by the COOPERATIVE to prove that his/her absence was because he/she was physically unable to work.

Section 3. An employee who does not return to work on his/her first scheduled workday following the expiration of his/her leave of absence or any extension thereof without notifying the COOPERATIVE, unless physically unable, will be considered to have resigned voluntarily. If the employee claims that such absence was because he/she was physically unable to work, then he/she shall be required to provide to the COOPERATIVE a doctor's certificate to substantiate that he/she was physically unable to work. The COOPERATIVE reserves the right to require the employee to be examined by a doctor selected by it to prove that his/her absence was because he/she was physically unable to work.

ARTICLE XII

HEALTH AND SAFETY

Section 1. The UNION and the COOPERATIVE will cooperate to further improve the safety program. Employees may present to appropriate supervisor recommendations in writing, on matters relative to safe, sanitary and healthful working conditions. Employees will be advised in writing of any action taken on said recommendations by the COOPERATIVE.

Section 2. The UNION Steward in addition to his/her representative functions shall be designated as the Employees' Safety Representative. If an employee feels that he/she is being required to work under conditions which are unsafe, beyond the normal hazards of the operation in question, the employee may, after discussing the matter with his/her Department Head, contact the Employees' Safety Representative to discuss the problem. If the problem is not resolved with the employee's Department Head, the Employee's Safety Representative may contact the President & CEO of the COOPERATIVE for a final decision. Any discipline for safety reasons shall be reviewed with the IBEW Business Manager.

Section 3. The COOPERATIVE will continue to make provision for the safety and health of the employees while at work. The COOPERATIVE will provide safety equipment, flame retardant clothing and other devices according to applicable safety codes. Employees will be required to wear FR clothing and use all

safety equipment for their own protection, including fall restraint devices.

The COOPERATIVE will furnish all union employees with OSHA rated flame retardant clothing. Each year, all union employees will receive 5 pairs of FR jeans, 5 FR short sleeved tee shirts, 5 long sleeved FR tee shirts, and 5 FR long sleeved button up shirts. The Cooperative will also furnish FR coveralls, coats/jackets and sweatshirts as needed. The Cooperative will pay for employee's safety straps and/or pole climber gaffs and will furnish fall restraint harnesses when it has been determined by the Safety Committee they are worn to the point they are unsafe to use. Pole climber gaff replacement is limited to pole climbers with replaceable gaffs. Old safety straps and/or pole climber gaffs will become property of the COOPERATIVE for disposal.

The COOPERATIVE will pay one hundred twenty-five dollars (\$125) per year toward the purchase of prescription eyeglasses that meet OSHA standards for safety. The COOPERATIVE will not pay for eye examinations or medical treatment other than that covered by the COOPERATIVE'S medical insurance or workers compensation coverage. The COOPERATIVE will pay the difference in regular license and a Commercial Driver's License for Union members required to have CDL licenses, upon presentation of proper receipt of same.

The Cooperative will pay for the use of employee's personal cell phones in accordance with Board Policy 530, Cell Phone Policy.

The COOPERATIVE will credit each UNION employee's personal 143.00 account in the amount of \$250.00 on January 1st of each year of this agreement for the purchase of approved boots and tools necessary to the job.

Section 4. The COOPERATIVE and the UNION agree to abide by and follow explicitly the safety rules set forth by the National Electrical Safety Code and the National Fire Code-Electrical, safety codes specified by the Rural Utilities Services of the United States Department of Agriculture, safety codes established by the State of Kentucky and its political subdivisions, safety manual for rural electrical systems, and the rules and procedures established by the COOPERATIVE. Copies of these safety codes, rules and procedures will be made available by the COOPERATIVE so that employees may familiarize themselves with same.

In case of conflict between the rules of the various agencies listed above, the one affording the greatest protection to the employees shall apply.

Section 5. When a journeyman lineman is working on energized lines or equipment of 750 volts or above, the journeymen performing the work and the Dispatcher, or other representative designated by the COOPERATIVE, shall determine if and when he/she needs assistance and should be supplied same. At least two qualified workmen shall be provided where work is performed on live circuits of more than 750 volts between conductors. It is hereby agreed and expressly understood that the above does not restrict a qualified workman from working alone, from setting and removing meters, connecting or disconnecting services, opening and closing fuse disconnects, operating OCR's and OCB's (opening and closing) and also CSP or conventional transformers or other routine work. It is agreed that the above does not restrict a qualified workman working alone, from performing the necessary work of restoring service in the sub-station.

Section 6. No less than five (5) employees will be used when erecting poles of greater length than twenty-five (25) feet by hand. This does not include poles erected with mechanized equipment.

ARTICLE XIII INSURANCE & RETIREMENT

Section 1. The current retirement plan will remain in effect during the term of this Agreement under the following conditions:

Effective May 1, 1989 the members of the UNION shall be entitled to retire upon attaining age 62 in accordance with the retirement plan provided for the UNION by the COOPERATIVE through the National Rural Electric Cooperative Association as set out in Article XIII of this Agreement.

Section 2. The COOPERATIVE shall have the right to change insurance carriers for any of the group insurance programs as set forth in this Agreement and in Board Policies at any time and modify and change coverage's at any time. The COOPERATIVE will, however, make reasonable effort to meet with the UNION'S Steward(s) before any changes as described are considered and voted upon by the Plan Representatives. The COOPERATIVE will also meet with the UNION'S Steward(s) after any changes to the Plan are considered, voted upon by the Plan Representatives and made. Nothing in this Agreement will change any of the terms or provisions of the contract or contracts existing between the insurance carrier and the COOPERATIVE, nor require the COOPERATIVE to continue the contract or contracts now existing between the insurance carrier(s) and the COOPERATIVE.

Section 3. The sole purpose of this article is to define those policies for which the COOPERATIVE and the employee will share the cost on the basis stated in Section 4 below.

Section 4. BENEFITS

PROGRAM	ELIGIBILITY	BENEFIT	PAID BY
RS&I	Employees	NRECA – Age 62 Benefit Level 2.0	Cooperative
401K	Employees	NRECA SelectRE – The Cooperative will contribute an amount equal to that portion formerly paid for LTD to a 401K Plan for each employee, in lieu of that contribution. (Effective May 1, 1996)	Cooperative
	Employee		Emp./Voluntary
Major Medical/Hospitalization	Employees, and Eligible Dependents, Attorney & Dependents	Hospitalization/Prescription Drug Health Savings Account, \$3,000/\$6,000 deductible, with a Contribution from the Cooperative of \$3,250 per employee per year.	Cooperative
	Retired Employees & Eligible Dependents	If Medicare eligible, a Medicare supplement plan with prescription drug coverage will be provided. Retired employees under 65 will have coverage the same as an active employee until Medicare eligible. Employees and dependents who are Medicare eligible will not pay for coverage unless they elect to purchase enhanced Drug Coverage. An employee on LTD could become Medicare eligible after 2 years and coverage shall be provided accordingly.	Cooperative
	Spouse/Dependents Of a Deceased Active Employee, Retired Employee and Deceased Active Director	At the death of an active employee or retired employee or deceased employee, coverage selected by the Cooperative will be provided to the Spouse and eligible dependents until other coverage is available to the Spouse/Dependents through an employer, remarriage, or until the dependent child is no longer eligible for coverage. Some contribution to the cost of coverage may be	Cooperative

necessary, according to the participant's choice of plan.

Term Life Insurance	Employees	NRECA Group Term Life of two (2) Times your Salary	Cooperative
	Employees	Additional NRECA Group Life and AD&D coverage for self and dependents.	Cooperative will pay \$50 annually. Additional coverage can be purchased by employee.
	Retirees	NRECA Retired Life Plan	Rtr. Voluntary
Business Travel	Employees	NRECA BTA \$100,000.	Cooperative
Long Term Disability	Employees	NRECA ElectREWAGE begins after 13 weeks of sick leave and or STD until Employee's normal retirement date.	Employee
Short Term Disability	Employees	Cooperative Self- Funded Short Term Disability 66 2/3% (.6667) Board Policy # 504.	Cooperative

DISCONTINUANCE OF BENEFITS

Coverage under each type of benefit will cease on the earliest to occur of the following dates:

1. The date the Plan is discontinued.
2. The date you are no longer eligible for the type of benefit either because of an amendment to the Plan or because you have become a member of an ineligible group of employees.
3. The date that any required contribution on your part is due and unpaid.
4. The date you enter the Armed Forces on full-time active duty.
5. The date an employee becomes eligible for Long Term Disability and Medicare, they will be treated as retired and no longer a part of the Bargaining Unit.
6. The COOPERATIVE recognizes that an employee might have to take temporary long term disability in order to completely recover from an injury or illness and will be treated in accordance with **Board Policy # 524 Reinstatement After Extended Sick Leave.**

The above is subject to the terms and conditions as stated and explained in the individual policies.

Section 5.

- (a) The insurance program stated in Section 4 above will be made available to the employee during the entire period of any approved leave of absence.

- (b) Subject to the limitations of any of the insurance plans, an employee, while on unpaid leave of absence in excess of thirty (30) days, may continue coverage provided he/she makes arrangements to pay the full monthly premium at the time an invoice for such premium is presented to the COOPERATIVE by the insurance carrier. An employee on leave of absence for occupational disability or long-term disability shall not be required to pay any premiums other than those specified in Section 4 above.

Section 6. Whenever the insurance carrier notifies the COOPERATIVE of an increase or decrease in the cost of insurance to the employees, such announcement, immediately upon receipt by the COOPERATIVE, will be placed on all COOPERATIVE bulletin boards and a copy will be forwarded to the Business Manager of the UNION.

ARTICLE XIV MISCELLANEOUS

Section 1. Non-bargaining unit personnel shall not be prevented from performing necessary functions such as instruction or assistance to employees, provided the assistance rendered does not displace any of their personnel doing the work, or from operating equipment or processes in emergencies or for experimental, developmental, statistical and engineering purposes.

Section 2.

- (a) The COOPERATIVE will contract as it deems necessary with experienced professional engineering firms registered in Kentucky, to perform work of a developmental, experimental, statistical or engineering nature, and such firm may perform manual work as required by professional employees within its employment, or the COOPERATIVE may assign employees of the bargaining unit to work with employees of the firm as shall be arranged between the COOPERATIVE and the firm so contracted with.
- (b) The COOPERATIVE agrees that in its notice to Bidders for the construction, erection and/or purchasing of electric utility plant, a statement will be made that this agreement exists between the UNION and the COOPERATIVE.
- (c) The COOPERATIVE will contract, as it deems necessary, for the construction and/or erection of electric transmission, generation and/or distribution plant, building and equipment, and single-phase, membership extensions. The COOPERATIVE will discuss with employees prior to executing such contract, whenever cost analysis indicate the need to contract for labor. It is agreed that Local Union No. 317 of International Brotherhood of Electric Workers may place on file with the COOPERATIVE a list of contractor's signatory to an agreement with I.B.E.W. The COOPERATIVE agrees to send notice to bid on proposed contracts to the contractors on said list. Contracts for construction of single-phase membership extensions will not be executed to replace any employee presently on the active recall list.

Section 3. No employee shall be discriminated against by reason of race, color, or national origin, age or handicap.

Section 4. The UNION shall be permitted the use of exclusive bulletin space in the main office and garage readily accessible to employees for the purpose of posting notices and announcements of official UNION business. The COOPERATIVE will be advised of all such notices before posting.

Section 5. The UNION agrees to furnish the COOPERATIVE with a current list of its accredited representatives. The COOPERATIVE agrees to furnish the UNION with a current list of supervisors concerned with the administration of the provisions of this Agreement. Revisions to such lists are to be furnished as changes are made by either party.

Section 6. The COOPERATIVE will give the UNION prior written notice, where practicable, of changes in policies contained in the COOPERATIVE's Policy Manual which directly affect employees of the bargaining unit.

Section 7. In the event that any of the provisions of this Agreement are found to be in conflict with any valid Federal or State laws now existing or hereinafter enacted, it is agreed that such law shall supersede the conflicting provisions without in any way affecting the remainder of these provisions.

Section 8. Should any job classification be omitted from Article VIII, Section 6, or created after the signing of this Agreement, the UNION and the COOPERATIVE shall meet and negotiate to amend this Agreement to include such classification.

Section 9. The COOPERATIVE acknowledges receipt of a copy of the constitution of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS and the UNION agrees to notify the COOPERATIVE of any changes or amendments thereof within sixty (60) days after they become effective.

Section 10. Dues Deduction. Effective First day of July, 1975. (Amended 5/1/75) Subject to applicable laws and upon receipt of a written authorization from an employee within the bargaining unit, written on a form approved by the COOPERATIVE, the COOPERATIVE shall deduct from each weekly pay due such employee union dues not to exceed an amount certified by the UNION. Such authorization shall continue in effect for the duration of this agreement, or until receipt by the COOPERATIVE of a written notice of revocation of such authorization by the employee, or when the employee ceases to be represented by the UNION in the bargaining unit, whichever occurs earlier.

The COOPERATIVE shall have no obligation to collect UNION dues for any week in which the employee's pay (after all other deductions) is less than the amount of such dues.

The UNION shall indemnify and save the COOPERATIVE harmless against any and all claims, demands, lawsuits, or other forms of liability that may arise out of or by reason of action taken by the COOPERATIVE in making payroll deductions of UNION membership dues as hereinabove defined.

The sum of UNION dues so collected shall be paid quarterly by the COOPERATIVE to the Financial Secretary of Local Union #317 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO. The Financial Secretary will issue a receipt in the name of the Local Union for each payment. The COOPERATIVE shall prepare and submit to the Financial Secretary quarterly a list of employees from whom UNION dues deductions were designating the amount deducted from each employee, plus a list of the names of employees removed from or added to the payroll during the current quarter.

ARTICLE XV EMPLOYEES' COOPERATION

Section 1. It is understood by both parties hereto that a greater part of the COOPERATIVE's lines are rural lines and that the revenue from said lines does not justify the paying of the same rate of pay as urban utilities' rates of pay, and that the workmen of the COOPERATIVE shall not follow the usual strict lines of demarcation of limited services usually specified to each class of workmen. It is therefore agreed by the UNION that all employees regardless of their classification, shall assist fellow employees in any work they are capable of doing or may be called on to perform that tends to expedite the business of the COOPERATIVE and on the particular job to which they have been assigned.

ARTICLE XVI TERM OF AGREEMENT

Section 1. This Agreement shall become effective as of January 1, 2013. Except as provided in Section 3 below, it shall continue in effect for a term of approximately five (5) years until 12:01 a.m., January 1, 2018, and shall automatically be renewed thereafter from year to year unless written notice is given by either party sixty (60) days prior to the expiration date that it is desired to terminate or amend this Agreement.

Section 2. Both notice of request for re-negotiation and lists of items to be amended will be sent by registered mail to the following:

- (a) INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION NO. 317,

550 Adams Avenue, Huntington, West Virginia

(b) GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION, Grayson, KY.

Section 3. Successor Clause

This agreement shall be binding upon the parties hereto, their successors and assigns. In the event that the Employer sells or transfers that part of its operations covered by this Agreement, such part of its operations shall continue to be subject to the terms and conditions of this Agreement for the term of said Agreement. The employer shall give notice of the existence of this Agreement to any purchaser or transferee of that part of the Employer's operation covered by this Agreement.

ARTICLE XVII APPROVAL

This Agreement between the UNION and the COOPERATIVE is subject to ratification by the employees covered by this agreement and to the approval of the International Office of the UNION and shall be effective only if so approved.

IN WITNESS WHEREOF the duly chosen representatives of the parties to this Agreement have hereunto set their hands this 20th day of December 2012.

GRAYSON RURAL ELECTRIC
COOPERATIVE CORPORATION

LOCAL UNION NO. 317 OF THE
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS

By *Quinn Hill*
President & CEO

By *James J. Gillette*
Business Manager

Roger L. Hunt
Bob E. Martin
Donnie

Christopher M. Marcus
Richard Easton
Joseph M. [Signature]

APPROVED
INTERNATIONAL OFFICE - I. B. E. W.

MAR 11 2013

Alvin D. Hill, President
This approval does not make the
International a party to this agreement.

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Monthly TIER for last 30 months

Response: Monthly OTIER values are included in Exhibit B

A narrative of Grayson's response to RUS concerning its deteriorating financial condition follows.

2010

All in all, a very normal year for kwh sales & margins.

2011

- EKP wholesale rate increase flow through on a proportional basis as of January.
- Mild winter temperatures in Jan and Feb.
- Decreased Load factor (Revenue decreasing & Purchased power cost increasing) – Exhibit A.
- EKP's rate design seemed to increase the negative effect.
- Most all distribution coops were experiencing similar financial pressures.
- Spent entire year attempting to encourage EKP to modify wholesale rate structure to lessen the negative effect of low load factor, low energy usage scenario. EKP refused to entertain a remedy.
- Grayson was hopeful that winter temperatures would return to normal and sales would pick up, along with margins and TIER levels.
- However, they did not and the mild temperatures, low energy usage continued into 2012.
- Grayson's "Operating" margins went from \$941,000 to a \$785,000 deficit in one year. Exhibit B, sheet 2.
- Grayson began to communicate to its Board that if kwh sales did not improve in 2012, a rate adjustment may be necessary.

2012

- By the end of the first quarter, when it was apparent that kwh sales and margins were not improving, we began to plan for a rate adjustment.
- Notification of not meeting OTIER requirements in 2011 by RUS (3/27/12) and reply of Grayson (4/12/12).
- Grayson developed an "austerity plan" to postpone projects that were not immediately necessary.
- Response by RUS (5/24/12) and response by Grayson (6/11/12).
- Grayson was beginning to believe that low usage, low load factor might continue for a while.
- By summer, it was apparent that we were not going to recover and began preparing for a rate adjustment in October, which was completed in December and finally accepted in January.

Monthly Load Factors

Purchases		DEMAND	KWH	\$	UNIT	LD FCT	
2010	January	63,341	33,424,784	\$	2,255,038	\$ 0.0675	73%
	February	57,670	29,219,860	\$	2,024,380	\$ 0.0693	70%
	March	56,737	23,202,333	\$	1,533,361	\$ 0.0661	57%
	April	36,431	17,288,222	\$	964,540	\$ 0.0558	66%
	May	42,585	18,670,712	\$	1,080,671	\$ 0.0579	61%
	June	49,826	22,982,666	\$	1,477,215	\$ 0.0643	64%
	July	52,282	25,442,090	\$	1,729,418	\$ 0.0680	68%
	August	55,632	24,772,006	\$	1,690,912	\$ 0.0683	62%
	September	47,505	18,731,845	\$	1,291,562	\$ 0.0690	55%
	October	49,588	22,320,222	\$	1,375,048	\$ 0.0616	63%
	November	40,027	18,111,221	\$	1,098,058	\$ 0.0606	63%
	December	69,330	33,300,056	\$	2,238,111	\$ 0.0672	67%
		<u>620,954</u>	<u>287,466,017</u>	<u>\$</u>	<u>18,758,314</u>	<u>\$ 0.0653</u>	<u>64%</u>
2011	January	66,761	32,080,464	\$	2,272,447	\$ 0.0708	67%
	February	68,052	24,655,768	\$	1,727,830	\$ 0.0701	50%
	March	46,648	22,820,040	\$	1,436,708	\$ 0.0630	68%
	April	42,991	17,435,848	\$	1,224,685	\$ 0.0702	56%
	May	47,413	18,743,821	\$	1,295,329	\$ 0.0691	55%
	June	48,854	20,458,633	\$	1,536,216	\$ 0.0751	58%
	July	52,856	25,571,688	\$	1,816,645	\$ 0.0710	67%
	August	51,273	17,974,880	\$	1,365,353	\$ 0.0760	49%
	September	42,592	19,190,134	\$	1,366,901	\$ 0.0712	63%
	October	42,592	19,190,134	\$	1,366,901	\$ 0.0712	63%
	November	50,478	21,100,143	\$	1,611,989	\$ 0.0764	58%
	December	54,190	25,977,715	\$	1,885,258	\$ 0.0726	67%
		<u>614,700</u>	<u>265,199,268</u>	<u>\$</u>	<u>18,906,262</u>	<u>\$ 0.0713</u>	<u>60%</u>
2012	January	54,266	27,569,890	\$	1,958,185	0.0710	71%
	February	56,717	23,993,230	\$	1,707,702	0.0712	59%
	March	48,681	19,081,833	\$	1,353,117	0.0709	54%
	April	39,286	17,301,235	\$	1,175,202	0.0679	61%
	May	46,817	18,903,170	\$	1,368,279	0.0724	56%
	June	56,468	20,243,026	\$	1,547,427	0.0764	50%
	July	56,343	24,794,000	\$	1,770,804	0.0714	61%
	August	50,392	21,874,421	\$	1,562,153	0.0714	60%
	September	44,985	18,054,034	\$	1,354,759	0.0750	56%
	October	39,872	19,126,602	\$	1,385,833	0.0725	67%
	November	51,884	23,642,618	\$	1,800,485	0.0762	63%
	December	52,118	25,619,863	\$	1,954,640	0.0763	68%
		<u>597,829</u>	<u>260,203,922</u>	<u>\$</u>	<u>18,938,586</u>	<u>\$ 0.0728</u>	<u>61%</u>
2013	January	60,229	28,581,771	\$	2,005,585	0.0702	65.91%
	February	56,994	25,865,070	\$	1,840,912	0.0712	63.03%
	March	56,184	26,448,451	\$	1,845,738	0.0698	65.38%
	April	47,039	18,207,168	\$	1,392,200	0.0765	53.76%
	May					#DIV/0!	#DIV/0!
	June					#DIV/0!	#DIV/0!
	July					#DIV/0!	#DIV/0!
	August					#DIV/0!	#DIV/0!
	September					#DIV/0!	#DIV/0!
	October					#DIV/0!	#DIV/0!
	November					#DIV/0!	#DIV/0!
	December					#DIV/0!	#DIV/0!
		<u>220,446</u>	<u>99,102,460</u>	<u>\$</u>	<u>7,084,435</u>	<u>\$ 0.0715</u>	<u>#DIV/0!</u>

Monthly Operating Rev & Exp

	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	June 2010	July 2010	August 2010	September 2010	October 2010	November 2010	December 2010
Revenue		(3,586,328)	(2,827,846)	(2,035,171)	(1,643,027)	(2,142,904)	(2,658,883)	(2,934,024)	(2,285,270)	(1,882,052)	(2,101,469)	(2,961,809)	(3,585,821)
Purchased Power		2,255,038	2,024,563	1,533,361	964,540	1,080,671	1,477,215	1,729,418	1,690,912	1,291,562	1,098,058	1,375,048	2,238,111
Gross Margins		(1,331,290)	(603,083)	(501,810)	(678,487)	(1,062,233)	(1,082,668)	(1,204,606)	(574,358)	(590,490)	(1,003,411)	(1,586,761)	(1,327,710)
Operations		86,436	94,671	102,492	76,651	89,917	96,879	84,210	104,087	88,464	102,945	96,874	120,092
Maintenance		225,121	149,884	170,820	192,303	186,188	218,494	185,348	193,821	168,861	269,092	213,296	276,697
Customer Service		84,643	74,427	77,489	81,645	75,253	75,330	88,703	93,814	79,820	83,195	78,648	117,728
Informational Advertising		18,341	15,330	21,376	21,846	15,864	15,864	16,109	21,846	19,130	26,874	18,288	20,735
Demonstration Advertising		2,851	1,578	3,007	2,332	1,693	3,208	2,218	3,085	2,947	3,139	2,636	2,378
Admin & General		137,381	135,287	141,735	133,013	153,310	156,879	131,297	139,281	133,081	160,131	147,031	167,447
Depreciation		222,746	223,971	224,555	226,357	227,118	227,675	228,414	224,421	231,350	231,808	232,384	234,938
Regulatory		2,253	2,253	2,253	2,253	2,253	2,712	2,712	2,712	2,712	2,712	2,712	2,714
Interest - LTD		100,752	92,300	97,933	98,411	97,907	98,088	98,825	97,205	97,154	98,749	94,453	98,818
Interest - Deposits		8,043	6,022	6,019	5,996	5,987	6,003	6,054	6,085	6,155	6,145	6,188	5,720
Miscellaneous Expense		16,598	15,501	15,099	14,853	16,788	11,893	14,004	15,835	(21,957)	14,786	19,576	18,671
Interest Income		(2,521)	(2,487)	(2,466)	(2,477)	(2,490)	(2,481)	(2,487)	(2,476)	(2,514)	(2,474)	(2,476)	(2,487)
Non-Electric Revenue		(11,644)	(282)	(28,247)	(152)	(903)	(2,025)	(785)	9,840	57	(16,073)	829	976
Capital Credits		-	-	-	-	-	(4,609)	785	9,840	57	(16,073)	829	2,819
Margins		(462,290)	205,370	332,532	172,344	(193,338)	(178,791)	(368,404)	334,998	177,660	(22,402)	(676,522)	(262,266)
* ()'s = positive margins													
Operating Expenses		883,165	811,222	862,778	853,460	872,288	913,002	837,894	901,992	807,717	999,556	911,886	1,064,136
Monthly OTIER		5.59	(1.23)	(2.40)	(0.79)	2.97	2.82	4.73	(2.45)	(0.83)	1.23	8.16	3.71

Rolling 12 Month Totals

Revenue	(27,965,658)												(30,305,404)
Purchased Power	17,711,230												18,758,497
Gross Margins	(10,254,428)												
Operations	1,137,267												1,123,518
Maintenance	2,479,133												2,449,725
Customer Service	821,582												890,693
Informational Advertising	203,974												231,400
Demonstration Advertising	30,205												31,070
Admin & General	1,573,284												1,735,873
Depreciation	2,293,879												2,735,737
Regulatory	27,037												30,251
Interest - LTD	1,228,900												1,166,575
Interest - Deposits	72,838												72,417
Miscellaneous Expense	128,380												151,837
Interest Income	(29,544)												(29,836)
Non-Electric Revenue	(65,048)												(67,147)
Capital Credits	(46,309)												(87,147)
Margins	(398,850)												(941,109)
Operating Expense	9,996,479												10,719,096
Rolling 12 Month OTIER	1.32												1.81

Monthly Operating Rev & Exp

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011
Revenue	(3,416,826)	(2,327,366)	(2,101,526)	(1,930,852)	(2,223,037)	(2,549,107)	(2,803,591)	(2,281,167)	(2,001,070)	(2,399,329)	(2,706,616)	(3,158,602)
Purchased Power	2,272,447	1,727,013	1,436,708	1,224,685	1,295,329	1,536,216	1,816,645	1,696,697	1,365,353	1,366,901	1,611,989	1,885,258
Gross Margins	(1,144,379)	(600,353)	(664,818)	(706,167)	(927,708)	(1,012,891)	(986,946)	(584,470)	(635,717)	(1,032,428)	(1,094,627)	(1,273,344)
Operations	95,813	72,936	108,592	97,709	107,045	106,486	101,252	99,970	97,416	86,910	82,861	83,604
Maintenance	219,796	230,743	228,797	315,575	280,372	271,751	291,603	246,977	261,140	204,688	188,643	209,242
Customer Service	88,920	87,880	101,331	76,284	103,109	87,954	92,015	93,121	81,782	84,139	87,448	62,950
Informational Advertising	20,672	23,704	25,138	22,211	19,770	14,619	14,517	20,011	18,246	22,815	21,661	15,580
Demonstration Advertising	3,323	3,705	4,385	3,231	3,423	2,829	2,588	3,333	2,955	4,000	1,636	1,554
Admin & General	169,729	160,223	174,832	175,564	186,111	140,210	138,856	146,843	138,750	182,377	210,417	110,643
Depreciation	235,308	235,603	236,785	238,703	239,377	241,291	242,005	242,856	243,689	244,207	244,574	245,115
Regulatory	2,521	2,521	2,521	2,521	2,521	2,550	2,538	2,538	2,538	2,538	2,538	2,538
Interest - LTD	70,309	67,717	84,042	90,435	86,727	88,693	86,956	87,742	86,707	86,112	85,711	85,541
Interest - Deposits	6,202	6,187	6,205	6,213	6,167	6,179	6,197	6,208	6,289	6,331	6,287	6,348
Miscellaneous Expense	17,218	4,391	5,684	10,247	8,633	(8,018)	3,136	8,497	8,446	6,840	6,484	9,546
Interest Income	(2,486)	(2,495)	(2,476)	(2,501)	(2,488)	(2,473)	(2,501)	(2,481)	(2,508)	(2,469)	(2,484)	(2,469)
Non-Electric Revenue	1,448	(8,854)	(5,161)	(230)	10,077	14,328	3,587	13,598	929	9,758	56,260	6,008
Capital Credits	-	-	(28,619)	-	-	(1,991)	-	-	(4,334)	(17,524)	-	-
Margins	(215,606)	283,908	277,238	329,795	123,136	(48,483)	(4,197)	384,743	306,328	(111,706)	(102,591)	(437,144)
* ()'s = positive margins												
Operating Expenses	929,811	895,610	978,312	1,038,893	1,043,255	954,544	981,663	958,096	947,958	930,957	938,260	832,661
Monthly OTIER	4.07	(3.19)	(2.30)	(2.65)	(0.42)	1.55	1.05	(3.38)	(2.53)	2.30	2.20	6.11

Rolling 12 Month Totals

Revenue	(30,135,902)	(29,835,622)	(29,901,977)	(30,189,802)	(30,269,935)	(30,259,159)	(30,128,726)	(30,144,623)	(30,263,641)	(30,561,501)	(30,306,308)	(29,899,089)
Purchased Power	18,775,906	18,478,356	18,381,703	18,641,848	18,856,506	18,915,507	19,002,734	19,008,519	19,082,310	19,351,153	19,588,094	19,235,241
Gross Margins												
Operations	1,152,895	1,131,160	1,137,260	1,158,318	1,175,446	1,185,053	1,202,095	1,197,978	1,206,930	1,190,895	1,177,082	1,140,594
Maintenance	2,444,400	2,525,259	2,583,236	2,706,508	2,800,692	2,853,949	2,960,204	3,013,560	3,105,839	3,041,435	3,016,782	2,949,327
Customer Service	994,970	1,008,423	1,032,265	1,026,904	1,054,760	1,067,384	1,090,696	1,090,003	1,091,965	1,092,909	1,101,709	1,046,933
Informational Advertising	233,731	242,105	245,867	246,432	250,338	249,096	247,504	245,689	244,785	240,726	244,099	238,944
Demonstration Advertising	31,542	33,671	35,049	35,948	37,678	37,299	37,669	37,917	37,925	38,786	37,786	36,962
Admin & General	1,768,221	1,793,157	1,826,254	1,868,805	1,901,606	1,884,937	1,892,496	1,900,058	1,905,727	1,927,973	1,991,359	1,934,555
Depreciation	2,748,299	2,759,931	2,772,161	2,784,507	2,796,766	2,810,382	2,823,973	2,842,408	2,854,747	2,867,146	2,879,336	2,889,513
Regulatory	30,519	30,787	31,055	31,323	31,591	31,429	31,255	31,081	30,907	30,733	30,559	30,383
Interest - LTD	1,136,132	1,111,549	1,097,658	1,091,682	1,080,502	1,071,127	1,059,258	1,049,795	1,039,348	1,026,711	1,017,969	1,006,692
Interest - Deposits	72,576	72,741	72,927	73,144	73,324	73,500	73,643	73,766	73,900	74,086	74,185	74,813
Miscellaneous Expense	152,457	141,347	131,932	127,326	119,161	99,250	88,382	81,044	111,447	103,521	90,429	81,104
Interest Income	(29,801)	(29,809)	(29,829)	(29,853)	(29,851)	(29,833)	(29,847)	(29,852)	(29,846)	(29,841)	(29,849)	(29,831)
Non-Electric Revenue	(3,223)	(11,795)	(19,223)	(19,301)	(8,321)	8,032	10,824	14,582	15,454	41,285	96,716	101,748
Capital Credits	(67,147)	(67,147)	(67,519)	(67,519)	(67,519)	(64,901)	(64,901)	(64,901)	(32,125)	(49,649)	(49,649)	(52,468)
Margins	(694,425)	(615,887)	(671,181)	(513,730)	(197,256)	(66,948)	297,259	347,004	475,672	386,368	960,299	785,421
Operating Expense	10,765,742	10,850,130	10,965,664	11,150,897	11,321,864	11,363,406	11,507,175	11,563,279	11,703,520	11,834,921	11,661,295	11,429,820
Rolling 12 Month OTIER	1.61	1.55	1.61	1.47	1.18	1.06	0.72	0.67	0.54	0.62	0.06	0.22

Monthly Operating Rev & Exp

	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012
Revenue	(2,920,977)	(2,383,178)	(1,993,062)	(1,923,372)	(2,180,342)	(2,652,152)	(2,546,777)	(2,271,468)	(1,971,483)	(2,532,697)	(2,736,054)	(3,429,912)
Purchased Power	1,958,185	1,707,702	1,353,117	1,175,202	1,368,279	1,547,427	1,770,804	1,562,153	1,354,759	1,385,833	1,800,485	1,954,640
Gross Margins	(962,792)	(675,476)	(639,945)	(748,170)	(812,063)	(1,104,725)	(775,973)	(709,315)	(616,724)	(1,146,864)	(935,569)	(1,475,272)
Operations	100,851	106,179	94,683	91,886	93,273	96,883	75,670	88,620	109,327	82,567	98,146	83,453
Maintenance	238,140	214,601	324,279	242,525	256,747	293,825	467,790	263,686	253,964	230,894	218,592	341,647
Customer Service	92,374	87,532	90,743	99,294	98,061	91,075	85,056	99,762	95,294	97,537	106,200	69
Informational Advertising	18,412	20,274	18,817	17,221	14,418	17,714	16,023	17,755	18,285	26,890	18,676	17,795
Demonstration Advertising	2,072	2,415	2,530	1,555	2,059	2,014	1,360	2,499	1,836	1,952	2,247	1,808
Admin & General	169,406	150,365	190,602	126,156	147,063	136,931	139,352	149,928	160,505	184,570	155,993	132,027
Depreciation	247,519	248,064	248,374	248,265	248,822	249,083	249,547	251,127	253,121	253,739	254,245	254,919
Regulatory	2,538	2,538	2,538	2,538	2,538	2,538	2,667	3,082	3,082	3,082	3,082	3,080
Interest - LTD	86,393	83,386	83,951	85,415	84,387	84,782	87,956	85,109	84,090	83,615	83,223	82,690
Interest - Deposits	6,355	6,332	6,391	6,364	6,425	6,470	6,166	115	116	116	115	2,062
Miscellaneous Expense	7,723	148	1,756	1,744	1,444	1,380	1,350	7,154	5,468	3,613	8,480	7,453
Interest Income	(2,481)	(2,503)	(2,512)	(2,511)	(2,483)	(2,466)	(2,460)	(2,472)	(2,453)	(2,453)	(2,448)	(2,453)
Non-Electric Revenue	(13,693)	12,747	(44,784)	659	(11,732)	(28,969)	(22,365)	(9,632)	691	(1,296)	(8,067)	1,111
Capital Credits	0	-	(144,752)	-	-	-	-	-	(8,012)	-	-	-
Margins	(7,183)	256,802	232,671	172,941	128,959	(153,465)	332,139	247,418	358,590	(182,038)	2,915	(549,611)
* ()'s = positive margins												
Operating Expenses	971,783	921,834	1,064,664	922,963	955,237	982,695	1,132,937	988,837	985,088	988,575	948,999	927,003
Monthly OTIER	1.08	(2.08)	(1.77)	(1.02)	(0.53)	2.81	(2.78)	(1.91)	(3.26)	3.18	0.96	7.65

Rolling 12 Month Totals

Revenue	(29,403,240)	(29,459,052)	(29,350,588)	(29,343,108)	(29,300,413)	(29,403,458)	(29,146,644)	(29,138,945)	(29,107,368)	(29,240,726)	(29,270,164)	(29,541,474)
Purchased Power	18,920,979	18,901,888	18,818,077	18,768,594	18,841,544	18,852,755	18,806,914	18,672,370	18,661,776	18,680,708	18,869,204	18,938,588
Gross Margins	(10,482,261)	(10,557,384)	(10,532,511)	(10,574,514)	(10,458,869)	(10,550,703)	(10,339,730)	(10,464,575)	(10,445,582)	(10,560,018)	(10,400,960)	(10,602,888)
Operations	1,145,632	1,178,875	1,164,966	1,159,143	1,145,371	1,135,768	1,110,186	1,098,836	1,110,747	1,108,404	1,121,689	1,121,538
Maintenance	2,967,671	2,951,529	3,047,011	2,973,961	2,950,336	2,972,410	3,148,597	3,165,306	3,158,130	3,184,336	3,214,285	3,346,690
Customer Service	1,050,387	1,050,039	1,039,451	1,062,461	1,057,413	1,060,534	1,053,575	1,080,216	1,073,728	1,087,126	1,105,878	1,042,997
Informational Advertising	236,684	233,254	226,933	221,943	216,591	219,686	221,192	218,936	218,975	223,050	220,065	222,280
Demonstration Advertising	35,711	34,421	32,566	30,890	29,526	28,711	27,483	26,649	25,530	23,482	24,093	24,347
Admin & General	1,934,232	1,924,374	1,940,144	1,890,736	1,851,888	1,848,409	1,848,905	1,851,990	1,873,745	1,875,938	1,821,514	1,842,898
Depreciation	2,901,724	2,914,185	2,925,774	2,935,336	2,944,781	2,952,573	2,960,115	2,968,386	2,977,818	2,987,350	2,997,021	3,006,825
Regulatory	30,400	30,417	30,434	30,451	30,468	30,456	30,585	31,129	31,673	32,217	32,761	33,303
Interest - LTD	1,022,776	1,038,445	1,038,354	1,033,334	1,030,994	1,027,083	1,028,083	1,025,450	1,022,833	1,020,336	1,017,848	1,014,997
Interest - Deposits	74,966	75,111	75,297	75,448	75,706	75,997	75,966	69,873	63,700	57,485	51,313	47,027
Miscellaneous Expense	71,609	67,366	63,438	54,935	47,746	57,144	55,358	54,015	51,037	47,810	49,806	47,713
Interest Income	(29,826)	(29,834)	(29,870)	(29,880)	(29,875)	(29,868)	(29,827)	(29,818)	(29,763)	(29,747)	(29,711)	(29,695)
Non-Electric Revenue	86,607	108,208	68,585	69,474	47,665	4,368	(21,584)	(44,814)	(45,052)	(56,106)	(120,433)	(125,330)
Capital Credits	(52,468)	(52,468)	(168,601)	(168,601)	(168,601)	(166,610)	(166,610)	(166,610)	(170,288)	(152,764)	(152,764)	(152,764)
Margins	993,844	966,538	921,971	765,117	770,941	665,959	1,002,294	864,989	917,231	846,899	952,405	839,938
Operating Expense	11,471,792	11,498,016	11,584,368	11,468,638	11,380,621	11,408,772	11,560,045	11,570,788	11,607,916	11,645,534	11,656,273	11,750,615
Rolling 12 Month OTIER	0.03	0.07	0.11	0.26	0.25	0.35	0.03	0.16	0.10	0.17	0.06	0.17

Monthly Operating Rev & Exp

	January 2013	February 2013	March 2013	April 2013
Revenue	(3,240,118)	(2,798,488)	(2,496,140)	(1,979,105)
Purchased Power	2,005,585	1,840,912	1,845,738	1,392,200
Gross MargIns	(1,234,533)	(957,576)	(650,402)	(586,905)
Operations	104,396	112,300	88,004	89,380
Maintenance	256,139	191,394	269,606	209,696
Customer Service	97,542	95,526	104,433	101,177
Informational Advertising	19,571	20,365	17,783	18,182
Demonstration Advertising	1,664	1,814	2,225	2,614
Admin & General	164,276	159,828	140,533	163,057
Depreciation	255,729	255,922	255,660	255,933
Regulatory	2,810	2,810	2,810	2,810
Interest - LTD	82,789	79,235	78,169	83,080
Interest - Deposits	200	200	200	199
Miscellaneous Expense	6,568	7,153	11,358	9,466
Interest Income	(2,451)	(2,443)	(2,449)	(2,451)
Non-Electric Revenue	8,827	(82,566)	(14,803)	(9,095)
Capital Credits	-	-	(148,349)	-
Margins	(238,473)	(116,038)	154,778	337,143
* ()'s = positive margins				
Operating Expenses	991,684	926,547	970,781	935,594
Monthly OTIER	3.86	2.46	(0.98)	(3.06)

Rolling 12 Month Totals

Revenue	(29,860,615)	(30,275,925)	(30,779,003)	(30,834,736)
Purchased Power	18,985,986	19,119,196	19,611,817	19,828,815
Gross MargIns	(10,874,629)	(11,156,729)	(11,167,186)	(11,005,921)
Operations	1,125,083	1,131,204	1,124,525	1,122,019
Maintenance	3,364,689	3,341,482	3,286,809	3,253,980
Customer Service	1,048,165	1,056,159	1,069,849	1,071,732
Informational Advertising	223,439	223,530	222,496	223,457
Demonstration Advertising	23,939	23,338	23,033	24,092
Admin & General	1,837,768	1,847,231	1,797,162	1,834,063
Depreciation	3,015,035	3,022,893	3,030,179	3,037,847
Regulatory	33,575	33,847	34,119	34,391
Interest - LTD	1,011,393	1,007,242	1,001,460	999,125
Interest - Deposits	40,872	34,740	28,549	22,384
Miscellaneous Expense	46,558	53,563	63,165	70,887
Interest Income	(29,665)	(29,605)	(29,542)	(29,482)
Non-Electric Revenue	(102,810)	(198,123)	(168,142)	(177,896)
Capital Credits	(152,764)	(152,764)	(156,361)	(156,361)
Margins	610,648	238,008	180,115	324,317
Operating Expense	11,770,516	11,775,229	11,681,346	11,893,877
Rolling 12 Month OTIER	0.40	0.76	0.84	0.68

ITEM 3

Grayson Rural Electric
2012-00426

Post Hearing Questions and Clarifications
June 28, 2013

Form 7 – January – April 2013

Response: Attached

April 2013

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0 TOTAL UTILITY PLANT IN SERVICE	65,670,325.87	30.0 MEMBERSHIPS	151,085.00-
2.0 CONSTRUCTION WORK IN PROGRESS	679,351.79	31.0 PATRONAGE CAPITAL	19,513,834.34-
3.0 TOTAL UTILITY PLANT	66,349,677.66	32.0 OPERATING MARGINS - PRIOR YEAR	.00
4.0 ACCUM PROV FOR DEP & AMORT	14,994,561.28-	33.0 OPERATING MARGINS-CURRENT YEAR	246,842.17
5.0 NET UTILITY PLANT	51,355,116.38	34.0 NON-OPERATING MARGINS	107,431.70-
6.0 NON-UTILITY PROPERTY (NET)	.00	35.0 OTHER MARGINS & EQUITIES	1,014,674.12
7.0 INVEST IN SUBSIDIARY COMPANIES	.00	36.0 TOTAL MARGINS & EQUITIES	18,510,834.75-
8.0 INV IN ASSOC ORG - PAT CAPITAL	9,519,622.44	37.0 LONG TERM DEBT - RUS (NET)	12,088,701.27-
9.0 INV IN ASSOC ORG OTHR GEN FND	.00	(PAYMENTS-UNAPPLIED .00)	
10.0 INV IN ASSOC ORG - NON GEN FND	643,779.38	38.0 LNG-TERM DEBT-FFB-RUS GUAR	16,774,016.67-
11.0 INV IN ECON DEVEL PROJECTS	.00	39.0 LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0 OTHER INVESTMENTS	98.65	40.0 LONG TERM DEBT - OTHER (NET)	11,559,443.30-
13.0 SPECIAL FUNDS	.00	41.0 LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0 TOT OTHER PROP & INVESTMENTS	10,163,500.47	42.0 PAYMENTS - UNAPPLIED	.00
15.0 CASH - GENERAL FUNDS	85,421.25	43.0 TOTAL LONG TERM DEBT	40,422,161.24-
16.0 CASH - CONSTRUCTION FUND TRUST	.00	44.0 OBLIGATION UNDER CAPITAL LEASE	.00
17.0 SPECIAL DEPOSITS	.00	45.0 ACCUM OPERATING PROVISIONS	2,890,529.06-
18.0 TEMPORARY INVESTMENTS	5,000.00	46.0 TOTAL OTHER NONCURR LIABILITY	2,890,529.06-
19.0 NOTES RECEIVABLE (NET)	.00	47.0 NOTES PAYABLE	3,568,276.40-
20.0 ACCTS RECV - SALES ENERGY(NET)	5,133,287.97	48.0 ACCOUNTS PAYABLE	1,822,083.27-
21.0 ACCTS RECV - OTHER (NET)	257,103.78	49.0 CONSUMER DEPOSITS	1,325,500.43-
22.0 RENEWABLE ENERGY CREDITS	.00	50.0 CURR MATURITIES LONG-TERM DEBT	.00
23.0 MATERIAL & SUPPLIES-ELEC & OTH	216,150.00	51.0 CURR MATURIT LT DEBT ECON DEV	.00
24.0 PREPAYMENTS	481,121.56	52.0 CURR MATURITIES CAPITAL LEASES	.00
25.0 OTHER CURRENT & ACCR ASSETS	2,642.67	53.0 OTHER CURRENT & ACCRUED LIAB	731,427.89-
26.0 TOTAL CURRENT & ACCR ASSETS	6,180,727.23	54.0 TOTAL CURRENT & ACCRUED LIAB	7,447,287.99-
27.0 REGULATORY ASSETS	.00	55.0 REGULATORY LIABILITIES	.00
28.0 OTHER DEFERRED DEBITS	1,715,546.00	56.0 OTHER DEFERRED CREDITS	144,077.04-
29.0 TOTAL ASSETS & OTHER DEBITS	69,414,890.08	57.0 TOTAL LIABILITIES & OTH CREDIT	69,414,890.08-

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0 BALANCE BEGINNING OF YEAR	.00
59.0 AMOUNT RECEIVED THIS YEAR (NET)	5,705.10
60.0 TOTAL CONTRIBUTIONS IN AID OF CONST	5,705.10

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Court Hill Traly
SIGNATURE OF MANAGER

6/11/13
DATE

6/11/13
DATE

PART A. STATEMENT OF OPERATIONS

LINE NO	YEAR TO DATE				THIS MONTH	% FROM BUDGET	% CHANGE FROM LAST YEAR
	LAST YEAR	THIS YEAR	BUDGET				
	A	B	C	D			
1.0	9,220,588.83	10,513,850.60	9,770,859.52	1,979,105.06	7.6	14.0	
2.0							
3.0	.00	.00	.00	.00	.0	.0	
4.0	6,194,206.00-	7,084,435.00-	6,570,631.00-	1,392,200.00-	7.8	14.4	
5.0	.00	.00	.00	.00	.0	.0	
6.0	.00	.00	.00	.00	.0	.0	
7.0	393,597.91-	394,080.90-	386,202.68-	89,379.93-	2.0	.1	
8.0	1,019,544.95-	926,834.52-	923,068.04-	209,696.10-	.4	9.1-	
9.0	369,943.91-	398,677.85-	355,971.36-	101,176.87-	12.0	7.8	
10.0	74,724.15-	75,900.75-	73,321.88-	18,181.64-	3.5	1.6	
11.0	8,572.35-	8,317.13-	8,547.76-	2,613.98-	2.7-	3.0-	
12.0	636,529.82-	627,694.45-	612,648.72-	163,057.35-	2.5	1.4-	
13.0	8,697,119.09-	9,515,940.60-	8,930,391.44-	1,976,305.87-	6.6	9.4	
14.0	992,222.49-	1,023,243.47-	1,039,233.64-	255,932.72-	1.5-	3.1	
15.0	10,152.00-	11,240.00-	11,000.00-	2,810.00-	2.2	10.7	
16.0	.00	.00	.00	.30	.0	.0	
17.0	339,145.46-	323,273.70-	334,267.92-	83,080.40-	3.3-	4.7-	
18.0	.00	.00	.00	.00	.0	.0	
19.0	25,442.00-	799.00-	480.00-	199.00-	66.5	96.9-	
	11,370.21-	34,544.62-	15,783.28-	9,465.76-	118.9	203.8	
20.0	10,075,451.25-	10,909,041.39-	10,331,156.28-	2,327,793.45-	5.6	8.3	
21.0	854,862.42-	395,190.79-	560,296.76-	348,688.39-	29.5-	53.8-	
22.0	10,006.74	9,793.84	9,773.20	2,450.75	.2	2.1-	
23.0	.00	.00	.00	.00	.0	.0	
24.0	.00	.00	.00	.00	.0	.0	
25.0	45,071.62	97,637.86	10,362.12	9,095.45	842.3	116.6	
26.0	35,343.75-	.00	.00	.00	.0	100.0	
27.0	144,751.69	148,348.62	58,566.60	.00	153.3	2.5	
28.0	.00	.00	.00	.00	.0	.0	
29.0	690,376.12-	139,410.47-	481,594.84-	337,142.19-	71.1-	79.8-	

RATIOS

TIER						
MARGINS TO REVENUE	1.036-	.569	.441-	3.058-		
POWER COST TO REVENUE	.075	.013	.049	.170		
INTEREST EXPENSE TO REVENUE	.672	.674	.672	.703		
	.037	.031	.034	.042		
CURRENT ASSETS : CURRENT LIABILITIES	.8299					
MARGINS & EQUITIES AS % OF ASSETS	.2667					
LONG TERM DEBT AS % OF PLANT	.6092					
GENERAL FUNDS TO TOTAL PLANT	.1364					
QUICK ASSET RATIO	.8009					

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0 TOTAL UTILITY PLANT IN SERVICE	65,532,595.12	30.0 MEMBERSHIPS	151,210.00-
2.0 CONSTRUCTION WORK IN PROGRESS	519,702.66	31.0 PATRONAGE CAPITAL	19,517,559.28-
3.0 TOTAL UTILITY PLANT	66,052,297.78	32.0 OPERATING MARGINS - PRIOR YEAR	.00
4.0 ACCUM PROV FOR DEP & AMORT	14,851,391.92-	33.0 OPERATING MARGINS-CURRENT YEAR	101,846.22-
5.0 NET UTILITY PLANT		34.0 NON-OPERATING MARGINS	95,885.50-
	51,200,905.86	35.0 OTHER MARGINS & EQUITIES	1,023,501.62
6.0 NON-UTILITY PROPERTY (NET)	.00	36.0 TOTAL MARGINS & EQUITIES	18,842,999.38-
7.0 INVEST IN SUBSIDIARY COMPANIES	.00	37.0 LONG TERM DEBT - RUS (NET)	10,378,386.64-
8.0 INV IN ASSOC ORG - PAT CAPITAL	9,519,622.44	(PAYMENTS-UNAPPLIED	.00)
9.0 INV IN ASSOC ORG OTHR GEN FND	.00	38.0 LNG-TERM DEBT-FFB-RUS GUAR	16,774,016.67-
10.0 INV IN ASSOC ORG - NON GEN FND	643,779.38	39.0 LONG-TERM DEBT OTHER-RUS GUAR	.00
11.0 INV IN ECON DEVEL PROJECTS	.00	40.0 LONG TERM DEBT - OTHER (NET)	11,596,465.71-
12.0 OTHER INVESTMENTS	98.65	41.0 LNG-TERM DEBT-RUS-ECON DEV NET	.00
13.0 SPECIAL FUNDS	.00	42.0 PAYMENTS - UNAPPLIED	.00
14.0 TOT OTHER PROP & INVESTMENTS		43.0 TOTAL LONG TERM DEBT	38,748,869.02-
15.0 CASH - GENERAL FUNDS	85,429.65	44.0 OBLIGATION UNDER CAPITAL LEASE	.00
16.0 CASH - CONSTRUCTION FUND TRUST	.00	45.0 ACCUM OPERATING PROVISIONS	2,884,833.46-
17.0 SPECIAL DEPOSITS	.00	46.0 TOTAL OTHER NONCURR LIABILITY	2,884,833.46-
18.0 TEMPORARY INVESTMENTS	5,000.00	47.0 NOTES PAYABLE	3,854,190.12-
19.0 NOTES RECEIVABLE (NET)	.00	48.0 ACCOUNTS PAYABLE	1,961,943.74-
20.0 ACCTS RECV - SALES ENERGY (NET)	6,040,851.38	49.0 CONSUMER DEPOSITS	1,329,080.43-
21.0 ACCTS RECV - OTHER (NET)	223,760.93	50.0 CURR MATURITIES LONG-TERM DEBT	.00
22.0 RENEWABLE ENERGY CREDITS	.00	51.0 CURR MATURIT LT DEBT ECON DEV	.00
23.0 MATERIAL & SUPPLIES-ELEC & OTH	321,756.86	52.0 CURR MATURITIES CAPITAL LEASES	.00
24.0 PREPAYMENTS	374,123.01	53.0 OTHER CURRENT & ACCRUED LIAB	666,570.38-
25.0 OTHER CURRENT & ACCR ASSETS	14,450.04	54.0 TOTAL CURRENT & ACCRUED LIAB	7,811,784.67-
26.0 TOTAL CURRENT & ACCR ASSETS	7,065,371.87	55.0 REGULATORY LIABILITIES	.00
27.0 REGULATORY ASSETS	.00	56.0 OTHER DEFERRED CREDITS	143,909.58-
28.0 OTHER DEFERRED DEBITS	2,617.91	57.0 TOTAL LIABILITIES & OTH CREDIT	68,432,396.11-
29.0 TOTAL ASSETS & OTHER DEBITS	68,432,396.11		

CERTIFICATION

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF. ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

58.0 BALANCE BEGINNING OF YEAR	.00
59.0 AMOUNT RECEIVED THIS YEAR (NET)	5,089.50
60.0 TOTAL CONTRIBUTIONS IN AID OF CONST	5,089.50

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Carroll J. Jolly

SIGNATURE OF MANAGER

5/13/13
DATE

5/15/13
DATE

PART A. STATEMENT OF OPERATIONS

LINE NO	YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
	LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	7,297,216.80	8,534,745.54	7,942,577.89	2,496,139.59	7.5	17.0
2.0						
3.0						
4.0	5,019,004.00-	5,692,235.00-	5,396,029.00-	1,845,738.00-	5.5	13.4
5.0	.00	.00	.00	.00	.0	.0
6.0	.00	.00	.00	.00	.0	.0
7.0	301,712.36-	304,700.97-	289,652.01-	88,004.85-	5.2	1.0
8.0	777,020.27-	717,138.42-	692,301.03-	269,606.00-	3.6	7.7-
9.0	270,649.63-	297,500.98-	266,978.52-	104,432.92-	11.4	9.9
10.0	57,503.48-	57,719.11-	54,991.41-	17,783.30-	5.0	.4
11.0	7,016.86-	5,703.15-	6,410.82-	2,224.93-	11.0-	18.7-
	510,374.11-	464,637.10-	459,486.54-	140,532.64-	1.1	9.0-
12.0	6,943,280.71-	7,539,634.73-	7,165,849.33-	2,468,322.64-	5.2	8.6
13.0	743,957.87-	767,310.75-	779,425.23-	255,659.85-	1.6-	3.1
14.0	7,614.00-	8,430.00-	8,250.00-	2,810.00-	2.2	10.7
15.0	.00	.30-	.00	.30-	100.0-	100.0-
16.0	253,730.55-	240,193.30-	250,700.94-	78,169.18-	4.2-	5.3-
17.0	.00	.00	.00	.00	.0	.0
18.0	19,078.00-	600.00-	360.00-	200.00-	66.7	96.9-
19.0	9,626.71-	25,078.86-	11,837.46-	11,357.57-	111.9	160.5
20.0	7,977,287.84-	8,581,247.94-	8,216,422.96-	2,816,519.54-	4.4	7.6
21.0	680,071.04-	46,502.40-	273,845.07-	320,379.95-	83.0-	93.2-
22.0	7,496.10	7,343.09	7,329.90	2,448.82	.2	2.0-
23.0	.00	.00	.00	.00	.0	.0
24.0	.00	.00	.00	.00	.0	.0
25.0	45,730.79	88,542.41	7,771.59	14,802.80	39.3	93.6
26.0	.00	.00	.00	.00	.0	.0
27.0	144,751.69	148,348.62	43,924.95	148,348.62	237.7	2.5
28.0	.00	.00	.00	.00	.0	.0
29.0	482,092.46-	197,731.72	214,818.63-	154,779.71-	192.0-	141.0-
RATIOS						
TIER						
MARGINS TO REVENUE	.900-	1.823	.143	.980-		
POWER COST TO REVENUE	.066	.023	.027	.062		
INTEREST EXPENSE TO REVENUE	.688	.667	.679	.739		
	.035	.028	.032	.031		
CURRENT ASSETS : CURRENT LIABILITIES	.9045					
MARGINS & EQUITIES AS % OF ASSETS	.2754					
LONG TERM DEBT AS % OF PLANT	.5866					
GENERAL FUNDS TO TOTAL PLANT	.1371					
QUICK ASSET RATIO	.8633					

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0 TOTAL UTILITY PLANT IN SERVICE	65,549,951.86	30.0 MEMBERSHIPS	151,330.00-
2.0 CONSTRUCTION WORK IN PROGRESS	398,419.90	31.0 PATRONAGE CAPITAL	19,126,283.97-
3.0 TOTAL UTILITY PLANT	65,948,371.76	32.0 OPERATING MARGINS - PRIOR YEAR	259,569.86-
4.0 ACCUM PROV FOR DEP & AMORT	14,792,040.53-	33.0 OPERATING MARGINS-CURRENT YEAR	273,877.55-
5.0 NET UTILITY PLANT		34.0 NON-OPERATING MARGINS	233,643.01-
		35.0 OTHER MARGINS & EQUITIES	1,030,556.65
		36.0 TOTAL MARGINS & EQUITIES	19,014,147.74-
6.0 NON-UTILITY PROPERTY (NET)	.00	37.0 LONG TERM DEBT - RUS (NET)	10,396,857.95-
7.0 INVEST IN SUBSIDIARY COMPANIES	.00	(PAYMENTS-UNAPPLIED	.00)
8.0 INV IN ASSOC ORG - PAT CAPITAL	9,461,146.74	38.0 LNG-TERM DEBT-FFB-RUS GUAR	16,942,027.07-
9.0 INV IN ASSOC ORG OTHR GEN FND	.00	39.0 LONG-TERM DEBT OTHER-RUS GUAR	.00
10.0 INV IN ASSOC ORG - NON GEN FND	645,183.00	40.0 LONG TERM DEBT - OTHER (NET)	11,631,955.73-
11.0 INV IN ECON DEVEL PROJECTS	.00	41.0 LNG-TERM DEBT-RUS-ECON DEV NET	.00
12.0 OTHER INVESTMENTS	98.65	42.0 PAYMENTS - UNAPPLIED	.00
13.0 SPECIAL FUNDS	.00	43.0 TOTAL LONG TERM DEBT	38,970,840.75-
14.0 TOT OTHER PROP & INVESTMENTS		44.0 OBLIGATION UNDER CAPITAL LEASE	.00
		45.0 ACCUM OPERATING PROVISIONS	2,878,914.06-
15.0 CASH - GENERAL FUNDS	37,243.09	46.0 TOTAL OTHER NONCURR LIABILITY	2,878,914.06-
16.0 CASH - CONSTRUCTION FUND TRUST	.00	47.0 NOTES PAYABLE	3,587,103.84-
17.0 SPECIAL DEPOSITS	.00	48.0 ACCOUNTS PAYABLE	2,255,725.36-
18.0 TEMPORARY INVESTMENTS	5,000.00	49.0 CONSUMER DEPOSITS	1,333,335.43-
19.0 NOTES RECEIVABLE (NET)	.00	50.0 CURR MATURITIES LONG-TERM DEBT	.00
20.0 ACCTS RECV - SALES ENERGY(NET)	6,665,262.81	51.0 CURR MATURIT LT DEBT ECON DEV	.00
21.0 ACCTS RECV - OTHER (NET)	198,478.91	52.0 CURR MATURITIES CAPITAL LEASES	.00
22.0 RENEWABLE ENERGY CREDITS	.00	53.0 OTHER CURRENT & ACCRUED LIAB	676,238.15-
23.0 MATERIAL & SUPPLIES-ELEC & OTH	277,042.11	54.0 TOTAL CURRENT & ACCRUED LIAB	7,852,402.78-
24.0 PREPAYMENTS	402,412.40	55.0 REGULATORY LIABILITIES	.00
25.0 OTHER CURRENT & ACCR ASSETS	12,015.97	56.0 OTHER DEFERRED CREDITS	143,909.58-
26.0 TOTAL CURRENT & ACCR ASSETS		57.0 TOTAL LIABILITIES & OTH CREDIT	68,860,214.91-
27.0 REGULATORY ASSETS	.00		
28.0 OTHER DEFERRED DEBITS	.00		
29.0 TOTAL ASSETS & OTHER DEBITS	68,860,214.91		

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION

58.0 BALANCE BEGINNING OF YEAR	.00
59.0 AMOUNT RECEIVED THIS YEAR (NET)	4,405.50
60.0 TOTAL CONTRIBUTIONS IN AID OF CONST	4,405.50

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF. ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

(Signature)

SIGNATURE OF MANAGER

4/12/13

DATE

4/11/13

DATE

PART A. STATEMENT OF OPERATIONS

LINE NO	YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
	LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	5,304,154.94	6,038,605.95	5,774,632.26	2,798,487.71	4.6	13.8
2.0						
3.0	.00	.00	.00	.00	.0	.0
4.0	3,665,887.00-	3,846,497.00-	3,832,166.00-	1,840,912.00-	.4	4.9
5.0	.00	.00	.00	.00	.0	.0
6.0	.00	.00	.00	.00	.0	.0
7.0	207,029.82-	216,696.12-	193,101.34-	112,300.12-	12.2	4.7
8.0	452,741.35-	447,532.42-	461,534.02-	191,393.63-	3.0-	1.2-
9.0	179,906.48-	193,068.06-	177,985.68-	95,525.71-	8.5	7.3
10.0	38,686.83-	39,935.81-	36,660.94-	20,364.84-	8.9	3.2
11.0	4,486.59-	3,478.22-	4,273.88-	1,814.26-	18.6-	22.5-
	319,772.16-	324,104.46-	306,324.36-	159,828.27-	5.8	1.4
12.0	4,868,510.23-	5,071,312.09-	5,012,046.22-	2,422,138.83-	1.2	4.2
13.0						
14.0	495,583.42-	511,650.90-	519,616.82-	255,922.22-	1.5-	3.2
15.0	5,076.00-	5,620.00-	5,500.00-	2,810.00-	2.2	10.7
16.0	.00	.00	.00	.00	.0	.0
17.0	169,779.16-	162,024.12-	167,133.96-	79,234.89-	3.1-	4.6-
18.0	.00	.00	.00	.00	.0	.0
19.0	12,687.00-	400.00-	240.00-	200.00-	66.7	96.8-
	7,870.70-	13,721.29-	7,891.64-	7,153.29-	73.9	74.3
20.0	5,559,506.51-	5,764,728.40-	5,712,428.64-	2,767,459.23-	.9	3.7
21.0						
22.0	255,351.57-	273,877.55	62,203.62	31,028.48	340.3	207.3-
23.0	4,984.32	4,894.27	4,886.60	2,443.23	.2	1.8-
24.0	.00	.00	.00	.00	.0	.0
25.0	.00	.00	.00	.00	.0	.0
26.0	946.34	73,739.61	5,181.06	82,566.20	323.3	7692.1
27.0	.00	.00	.00	.00	.0	.0
28.0	.00	.00	29,283.30	.00	100.0-	.0
	.00	.00	.00	.00	.0	.0
29.0	249,420.91-	352,511.43	101,554.58	116,037.91	247.1	241.3-
RATIOS						
TIER						
MARGINS TO REVENUE	.469-	3.176	1.608	2.464		
POWER COST TO REVENUE	.047	.058	.018	.041		
INTEREST EXPENSE TO REVENUE	.691	.637	.664	.658		
	.032	.027	.029	.028		
CURRENT ASSETS : CURRENT LIABILITIES	.9675					
MARGINS & EQUITIES AS % OF ASSETS	.2761					
LONG TERM DEBT AS % OF PLANT	.5909					
GENERAL FUNDS TO TOTAL PLANT	.0642					
QUICK ASSET RATIO	.9323					

January 2013

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1.0	TOTAL UTILITY PLANT IN SERVICE	65,563,991.91	
2.0	CONSTRUCTION WORK IN PROGRESS	383,756.59	
3.0	TOTAL UTILITY PLANT	65,947,748.50	
4.0	ACCUM PROV FOR DEP & AMORT	14,697,076.81-	
5.0	NET UTILITY PLANT		51,250,671.69
6.0	NON-UTILITY PROPERTY (NET)	.00	
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	
8.0	INV IN ASSOC ORG - PAT CAPITAL	9,461,146.74	
9.0	INV IN ASSOC ORG OTHER GEN FND	.00	
10.0	INV IN ASSOC ORG - NON GEN FND	645,183.00	
11.0	INV IN ECON DEVEL PROJECTS	.00	
12.0	OTHER INVESTMENTS	98.65	
13.0	SPECIAL FUNDS	.00	
14.0	TOT OTHER PROP & INVESTMENTS		10,106,428.39
15.0	CASH - GENERAL FUNDS	175,701.53	
16.0	CASH - CONSTRUCTION FUND TRUST	.00	
17.0	SPECIAL DEPOSITS	.00	
18.0	TEMPORARY INVESTMENTS	5,000.00	
19.0	NOTES RECEIVABLE (NET)	.00	
20.0	ACCTS RECV - SALES ENERGY (NET)	7,089,955.62	
21.0	ACCTS RECV - OTHER (NET)	159,975.87	
22.0	RENEWABLE ENERGY CREDITS	.00	
23.0	MATERIAL & SUPPLIES-ELEC & OTH	245,770.32	
24.0	PREPAYMENTS	418,933.95	
25.0	OTHER CURRENT & ACCR ASSETS	10,181.90	
26.0	TOTAL CURRENT & ACCR ASSETS		8,105,519.19
27.0	REGULATORY ASSETS	.00	
28.0	OTHER DEFERRED DEBITS	.00	
29.0	TOTAL ASSETS & OTHER DEBITS		69,462,619.27
		=====	
30.0	MEMBERSHIPS		152,635.00-
31.0	PATRONAGE CAPITAL		19,126,283.97-
32.0	OPERATING MARGINS - PRIOR YEAR		259,569.86-
33.0	OPERATING MARGINS-CURRENT YEAR		242,849.07-
34.0	NON-OPERATING MARGINS		148,633.58-
35.0	OTHER MARGINS & EQUITIES		1,036,556.65
36.0	TOTAL MARGINS & EQUITIES		18,893,414.83-
37.0	LONG TERM DEBT - RUS (NET) (PAYMENTS-UNAPPLIED .00)		10,418,633.23-
38.0	LNG-TERM DEBT-FFB-RUS GUAR		16,942,027.07-
39.0	LONG-TERM DEBT OTHER-RUS GUAR		.00
40.0	LONG TERM DEBT - OTHER (NET)		11,761,844.31-
41.0	LNG-TERM DEBT-RUS-ECON DEV NET		.00
42.0	PAYMENTS - UNAPPLIED		.00
43.0	TOTAL LONG TERM DEBT		39,122,504.61-
44.0	OBLIGATION UNDER CAPITAL LEASE		.00
45.0	ACCUM OPERATING PROVISIONS		2,863,170.44-
46.0	TOTAL OTHER NONCURR LIABILITY		2,863,170.44-
47.0	NOTES PAYABLE		4,038,017.56-
48.0	ACCOUNTS PAYABLE		2,452,626.97-
49.0	CONSUMER DEPOSITS		1,332,110.43-
50.0	CURR MATURITIES LONG-TERM DEBT		.00
51.0	CURR MATUREIT LT DEBT ECON DEV		.00
52.0	CURR MATURITIES CAPITAL LEASES		.00
53.0	OTHER CURRENT & ACCRUED LIAB		617,199.77-
54.0	TOTAL CURRENT & ACCRUED LIAB		8,439,954.73-
55.0	REGULATORY LIABILITIES		.00
56.0	OTHER DEFERRED CREDITS		143,574.66-
57.0	TOTAL LIABILITIES & OTH CREDIT		69,462,619.27-
		=====	

ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
58.0	BALANCE BEGINNING OF YEAR .00
59.0	AMOUNT RECEIVED THIS YEAR (NET) 1,282.50
60.0	TOTAL CONTRIBUTIONS IN AID OF CONST 1,282.50

C E R T I F I C A T I O N

WE HEREBY CERTIFY THAT THE ENTRIES IN THIS REPORT ARE IN ACCORDANCE WITH THE ACCOUNTS AND OTHER RECORDS OF THE SYSTEM AND REFLECT THE STATUS OF THE SYSTEM TO THE BEST OF OUR KNOWLEDGE AND BELIEF.
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Carol Hill Dwyer
SIGNATURE OF MANAGER

3/13/13
DATE

3/13/13
DATE

PART A. STATEMENT OF OPERATIONS

LINE NO	YEAR TO DATE				% FROM BUDGET	% CHANGE FROM LAST YEAR
	LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	2,920,977.03	3,240,118.24	3,266,656.63	3,240,118.24	.8-	10.9
2.0						
3.0						
4.0	1,958,185.00-	2,005,585.00-	2,042,689.00-	2,005,585.00-	.0	.0
5.0	.00	.00	.00	.00	1.8-	2.4
6.0	.00	.00	.00	.00	.0	.0
7.0	100,851.17-	104,396.00-	96,550.67-	104,396.00-	.0	.0
8.0	238,140.45-	256,138.79-	230,767.01-	256,138.79-	8.1	3.5
9.0	92,374.15-	97,542.35-	88,992.84-	97,542.35-	11.0	7.6
10.0	18,412.46-	19,570.97-	18,330.47-	19,570.97-	9.6	5.6
11.0	2,072.07-	1,663.96-	2,136.94-	1,663.96-	6.8	6.3
	169,406.93-	164,276.19-	153,162.18-	164,276.19-	22.1-	19.7-
12.0	2,579,442.23-	2,649,173.26-	2,632,629.11-	2,649,173.26-	7.3	3.0-
13.0					.6	2.7
14.0	247,519.11-	255,728.68-	259,808.41-	255,728.68-	1.6-	3.3
15.0	2,538.00-	2,810.00-	2,750.00-	2,810.00-	2.2	10.7
16.0	.00	.00	.00	.00	.0	.0
17.0	86,393.41-	82,789.23-	83,566.98-	82,789.23-	.9-	4.2-
18.0	.00	.00	.00	.00	.0	.0
19.0	6,355.00-	200.00-	120.00-	200.00-	66.7	96.9-
	7,723.00-	6,568.00-	3,945.82-	6,568.00-	66.5	15.0-
20.0	2,929,970.75-	2,997,269.17-	2,982,820.32-	2,997,269.17-	.5	2.3
21.0	8,993.72-	242,849.07	283,836.31	242,849.07	14.4-	2800.2-
22.0	2,481.06	2,451.04	2,443.30	2,451.04	.3	1.2-
23.0	.00	.00	.00	.00	.0	.0
24.0	.00	.00	.00	.00	.0	.0
25.0	13,693.26	8,826.59-	2,590.53	8,826.59-	440.7-	164.5-
26.0	.00	.00	.00	.00	.0	.0
27.0	.00	.00	.00	.00	.0	.0
28.0	.00	.00	14,641.65	.00	100.0-	.0
	.00	.00	.00	.00	.0	.0
29.0	7,180.60	236,473.52	303,511.79	236,473.52	22.1-	3193.2

RATIOS

TIER					
MARGINS TO REVENUE	1.083	3.856	4.632	3.856	
POWER COST TO REVENUE	.002	.073	.093	.073	
INTEREST EXPENSE TO REVENUE	.670	.619	.625	.619	
	.030	.026	.026	.026	
CURRENT ASSETS : CURRENT LIABILITIES	.9604				
MARGINS & EQUITIES AS % OF ASSETS	.2720				
LONG TERM DEBT AS % OF PLANT	.5932				
GENERAL FUNDS TO TOTAL PLANT	.2742				
QUICK ASSET RATIO	.9313				

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Last general retirement

Response: In 1993, approximately \$38,000 were retired.

Item 5

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Estate refunds during the test year

Response: \$106,964.18

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Discrepancy in Depreciation Rates: 2008 vs 2012

- Account 271: 9.61% Depr. rate vs. 2008 rate of 4.09%
- Account 395: 6% Depr. rate vs. 2008 rate of 5%

Response: Grayson inserted incorrect rates into the software system that calculates depreciation on a monthly basis. The rates used in Case No. 2008-00254 are correct. The revised calculations are attached. The result of the new rates are that depreciation expense should be reduced by (\$44,132) instead of increased by \$38,090, for a net adjustment of \$82,222.

Application	38,090
Post Hearing	(44,132)
Net reduction in Depreciation expense	82,222

See attached.

REVISED

Exhibit 3
page of

Witness: Jim Adkins

Grayson Rural Electric Cooperative
Case No. 2012-00426
May 31, 2012
Depreciation Adjustment

Normalized depreciation accrual:

Distribution plant	2,724,440	
General plant	361,447	
Less charged to clearing	<u>(185,237)</u>	2,900,650

Test year depreciation accrual:

Distribution plant	2,771,291	
General plant	355,037	
Less charged to clearing	<u>(181,546)</u>	2,944,782
		<u><u>(44,132)</u></u>

Transportation clearing:

Normalized		185,237
Test year		<u>181,546</u>
		<u><u>3,691</u></u>

The allocation of the increase in depreciation on transportation equipment is based on actual test year transportation clearing.

<u>Account</u>	<u>%</u>	<u>Amount</u>
Construction and retirement WIP	34%	\$1,271
Others	1%	44
Distribution - operations	15%	555
Distribution - maintenance	27%	993
Consumer accounts	7%	255
Consumer service and information	6%	211
Administrative and general	10%	<u>362</u>
Total	<u>100%</u>	<u><u>\$3,691</u></u>

Grayson Rural Electric Cooperative
Case No. 2012-00426
May 31, 2012

REVISED
Schedule 3
page 2 of 6

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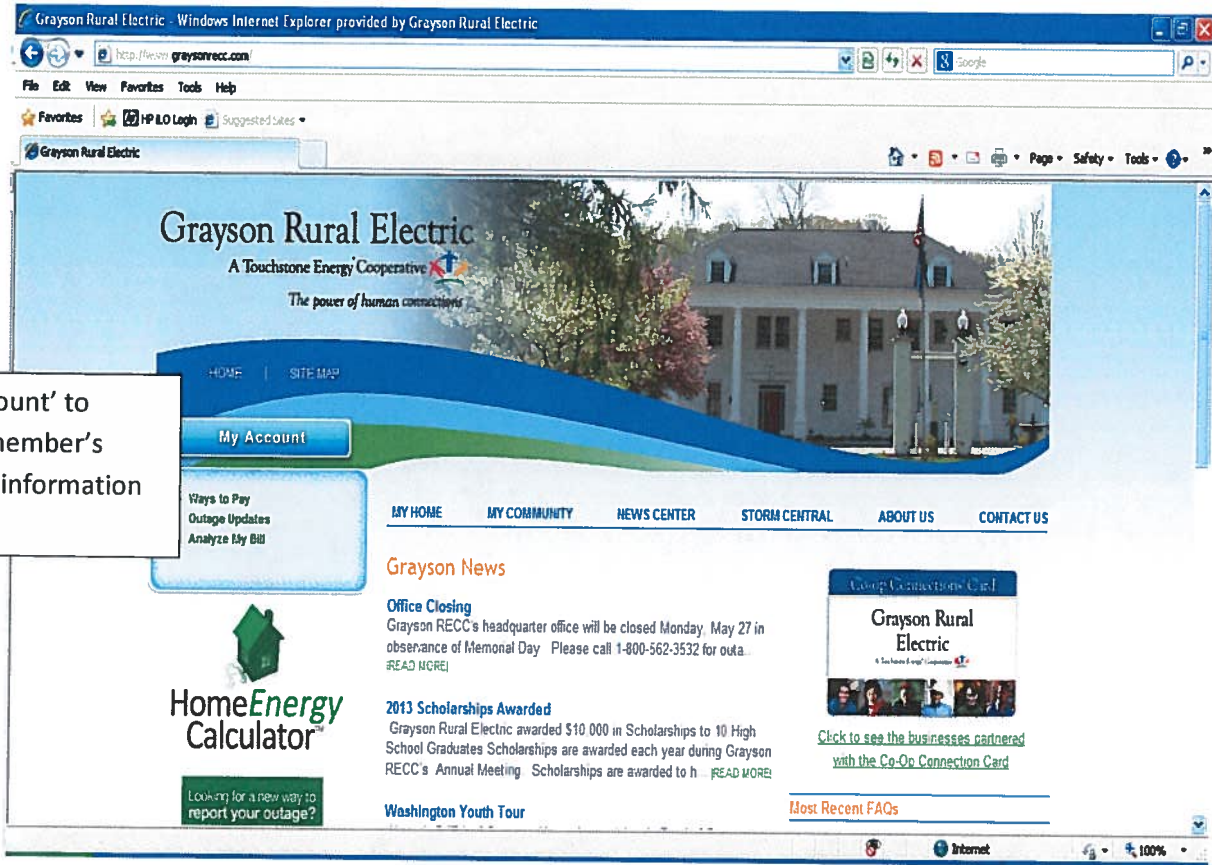
<u>Account Number</u>	<u>Description</u>	<u>Test Year Balance</u>	<u>Rate</u>	<u>Normalized Expense</u>	<u>Test Year Expense</u>	<u>Exclude Items Fully Depreciated</u>
Distribution plant:						
362	Station equipment	31,054	2.86%	888	888	
364	Poles, towers & fixtures	21,809,148	4.99%	1,088,276	1,076,953	
365	Overhead conductors & devices	17,682,213	4.84%	855,819	844,157	
367	Underground conductor & devices	356,196	3.13%	11,149	11,135	
368	Line transformers	7,632,062	3.45%	263,306	261,300	
369	Services	6,363,078	4.02%	255,796	250,848	
370	Meters	1,409,565	6.67%	94,018	93,851	
370.10	Meters, AMI	1,417,976	6.67%	94,579	93,233	
371	Installations on customer premises	1,481,876	4.09%	60,609	138,926	
		<u>58,183,168</u>		<u>2,724,440</u>	<u>2,771,291</u>	
General plant:						
389	Land	232,210				
390	Structures and improvements	1,674,154	2.50%	41,854	39,089	
391	Office furn and eqt	796,955	6.00%	47,817	46,460	
392	Transportation	1,632,068	16.00%	185,237	181,546	474,338
393	Stores	22,403	5.00%	816	816	6,083
394	Tools, shop and garage	42,161	5.00%	2,108	2,605	0
395	Laboratory	221,242	5.00%	11,062	10,307	0
396	Power operated	48,448	14.00%	0	0	48,448
397	Communications	909,699	7.00%	63,679	65,340	0
398	Miscellaneous	190,448	5.00%	8,874	8,874	12,968
		<u>5,769,788</u>		<u>361,447</u>	<u>355,037</u>	
	Total electric plant	<u><u>63,952,956</u></u>		<u><u>3,085,887</u></u>	<u><u>3,126,328</u></u>	

Items that are fully depreciated are removed from the ending balance to compute test year depreciation.

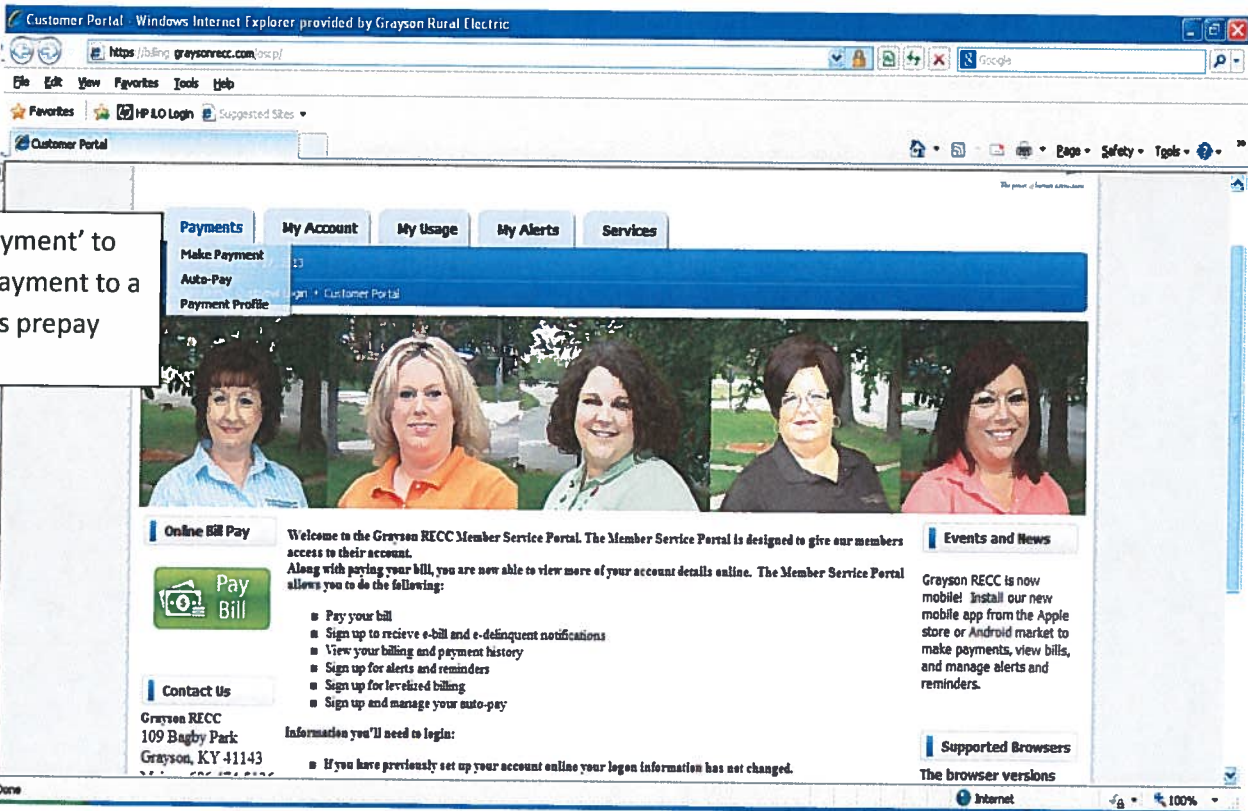
**Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013**

Screen prints of information available to Pre-pay customers –

Response: Screen prints are attached.



'My Account' to access member's account information



'Make Payment' to make a payment to a member's prepay balance

The screenshot shows a web browser window titled "Customer Login - Windows Internet Explorer provided by Grayson Rural Electric". The address bar shows the URL: <https://billing.graysonrecc.com/ocsp/OnlineServices/MemberLogin/tabid/73/Default.aspx>. The page header includes "Member Service Portal" and "Grayson Rural Electric A Tennessee Energy Cooperative". Navigation tabs include "Payments", "My Account", "My Usage", "My Alerts", and "Services". The date is "Thursday, June 27, 2013". A banner image shows five women. Below the banner is a "Customer Login" section with a text box for account information and a "Login" button. A note states: "You must enter your account number or user ID and password to access information on this site. Your account number is printed on your bill. If your account number includes a '-', it should be removed. For example, if the account number on your bill is 12345-001, you should enter either 12345 or 12345001 in the account number field."

Member enters login credentials to access their account

The screenshot shows a web browser window titled "Bill Presentation and Payment - Payment Options - Windows Internet Explorer provided by Grayson Rural Electric". The address bar shows the URL: <https://billing.graysonrecc.com/ocsp/OnlineServices/MemberLogin/tabid/73/Default.aspx>. The page features the "SEDC" logo in red. Below the logo, it says "Please select a Payment Option from the list below". There are three buttons: "Payment by Credit Card", "Payment by E-Check", and "Cancel Payment". A note in red text states: "Payments directed through this site are processed by SEDC. This payment site is operated and maintained independently of Grayson RECC. After confirmation of payment, SEDC will automatically post the payment to your account at Grayson RECC. Note, the payee on your financial statement for this transaction will be listed as 'Grayson RECC'." At the bottom, it says: "By using this website to make payments using credit/debit cards and e-checks, you agree to be bound by the SEDC Terms of Use. Click here to review the [Terms of Use](#)."

Payment redirection notice to Grayson's third party payment vendor

Credit Card Payment Gateway - Windows Internet Explorer provided by Grayson Rural Electric

https://gateway.sedata.com/MemberGateway/PMCC.aspx

Identified by GeoTrust

Google

File Edit View Favorites Tools Help

Favorites HP I.O Login Suggested Sites

Credit Card Payment Gateway

Credit Card Payment Gateway

SEDC

Account	Balance	Amount Paid
51753-001	\$ 159.00	\$ 159.00

Payment Options

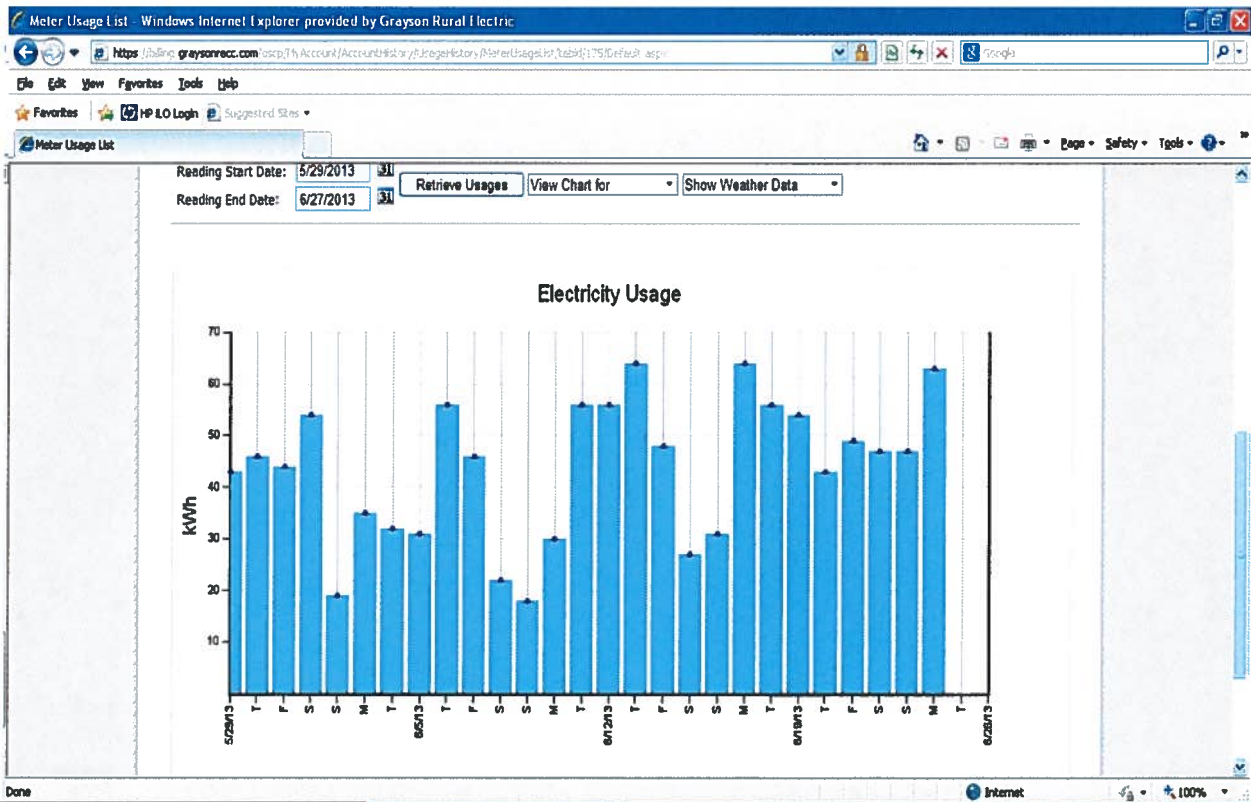
Cancel Payment

Payment Amount <input style="width: 80%;" type="text" value="\$ 159.00"/>	Name on Credit Card <input style="width: 90%;" type="text"/> <small>Exactly as it appears.</small>
Expiration Date <input type="text" value=""/> / <input type="text" value=""/>	Credit Card Number <input style="width: 90%;" type="text"/> <small>No spaces or dashes.</small>
Optional Security Code <input style="width: 40%;" type="text"/> <small>more info</small> 3 or 4 digits.	Credit Card Billing Address Zip Code <input style="width: 40%;" type="text"/> - <input style="width: 40%;" type="text"/> <small>more info</small> 5 or 9 digits.
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <input type="radio"/> VISA </div> <div style="text-align: center;"> <input type="radio"/> DISCOVER </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <div style="text-align: center;"> <input type="radio"/> MASTERCARD </div> <div style="text-align: center;"> <input type="radio"/> AMERICAN EXPRESS </div> </div>	
<input type="checkbox"/> Create Profile <small>more info</small> <input type="button" value="Submit"/> <input type="button" value="Reset"/>	

Please be patient, authorization may take several minutes.
If the server does not respond within 5 minutes, please click Payment Options and repeat the payment process.

Credit card payment processing screen. E-check payment processing is very similar.

Done Internet 100%



Daily usage history. Member can overlay temperature data, as well as hover their mouse over each day to see specific daily usage.

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Status of the mapping system

Response: Development of a Mapping System was initiated in 2007 with the digitizing of our paper maps. This process was completed in late 2008 at a cost of \$199,000. Grayson expensed this amount monthly in account 588.00 over a 3 year period beginning in January 2008 and ending in December 2011. This would account for a decrease in test year (6/11- 5/12) compared to the 12 months prior to the test year (DR #2, Item 28-c)

Since then, Grayson has incorporated it's engineering model, staking, and outage management systems within the Mapping System.

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Status of the paving project

Response: It was planned and budgeted for 2011 to re-pave the entire area of existing blacktopped area, which includes the driveway approach to the property, parking area for customers and office employees, and the operations / maintenance work area at a estimated cost of \$57,100.

Due to our financial condition, it was decided to re-pave only the area that had the most deterioration at a cost of \$49,000 (driveway approach and parking for customers and employees) in 2011 and postpone the re-paving of the remaining area to 2014.

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Revised schedule J – attached

Grayson Rural Electric Cooperative
Case No. 2012-00xxx
Revenue Analysis
May 31, 2012

REVISED
Exhibit *J*
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Witness: Jim Adkins

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<u>Rate Schedule</u>	<u>Kwh Usage</u>	<u>Test Year Revenue</u>	<u>Percent of Total</u>	<u>Normalized Case No. 2010-00502</u>	<u>Percent of Total</u>	<u>Proposed Revenue</u>	<u>Percent of Total</u>	<u>Increase</u>	
								<u>Amount</u>	<u>Percent</u>
Schedule 1, Farm and Home	161,238,331	\$18,349,770	70%	\$18,367,201	70%	\$19,944,520	71%	\$1,577,318	8.6%
Schedule 2, Small Commercial	15,613,032	1,846,725	7%	1,848,414	7%	2,052,876	7%	204,463	11.1%
Schedule 3, Off-Peak Marketing Rate	1,747,542	175,687	1%	176,467	1%	190,908	1%	14,441	8.2%
Schedule 4, Large Power	25,945,398	2,302,768	9%	2,303,813	9%	2,375,682	8%	71,869	3.1%
Schedule 5, Street Lighting	66,000	9,302	0%	9,302	0%	9,408	0%	107	1.1%
Schedule 6, Security Lights	4,041,369	537,276	2%	542,542	2%	548,776	2%	6,234	1.1%
Schedule 7, All Electric Schools	5,266,280	483,477	2%	483,477	2%	512,486	2%	29,009	6.0%
Schedule 10, Residential Time of Day	42,060	4,406	0%	4,360	0%	4,480	0%	120	2.7%
Schedule 14A, Large Industrial Service	25,068,000	1,553,009	6%	1,553,283	6%	1,553,283	6%	0	0.0%
Schedule 17, Water Pumping Service	8,160	1,365	0%	1,223	0%	1,322	0%	99	8.1%
Schedule 18, General Service Rate	4,471,609	825,948	3%	831,102	3%	990,192	4%	159,090	19.1%
Schedule 19, Temporary Service	164,872	34,050	0%	35,038	0%	35,038	0%	0	0.0%
Schedule 20, Residential Inclining Block	50,226	5,355	0%	5,358	0%	6,047	0%	689	12.9%
Schedule 22, Net Metering	7,901	768	0%	768	0%	768	0%	0	0.0%
Envirowatts	92,400	2,610	0%	2,610	0%	2,610	0%	0	0.0%
Rounding differences								0	
Total from base rates	<u>243,823,180</u>	<u>26,132,515</u>	<u>100%</u>	<u>\$26,164,958</u>	<u>100%</u>	<u>\$28,228,396</u>	<u>100%</u>	<u>\$2,063,438</u>	<u>7.9%</u>
Fuel adjustment billed		(122,658)							
Environmental surcharge billed		<u>2,247,065</u>							
		<u>\$28,256,923</u>							
Increase				<u>\$32,442</u>		<u>\$2,063,438</u>			

Grayson Rural Electric Cooperative
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Witness: Jim Adkins

Schedule I - Farm and Home

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	150,230	\$1,554,881	\$10.35	\$1,554,881	\$15.00	\$2,253,450
Energy charge per kWh	161,238,331	16,794,889	\$0.10427	16,812,321	\$0.10972	17,691,070
				0		0
Total from base rates		18,349,770		<u>\$18,367,201</u>		<u>\$19,944,520</u>
Fuel adjustment		(75,586)				
Environmental surcharge		<u>1,616,980</u>				
Total revenues		<u>\$19,891,163</u>				
Amount				\$17,432		\$1,577,318
Percent				0.1%		8.6%
Average monthly bill		\$122.14		\$122.26		\$132.76
Amount				\$0.12		\$10.50
Percent				0.1%		8.6%

Grayson Rural Electric Cooperative
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Schedule 2 - Small Commercial

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed		
			Rates	Revenues	Rates	Revenues	
Customer Charge	13,464	\$348,314	\$25.87	\$348,314	\$ 27.50	\$370,260	
Energy charge	15,613,032	1,498,411	\$0.09608	1,500,100	\$0.10777	1,682,616	
				0		0	
Total from base rates		1,846,725		<u>\$1,848,414</u>		<u>\$2,052,876</u>	
Fuel adjustment		(9,090)					
Environmental surcharge		<u>162,518</u>					
Total revenues		<u>\$2,000,152</u>					
Amount				\$1,689		\$204,463	204463
Percent				0.1%		11.1%	
Average monthly bill		\$137.16		\$137.29		\$152.47	
Amount				\$0.13		\$15.19	
Percent				0.1%		11.1%	

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Schedule 3, Off-Peak Marketing Rate

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	1,270	\$13,145	\$10.35	\$13,145	\$15.00	\$19,050
Energy charge						
On peak rate	1,294,537	134,981	\$0.10427	134,981	\$0.10972	142,037
Off peak rate	453,005	27,561	\$0.06256	28,341	\$0.06583	29,821
	1,747,542					
Total from base rates		175,687		<u>\$176,467</u>		<u>\$190,908</u>
Fuel adjustment		(594)				
Environmental surcharge		15,617				
Total revenues		<u>\$190,711</u>				
Amount				\$780		\$14,441
Percent				0.4%		8.2%

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Schedule 4 - Large Power

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed			
			Rates	Revenues	Rates	Revenues		
Customer Charge	793	\$49,975	\$63.02	\$49,975	\$63.02	\$49,975		
Demand Charge	64,207	548,326	\$8.54	548,326	\$8.54	548,326	\$45,816	4159.32
Primary meter	25,636.340	215,089	\$8.39	215,089	\$8.39	215,089		
Energy charge	16,562,418	987,120	\$0.05960	987,120	\$0.06	1,032,998		
Primary meter	9,382,980	558,181	\$0.05960	559,226	\$0.06	585,216		25,945,398
Primary meter discount		(55,923)		(55,923)		(55,923)		
Total from base rates		<u>2,302,768</u>		<u>\$2,303,813</u>		<u>\$2,375,682</u>		
Fuel adjustment		(13,576)						
Environmental surcharge		<u>200,125</u>						
Total revenues		<u>\$2,489,317</u>						
Amount				\$1,045		\$71,869		
Percent				0.0%		3.1%		
Average monthly bill		\$2,903.87		\$2,905.19		\$2,995.82		
Amount				\$1.32		\$90.63		
Percent				0.0%		3.1%		

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Schedule 5 - Street Lighting

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
175 Watt Lamp	880	9,302	\$10.57	9,302	\$ 10.69	9,408
kWh	<u>66,000</u>					
				<u>0</u>		<u>0</u>
Total from base rates		9,302		<u>\$9,302</u>		<u>\$9,408</u>
Fuel adjustment		(102)				
Environmental surcharge		<u>1,696</u>				
Total revenues		<u>\$10,895</u>				
Amount				\$0		\$107
Percent				0.0%		1.1%

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Schedule 6 - Security Lights

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
7.000 Lument MV	47,729	483,001	\$10.23	488,268	\$ 10.35	493,878
10,000 Lument MV	0	0	\$12.88	0	\$ 13.03	0
Flood lights	2,890	54,274	\$18.78	54,274	\$ 19.00	54,898
kWh	<u>4,041,369</u>					
Witness: Jim Adkins						
Billing adjustments				<u>0</u>		<u>0</u>
Total from base rates		537,276		<u>\$542,542</u>		<u>\$548,776</u>
Fuel adjustment		(33)				
Environmental surcharge		<u>600</u>				
Total revenues		<u>\$537,843</u>				
Amount				\$5,266		\$6,234
Percent				0.98%		1.15%

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Schedule 7 - All Electric Schools

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	108	3,352	\$31.04	\$3,352	\$ 31.04	\$3,352
Demand Charge	18,452.9	86,791	\$6.21	114,593	6.50	119,944
Energy charge	5,266,280	393,334	\$0.06941	365,532	\$0.07390	389,190
Total from base rates		483,477		<u>\$483,477</u>		<u>\$512,486</u>
Fuel adjustment		(2,591)				
Environmental surcharge		41,850				
Total revenues		<u>\$522,737</u>				
Amount				(\$0)		\$29,009
Percent				0.0%		6.0%
Average monthly bill		\$4,476.64		\$4,476.64		\$4,745.24
Amount				(\$0.00)		\$268.60
Percent				0.0%		6.0%

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Schedule 10 - Residential Time of Day

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	20	\$310	\$15.52	\$310	\$19.00	\$380
Energy charge						
On peak rate	10,699	2,128	\$0.19888	2,128	\$0.20000	2,140
Off peak rate	31,361	1,967	\$0.06128	1,922	\$0.06250	1,960
	42,060					
Total from base rates		4,406		<u>\$4,360</u>		<u>\$4,480</u>
Fuel adjustment		(17)				
Environmental surcharge		379				
Total revenues		<u>\$4,768</u>				
Amount				(\$46)		\$120
Percent				-1.0%		2.7%

5.9879472

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Schedule 17 - Water Pumping Service

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	12	497	\$41.39	\$497	41.39	\$497
Energy charge						
On-Peak energy	3,840	458	\$0.119220	458	\$0.136053	522
Off-Peak energy	4,320	411	\$0.062100	268	\$0.070000	302
	8,160					
Total from base rates		1,365		<u>\$1,223</u>		<u>\$1,322</u>
Fuel adjustment		(18)				
Environmental surcharge		114				
Total revenues		<u>\$1,461</u>				
Amount				(\$143)		\$99
Percent				-10.4%		8.1%
Average monthly bill		\$113.78		\$101.90		\$110.13
Amount				(\$11.89)		\$8.23
Percent				-10.4%		8.1%

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Schedule 18 - General Service Rate

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	17,634	\$364,847	\$20.69	\$364,847	22.50	\$396,765
Energy charge	4,471,609	461,100	\$0.10427	466,255	\$0.13271	593,427
Total from base rates		825,948		<u>\$831,102</u>		<u>\$990,192</u>
Fuel adjustment		(2,753)				
Environmental surcharge		72,426				
Total revenues		<u>\$895,621</u>				
Amount				\$5,154		\$159,090
Percent				0.6%		19.1%
Average monthly bill		\$46.84		\$47.13		\$56.15
Amount				\$0.29		\$9.02
Percent				0.6%		19.1%

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Schedule 19 - Temporary Service

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Normalized		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	345	\$17,847	\$51.73	\$17,847	\$51.73	\$17,847
Energy charge	164,872	16,203	\$0.10427	17,191	\$0.10427	17,191
Total from base rates		<u>34,050</u>		<u>\$35,038</u>		<u>\$35,038</u>
Fuel adjustment		(87)				
Environmental surcharge		<u>2,929</u>				
Total revenues		<u>\$36,892</u>				
Amount				\$988		\$0
Percent				2.9%		0.0%
Average monthly bill		\$98.70		\$101.56		\$101.56
Amount				\$2.86		\$0.00
Percent				2.9%		0.0%

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Schedule 20 - Residential Inclining Block

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	128	\$1,325	\$10.35	\$1,325	\$15.00	\$1,920
Energy charge						
First 300 kwh	36,501	2,673	\$0.07323	2,673	\$0.07503	2,739
Next 200 kwh	10,663	946	\$0.08875	946	\$0.09003	960
All over 500 kwh	3,062	411	\$0.13531	414	\$0.14003	429
	50,226					
Total from base rates		5,355		<u>\$5,358</u>		<u>\$6,047</u>
Fuel adjustment		(40)				
Environmental surcharge		480				
Total revenues		<u>\$5,795</u>				
Amount				\$4		\$689
Percent				0.1%		12.9%
Average monthly bill		\$41.84		\$41.86		\$47.25
Amount				\$0.03		\$5.38
Percent				0.1%		12.9%

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Schedule 14(a) - Large Industrial Service

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed		
			Rates	Revenues	Rates	Revenues	
Customer Charge	18	\$10,190	\$566.12	\$10,190	\$566.12	\$10,190	
Demand Charge	43,466	314,259	\$7.23	314,259	\$7.23	314,259	7.8182612
Excess demand	0	0	\$10.50	0	\$10.50	0	
Energy charge	25,068,000	1,228,560	\$0.04902	1,228,833	\$0.04902	1,228,833	1,203,264
Total from base rates		1,553,009		<u>\$1,553,283</u>		<u>\$1,553,283</u>	
Fuel adjustment		(18,164)					
Environmental surcharge		131,289					
Total revenues		<u>\$1,666,134</u>					
Amount				\$273		\$0	
Percent				0.0%		0.0%	
Average monthly bill		\$86,278.30		\$86,293.48		\$86,293.48	
Amount				\$15.19		\$0.00	
Percent				0.0%		0.0%	

Grayson Rural Electric Cooperative
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Schedule 22 - Net Metering

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	12					
kwh	7,901	768		768		768
		<hr/>		<hr/>		<hr/>
Total from base rates		768		<u>\$768</u>		<u>\$768</u>
Fuel adjustment		(6)				
Environmental surcharge		<hr/> 63				
Total revenues		<hr/> <u>\$825</u>				
Amount				\$0		\$0
Percent				0.0%		0.0%

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Envirowatts

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Envirowatts	92,400	2,610	\$0.028250	2,610	\$0.028250	2,610
		<hr/>		<hr/>		<hr/>
Total from base rates		2,610		<u>\$2,610</u>		<u>\$2,610</u>
Fuel adjustment		<hr/>				
Environmental surcharge		<hr/>				
Total revenues		<u>\$2,610</u>				
Amount				(\$0)		\$0
Percent				0.0%		0.0%

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Billing Determinants	Billing Determinants	Test Year Revenues	Normalized Case No. 2010-00502		Proposed	
			Rates	Revenues	Rates	Revenues
Total from base rates	243,823,180	26,132,515		26,164,958		28,228,396
Fuel adjustment		(122,658)				
Environmental surcharge		2,247,065				
Total revenues		28,256,923				
Per Form 7	243,823,180	28,256,923				
Increase	0	0				
Amount				32,442		2,063,438
Percent				0.1%		7.9%
Per Form 7	243,730,780					
Green	92,400					
total	243,823,180					
	0					

**Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013**

Rate Case expenses - attached

**Costs incurred in the Preparation of 2012-00426
2/22/13 thru 6/14/13**

DATE	CHECK VENDOR	Amount	DESCRIPTION
2/28/2013	159613 VISA - US Postal	\$ 42.49	POSTAGE-RATE CASE FILING
2/28/2013	159613 VISA - US Postal	\$ 35.50	POSTAGE-RATE CASE FILING
2/28/2013	159581 Courier Publishing	\$ 959.85	Published Notice - Elliott Co. News
2/28/2013	159535 Lewis Co Herald	\$ 378.00	Published Notice - Lewis Co Herald
2/28/2013	159610 Daily Independent	\$ 196.11	Published Notice - Greenup Co. News
2/28/2013	159699 Big Sandy News	\$ 924.00	Published Notice - Lawrence Co. News
2/28/2013	159693 Morehead News Group	\$ 2,202.75	Published Notice - Grayson Enquirer & Morehead News
2/28/2013	159671 Service Office Supply	\$ 185.50	RATE CASE SUPPLIES
2/28/2013		\$ 452.50	COOPERATIVE LABOR & BENEFITS
3/20/2013	159754 Office Max	\$ 103.86	RATE CASE SUPPLIES - PAPER
3/26/2013	159800 Office Max	\$ 1,011.68	RATE CASE SUPPLIES
3/31/2013	159840 Meals - collecting affidavits	\$ 17.08	TARIFF FILING AFFIDAVITS(JULIE)
3/31/2013	159840 VISA - Meal	\$ 42.06	RATE CASE PREP(BC/JIMA/MARYBETH)
3/31/2013	159840 VISA - Meal	\$ 37.06	RATE CASE PREP(BRADLEY/ALAN/JULI
4/30/2013	160015 VISA - Meal	\$ 33.06	RATE CASE PREP (BC/DC/ALAN/JIM)
4/30/2013	160015 VISA - US Postal	\$ 30.85	RATE CASE POSTAGE
5/31/2013	160323 Courier Publishing	\$ 11.85	Hearing Notice - Elliott Co. News
5/31/2013	160338 Daily Independent	\$ 259.88	Hearing Notice - Greenup Co. News
5/31/2013	160333 Morehead News Group	\$ 94.06	Hearing Notice - Grayson Enquirer & Morehead News
5/31/2013	160337 Big Sandy News	\$ 30.00	Hearing Notice - Lawrence Co. News
6/1/2013	160286 Lewis Co Herald	\$ 16.50	Hearing Notice - Lewis Co Herald
6/26/2013	James R. Adkins	\$ 54,340.20	Rate Case Preparation & Responses
	Total	\$ 61,404.84	

1



EI 237700307 US



Customer Copy
Label 11-B, March 2004

Post Office To Addressee

UNITED STATES POSTAL SERVICE®

DELIVERY (POSTAL SERVICE USE ONLY)		
Delivery Attempt	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Delivery Attempt	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Delivery Date	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	

ORIGIN (POSTAL SERVICE USE ONLY)		
PO ZIP Code 41143	Day of Delivery <input checked="" type="checkbox"/> Next <input type="checkbox"/> 2nd <input type="checkbox"/> 2nd Del. Day	Postage \$ 39.50
Date Accepted 1/28/13	Scheduled Date of Delivery 1/29	Return Receipt Fee \$
Mo. Day Year 12-06-13	Scheduled Time of Delivery <input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	COD Fee \$
Time Accepted <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Insurance Fee \$
Flat Rate <input type="checkbox"/> or Weight lbs. 2.0 ozs.	Int'l Alpha Country Code	Total Postage & Fees \$ 39.50
	Acceptance Emp. Initials JKA	

CUSTOMER USE ONLY	
PAYMENT BY ACCOUNT Express Mail Corporate Acct. No.	<input type="checkbox"/> WAIVER OF SIGNATURE (Domestic Mail Only) Additional merchandise insurance is void if customer requests waiver of signature.
Federal Agency Acct. No. or Postal Service Acct. No.	I wish delivery to be made without obtaining signature of addressee or addressee's agent (if delivery employee judges that article can be left in secure location) and I authorize that delivery employee's signature constitutes valid proof of delivery.

NO DELIVERY
 Weekend Holiday Mailer Signature

FROM: (PLEASE PRINT) PHONE (606) 474-5136
 GRAYSON RECC.
 PO BOX 109 RAGBY PARK
 GRAYSON KY 41143
 REMSDY OFFICIENCIES 1/24/13

TO: (PLEASE PRINT) PHONE ()
 MR. JEFF DEANON
 KENTUCKY PSC
 211 SOWARD BLVD
 FRANKFORT, KY 40602-0615
 ZIP + 4 (U.S. ADDRESSES ONLY. DO NOT USE FOR FOREIGN POSTAL CODES.)
 4 0 6 0 2 + 0 6 1 5
 FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.

FOR PICKUP OR TRACKING
 Visit www.usps.com
 Call 1-800-222-1811



GRAYSON MPO
 GRAYSON, Kentucky
 411439998
 2047860143 -0099
 (606)474-6366 12:08:19 PM

Product Description	Sales Receipt		Final Price
	Sale Qty	Unit Price	
Mailing Carton 12.25" x 3" x 17.625" FRANKFORT KY 40602 Zone-2 Express Mail PO-Add 11 lb. 2.0 oz. Label #: EI237700307US Tue 01/29/13 03:00PM - Expected Delivery. Money Back Guarantee Signature Requested	1	\$2.99	\$2.99
			\$39.50

Issue PVI: =====
\$39.50

Total: \$42.49

Paid by:
 VISA \$42.49
 Account #: XXXXXXXXXXXX9759

2



EH 061130772 US



Customer Copy
Label 11-B, March 2004

UNITED STATES POSTAL SERVICE®

Post Office To Addressee

ORIGIN (POSTAL SERVICE USE ONLY)		
PO ZIP Code 41143	Day of Delivery <input checked="" type="checkbox"/> Next <input type="checkbox"/> 2nd <input type="checkbox"/> 2nd Del. Day	Postage \$ 35.50
Date Accepted	Scheduled Date of Delivery Month 2 Day 15	Return Receipt Fee \$
Mo. Day Year 2 14 13	Scheduled Time of Delivery <input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	COD Fee \$
Time Accepted <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Insurance Fee \$
Flat Rate <input type="checkbox"/> or Weight 9 lbs. 4.2 ozs.	Int'l Alpha Country Code	Total Postage & Fees \$ 35.50
	Acceptance Emp. Initials [Signature]	

DELIVERY (POSTAL USE ONLY)		
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		
Delivery Date	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		

CUSTOMER USE ONLY	
PAYMENT BY ACCOUNT Express Mail Corporate Acct. No.	<input type="checkbox"/> WAIVER OF SIGNATURE (Domestic Mail Only) Additional merchandise insurance is void if customer requests waiver of signature. I wish delivery to be made without obtaining signature of addressee or addressee's agent (if delivery employee judges that article can be left in secure location) and I authorize that delivery employee's signature constitutes valid proof of delivery.
Federal Agency Acct. No. or Postal Service Acct. No.	
<input type="checkbox"/> NO DELIVERY	<input type="checkbox"/> Maller Signature
<input type="checkbox"/> Weekend	<input type="checkbox"/> Holiday

FROM: (PLEASE PRINT) PHONE (606) 474-5136

Grayson RECC
109 Bagby Park St
Grayson KY 41143

TO: (PLEASE PRINT) PHONE ()

Mr. Jeff Derouen
Kentucky Public Service Commission
211 Sower Blvd
Frankfort KY 40602

ZIP + 4 (U.S. ADDRESSES ONLY. DO NOT USE FOR FOREIGN POSTAL CODES.)
4 0 6 0 2 + [] [] [] []

FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.

FOR PICKUP OR TRACKING
Visit www.usps.com
Call 1-800-222-1811

GRAYSON MPO
GRAYSON, Kentucky
411439998
2047860143 -0099
(606)474-6366 12:24:43 PM

Product Description	Sale Qty	Unit Price	Final Price
FRANKFORT KY 40602 Zone-2 Express Mail PO-Add 9 lb. 4.2 oz. Label #: EH061130772US Fri 02/15/13 03:00PM - Expected Delivery. Money Back Guarantee Signature Requested			\$35.50
Issue PVI:			\$35.50
Total:			\$35.50
Paid by: VISA			\$35.50
Account #:	XXXXXXXXXX		
Approval #:	004156		
Transaction #:	209		

3

Courier Publishing Company
142 Prestonsburg St
PO Box 187
West Liberty KY 41472
Phone 606-743-3551

Statement

DATE
02/28/'13

BILL TO
Grayson Rural Electric Coop Corp 109 Bagby Park Grayson KY 41143

AMOUNT DUE	AMOUNT ENC.
\$959.85	

DATE	DESCRIPTION	AMOUNT	BALANCE		
01/31/13	Balance forward		853.20		
02/01/13	Official Notice	319.95	1,173.15		
02/08/13	Official Notice	319.95	1,493.10		
02/15/13	Official Notice	319.95	1,813.05		
02/25/13	PMT #159476	-853.20	959.85		
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
959.85	0.00	0.00	0.00	0.00	\$959.85

Statement

Lewis County Herald
 187 Main Street
 Vanceburg, KY 41179

DATE
02/28/13

BILL TO
Grayson RECC Julie Lewis 109 Bagby Park Grayson, KY 41143

TERMS	AMOUNT DUE	AMOUNT ENC.
Due on receipt	\$1,242.00	

DATE	ITEM	DESCRIPTION	QTY	RATE	AMOUNT
01/31/13		Balance forward			864.00
02/05/13	DIS/AD	Rate Schedule	63	3.00	189.00
02/12/13	DIS/AD	Rate Schedule	63	3.00	189.00

Handwritten:
 Paid 2-19-13
 \$ 378

AMOUNT DUE
\$1,242.00

THE INDEPENDENT
 THE GREENUP COUNTY NEWS TIMES
 PO BOX 311
 SHLAND KY 41105-0311
 (606) 326-2600
 Fax(606) 326-2680

Advertising Invoice and Statement

1 Billing Period 02/2013		2 Advertiser/Client Name GRAYSON RURAL ELECTRIC	
23 Total Amount Due 1455.81		*Unapplied Amount	3 Terms of Payment
21 Current Net Amount Due 1455.81	22 30 Days .00	60 Days .00	Over 90 Days .00
4 Page Number 1	5 Billing Date 02/28/13	6 Billed Account Number 14890	7 Advertiser/Client Number 14890

8 Billed Account Name and Address GRAYSON RURAL ELECTRIC 109 BAGBY PARK GRAYSON KY 41143		Amount Paid: Comments:
--	--	-------------------------------

Please Return Upper Portion With Payment

10 Date	11 Newspaper Reference	12 13 14 Description-Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
02/22/13	139350	BALANCE FORWARD				2569.14
	903	GREENUP PAYMENT				-2569.14
		CK# 157491				
02/03/13	351063	NON DISCRIMINATION	1X 6.50	1		
	L	DI	6.50	30.17	196.11	196.11
02/07/13	350805	GREENUP LEGAL RATE	3X 19.00	1		
	GNLEG	RATE INCREASE	57.00	11.05	629.85	629.85
		GN				
02/14/13	350805	GREENUP LEGAL RATE	3X 19.00	1		
	GNLEG	RATE INCREASE	57.00	11.05	629.85	629.85
		GN				

Statement of Account - Aging of Past Due Amounts

Due date: 03/15/13

21 Current Net Amount Due 1455.81	22 30 Days 0.00	60 Days 0.00	Over 90 Days 0.00	*Unapplied Amount	23 Total Amount Due 1455.81
---------------------------------------	---------------------	-----------------	----------------------	-------------------	---------------------------------

THE INDEPENDENT
 (606) 326-2600

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24 Invoice Number 021314890	25 Billing Period 02/2013	Advertiser Information			
		6 Billed Account Number 14890	7 Advertiser/Client Number 14890	2 Advertiser/Client Name GRAYSON RURAL ELECTRIC	



The Big Sandy News and Tri-Rivers Advertiser 338 Second Street Paintsville, KY 41240 (606) 788-9962

Date	Reference	Description	Column Inch	Quantity	Charge	Credit
Beginning Balance						
02/06/2013	128162-002	Classified Display, Classified Display			\$2,190.00	
	BSN	Adjustment retail rates & charges	77.00		\$462.00	
02/13/2013	128162-003	Classified Display, Classified Display			\$462.00	
	BSN	Adjustment retail rates & charges	77.00		\$462.00	
02/25/2013	128560	Check			\$0.00	\$2,190.00

\$462.00
 +462.00

 \$924.00

SUMMARY

Morehead News Group

722 W First St
Morehead KY 40351
(606) 784-4116

1 Billing Period		2 Advertiser/Client Name	
FEBRUARY 2013		GRAYSON RECC	
23 Total Amount Due	*Unapplied Amount	3 Terms of Payment	
2,241.75		NET 30	
21 Current Net Amount Due	22 30 Days	60 Days	Over 90 Days
2,241.75	0.00	0.00	0.00
4 Page Number	5 Billing Date	6 Billed Account Number	7 Advertiser/Client Number
1	02/28/13	765	765

Advertising Invoice and Statement

8 Billed Account Name and Address	9 Remittance Address
GRAYSON RECC ATTN JULIE LEWIS 109 BAGBY PARK GRAYSON, KY 41143	MOREHEAD NEWS GROUP 722 W FIRST ST MOREHEAD KY 40351

10 Date	11 Newspaper Reference	12 13 14 Description-Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
		PREVIOUS BALANCE				2,233.50
02/25	PAY 1	PAID ON ACCOUNT				2,233.50-
02/01	LEG TMN	LEGAL ADVERTISING 41914	3x16.50 49.50	1 9.500	470.25	470.25
02/06	LEG JT	LEGAL 41914	3x16.50 49.50	1 8.000	396.00	396.00
02/08	LEG TMN	LEGAL ADVERTISING 41914	3x16.50 49.50	1 9.500	470.25	470.25
02/13	LEG JT	LEGAL 41914	3x16.50 49.50	1 8.000	396.00	396.00
02/15	LEG TMN	LEGAL ADVERTISING 41914	3x16.50 49.50	1 9.500	470.25	470.25
02/19	BPS TMN	SIG PG EAST CARTER 00000	0x0.00 .00	1 19.500	19.50	19.50
02/20	BPS TMN	SIG PG EAST CARTER 00000	0x0.00 .00	1 19.500	19.50	19.50

Statement of Account - Aging of Past Due Amounts

21 Current Net Amount Due	22 30 Days	60 Days	Over 90 Days	*Unapplied Amount	23 Total Amount Due
2,241.75	0.00	0.00	0.00		2,241.75

Morehead News Group

722 W First St
Morehead KY 40351
(606) 784-4116

Accounts 30 days old - charged 1 1/2% per month service charge. ANNUAL RATE 18%.

* Unapplied amounts are included in Total Amount Due

24 Invoice Number	25 Advertiser Information
2097	1 Billing Period FEBRUARY 2013
6 Billed Account Number 765	7 Advertiser/Client Number 765
2 Advertiser/Client Name GRAYSON RECC	

(8)

\$175.00	Covers
10.50	Tax
<hr/>	Total
\$185.50	total

Service Office Supply & Printing, Inc.

1011 Powell Lane • P.O. Box 894
Flatwoods, Kentucky 41139

(606) 836-0488 • 1-800-926-5869 • Fax (606) 836-0483

CUSTOMER NO. 2210	DATE 02/18/13	NUMBER 592071
PAGE NO: 1		

SOLD TO:

Grayson RECC
109 Bagby Park
Grayson, Ky
41143-1292

SHIP TO:

Grayson RECC

P.O. NO.

TERMS: NET 30 DAYS

QUANTITY D SHP B/O ITEM NO.	DESCRIPTION	LIST PRICE	NET PRICE	AMOUNT
0	DPS R3027	0.00	4.99EA	29.94
0	ACC 25073	0.00	3.50EA	175.00
			SUBTOTAL	204.94

OfficeMax®

COLUMBUS, OH 43228

Invoice

Customer Service

Call us with any questions at

1-877-633-2MAX

Shipped To:

GRAYSON RURAL ELECTRIC
CO OP CORP/DEL MAIN OFFICE
109 BAGBY PARK ST
GRAYSON KY 41143-1203

Page No.

Invoice #

Invoice Date

Purchase Order

Account #

ORIGINAL

1 of 1

572502

03/20/13

139144698

MDG2005 00001961 1 MB 0405 Q9231S



GRAYSON RURAL ELECTRIC 29
CO OP CORP/DEL MAIN OFFICE
109 BAGBY PARK ST
GRAYSON KY 41143-1203

001961

Visit Our Web Site

at

www.officemaxsolutions.com

Loc	Order Date	Ship Date	Ordered By	Shipped Via	Shipping Terms - FOB	Federal I.D.
29	03/19/13	03/20/13	BRADLEY CHERRY	PDS ASHL KY	PREPAID	82-0100960

Detail

Qty.	Unit	Product Code	Description	Price Per Unit	Amount
2	CT	P1 OM98143-CTN	PHONE#(606)474-5136 MAXBRITE COPY 3HP 10 REA \$5.95 SMALL ORDER FEE IF ORDER LESS THAN \$50	48.99& CT	97.98
<i>Cherry</i>					
LOCAL -				MDSE AMOUNT	97.98
				SALES TAX	5.88
				S & H CHARGED	2.93
				S & H ALLOWED	2.93-
Payment Due 04/09/13				TOTAL DUE	103.86

See www.officemaxsolutions.com for return information and other terms and conditions...

0 W4 00 ED1 888



**

10
 \$154.50
 799.92
 954.42
 57.26 Tax
 1,011.68

OfficeMax®

COLUMBUS, OH 43228

Invoice

Customer Service

Call us with any questions at

1-877-633-2MAX

Shipped To:

GRAYSON RURAL ELECTRIC
 CO OP CORP/DEL MAIN OFFICE
 109 BAGBY PARK ST
 GRAYSON KY 41143-1203

Page No.
 Invoice #
 Invoice Date
 Purchase Order
 Account #

ORIGINAL

1 of 1
 694073
 03/26/13
 139341812

MDG2005 00002073 1 MB 0405 Q9231S



GRAYSON RURAL ELECTRIC 29
 CO OP CORP/DEL MAIN OFFICE
 109 BAGBY PARK ST
 GRAYSON KY 41143-1203

002073

Visit Our Web Site
 at
www.officemaxsolutions.com

Loc	Order Date	Ship Date	Ordered By	Shipped Via	Shipping Terms - FOB	Federal I.D.
29	03/25/13	03/26/13	BRADLEY CHERRY	PDS ASHL KY	PREPAID	82-0100960

Detail

Qty.	Unit	Product Code	Description	Price Per Unit	Amount
50	EA	L2 A7025073A	PHONE#(606)474-5136		
8	BX	L3 11423	SIDE BINDING REPORT COVE	3.09& EA	154.50
1	EA	H1 1122	LASER/IJ 5 TAB COLORS 25	99.99& BX	799.92
1	BX	W3 15000	STAPLER DSKTOP PAPERPRO	18.99& EA	18.99
			ADVIL REFILL 2/PACK	18.99& BX	18.99
			\$5.95 SMALL ORDER FEE IF ORDER LESS THAN \$50		
				MDSE AMOUNT	992.40
				SALES TAX	59.54
				LOCAL - S & H CHARGED	29.77
				S & H ALLOWED	29.77-
Payment Due 04/15/13				TOTAL DUE	1,051.94

See www.officemaxsolutions.com for return information and other terms and conditions...

0 W4 00 ED1 888



**

Burger King
BK#10653
10699 Us Route 60
Ashland, KY 41102

PASQUALE'S PIZZA
182 EAST MAIN STREET
MOREHEAD, KY 40351
(606) 784-9111

ORDER 40

EAT IN

CHS BURGER	1.09
SM ONION RING	1.59
MOLTEN SUNDAE	2.69
VALUE DIET	1.19

SUBTOTAL	6.56
6.00% TAX	

TOTAL	6.95
CREDIT CARD	6.95
CHANGE	0.00

TOTAL CHARGE 6.95

Visa

AcctNum: XXXXXXXXXXXX0567
Auth: 002376
RefNum: 000540

Merchant Id: 456028515991
RETAIN THIS COPY FOR YOUR RECORDS

CUSTOMER COPY

=====

HOW WAS IT?
TELL US AT
606-928-6927
CHECK ON BACK FOR FOOD OFFER.

OUR GOAL IS YOUR SATISFACTION!

=====

Thu Feb 28 2013 12:09 PM T=00L I=3 C=110

Sale

Merchant ID: 542929804203966

Term ID: LK828380

02/22/13 12:23:12
Batch#: 000413 Inv #: 006039
Server ID: 7

VISA Entry Method: S

Amount: \$ 8.13
Tip: 2.00
Total: 10.13

APPROVED

Customer Copy

THANK YOU!

\$6.95
10.13

\$17.08

12

MELINDA UCINA
209 SOUTH CAROL MALO
GRAYSON KY 41143

19830000
1823

30 13 12 PM

UI: A
***- 5 SF
SWI

3
B
T

BASE	\$7.06
TIP	\$ 5.00
TOTAL	\$ 12.06

GRAYSON RECC

CUSTOMER COPY

2

SALE RECEIPT

Store #7857 tko 02/26/13 12:34:25
Subway Sandwiches & Salads
222 State Highway 1947
Grayson KY 41143
606-474-7696
Trans# 73 Clerk 13 anna
Dwr1 TRDT 022613 Reg-ID REG-MAIN

TRES HERI:ANOS NUNEZ LL
502 EAST MAIN STREET
GRAYSON, KY 41143

02/25/2013 13:08:16
Merchant ID: 000000001560943
Terminal ID: 03630724
939160160882

Receipt # 0000571833

ITEM	QTY	PRICE	MEMO	PLU
TURKEY	6r 1 T	\$ 4.00		10123
TURKEY	6r 1 T	\$ 4.00		10123
Make6aSl	sr 1 T	\$ 1.75		18824
Make6aSl	sr 1 T	\$ 1.75		18824
ChTeriFt	fr 1 TD	\$ 5.00	AdvM2\$5	18263
DRK-21oz	1 TD	\$ 1.20	AdvM2\$5	10002
CHIPS	1 TD	\$ 0.80	AdvM2\$5	10020
SUBST LG	1 T	\$ 0.25		500
COOKIES-3	1 T	\$ 1.40		12

SUBTOTAL \$ 20.15
Sales Tx \$ 1.21

TAKE-OUT **TOTAL \$ 21.36
CredCardAMT TEND \$ 21.36

CHANGE DUE \$ 0.00

How'd We Do? Get a Free Cookie
Take 1 Min. Survey At www.tellsubway.com
Approval No: 009542
Reference No: 305717600600
Acquired: Swipe
Account No: *****

CREDIT CARD
VISA SALE

CARD # XXXXXXXXXXXX
INVOICE 0017
Batch #: 000423
Approval Code: 007155
Entry Method: Swiped
Mode: Online

MDSE/SERVICES \$12.70

TIP

TOTAL AMOUNT 15.70

CUSTOMER COPY

\$21.36

Take our 1-minute Survey at
www.tellsubway.com, or call
1-866-270-9412, and receive a free
cookie. Keep your receipt and write
your unique coupon code here

Host Order ID: 625-7 778428

\$21.36
15.70
37.06

14

JOHNNYS PIZZA
117 W MAIN ST
GRAYSON KY 41143
606-474-2441

Terminal ID: 00992714 0126

3/26/13 1:40 PM

SERVER #: 3

VISA
ACCT #: *****

CREDIT SALE

UID: 308536549021 REF #: 0386

BATCH #: 021 AUTH #: 002135

AMOUNT \$28.06

TIP \$

TOTAL \$33.06

APPROVED

ASK ABOUT OUR
REWARDS PROGRAM

CUSTOMER COPY

15



EI 852387162 US



Customer Cop Label 11-B, March 21

UNITED STATES POSTAL SERVICE®

Post Office To Addressee

ORIGIN (POSTAL SERVICE USE ONLY)

PD ZIP Code: 41143
 Day of Delivery: Next 2nd 2nd Del. Day
 Scheduled Date of Delivery: 4/2/13
 Return Receipt Fee: \$ 30.85
 Date Accepted: 4/2/13
 Month: 4 Day: 2
 Scheduled Time of Delivery: Noon 3 PM
 COD Fee: \$ Insurance Fee: \$
 Time Accepted: 1:35 AM PM
 Military: 2nd Day 3rd Day
 Flat Rate or Weight: 7 lbs. 12.2 ozs.
 Int'l Alpha Country Code:
 Postage: \$ 30.85
 Total Postage & Fees: \$ 30.85
 Acceptance Emp. Initials: JKA

DELIVERY (POSTAL USE ONLY)

Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			
Delivery Date	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			

CUSTOMER USE ONLY

PAYMENT BY ACCOUNT
 Express Mail Corporate Acct. No. WAIVER OF SIGNATURE (Domestic Mail Only)
 Additional merchandise insurance is void if customer requests waiver of signature.
 I wish delivery to be made without obtaining signature of addressee or addressee's agent (if delivery employee judges that article can be left in secure location) and I authorize that delivery employee's signature constitutes valid proof of delivery.

Federal Agency Acct. No. or Post Service Acct. No. _____
 Maller Signature: *[Signature]*

NO DELIVERY Weekend Holiday

FROM: (PLEASE PRINT) PHONE (606) 474-5136

Grayson RECC
 109 Begby Park St
 Grayson KY 41143

TO: (PLEASE PRINT) PHONE ()

Mr. Jeff Doraen
 Kentucky Public Service Commission
 211 Sower Blvd
 PO Box 615
 Frankfort KY 40602

ZIP + 4 (U.S. ADDRESSES ONLY. DO NOT USE FOR FOREIGN POSTAL CODES.)
 40602 +

FOR PICKUP OR TRACKING
 Visit www.usps.com
 Call 1-800-222-1811



FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.

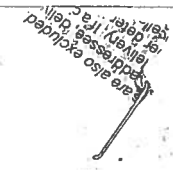
GRAYSON MPO
 GRAYSON, Kentucky
 411439998
 2047860143 -0099
 04/02/2013 (606)474-6366 01:36:54 PM

Product Description	Sale Qty	Unit Price	Final Price
FRANKFORT KY 40602 Zone-2 Express Mail PO-Add 7 lb. 12.2 oz. Label #: EI852387162US Wed 04/03/13 12:00PM - Expected Delivery. Money Back Guarantee Signature Waived			\$30.85

Issue PVI: \$30.85

Total: \$30.85

Paid by: VISA \$30.85
 Account #:
 Approval #: 006864
 Transaction #: 487
 23 903151116



(16)

Courier Publishing Company
142 Prestonsburg St
PO Box 187
West Liberty KY 41472
Phone 606-743-3551

Statement

DATE
05/31/'13

BILL TO
Grayson Rural Electric Coop Corp 109 Bagby Park Grayson KY 41143

AMOUNT DUE	AMOUNT ENC.
\$11.85	

DATE	DESCRIPTION	AMOUNT	BALANCE		
04/30/13	Balance forward		197.60		
05/23/13	PMT #160143	-197.60	0.00		
05/31/13	Examination Witnesses Case #2012-00426	11.85	11.85		
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
11.85	0.00	0.00	0.00	0.00	\$11.85

17

Please Return Upper Portion With Payment

10 Date	11 Newspaper Reference	12 13 14 Description - Other Comments/Charges	15 SAU Size 16 Billed Units	17 Times Run 18 Rate	19 Gross Amount	20 Net Amount
05/21/13	142048	BALANCE FORWARD				220.00
	903	GREENUP PAYMENT				-220.00
05/02/13	357200	CK# 16158				
	GN	GREENUP ROP RATE	3X 10.50	1		
		GN	31.50	6.25	259.88	259.88

Statement of Account - Aging of Past Due Amounts

Due date: 06/15/13

1 Current Net Amount Due	22 30 Days	60 Days	Over 90 Days	*Unapplied Amount	23 Total Amount Due
259.88	0.00	0.00	0.00		259.88

THE INDEPENDENT
(606) 326-2600

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

Invoice Number	25 Billing Period	6 Billed Account Number	7 Advertiser/Client Number	2 Advertiser/Client Name
51314890	05/2013	14890	14890	GRAYSON RURAL ELECTRIC

Advertising Statement

Morehead News Group

722 W. First Street
Morehead, KY 40351
Phone: (606) 784-4116
Fax: (606) 784-7337

JULIE LEWIS
GRAYSON RURAL ELECTRIC
109 BAGBY PARK
GRAYSON, KY 41143

Customer : 01109694-000
Phone : (606)475-2191
Date : 05/31/13
Page : 1

Date	Reference #	Type	Description	Runs	Lines	Inches	Total
05/29/13	01553840-001	i	PUBLIC NOTICE PUBLIC SERVICE C	1	43	5.35	43.18
05/31/13	01553840-002	i	PUBLIC NOTICE PUBLIC SERVICE C	1	43	5.35	50.88

Rate Case

Remarks

Questions? Call Sandy at 800-247-6142

Sub Total: 94.06

Discounts: 0.00

Total Due: 94.06

Current	94.06	1-30	0.00	31-60	0.00	61-90	0.00	91+	0.00
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Date	Reference	Description	Column Inch	Quantity	Charge	Credit
Beginning Balance						
05/01/2013	129230-001	Display Ad			\$0.00	
	BSN	Simple saver	31.50		\$220.50	
05/29/2013	129934	Legals				
	BSN	Public hearing			\$30.00	

SUMMARY

Grayson Rural Electric Cooperative Cor
 Account No: 1698
 YTD Inches: 551
 No of Tears: 1

<i>Past</i>	0	\$250.50
<i>Due</i>	30	\$0.00
<i>Info</i>	60	\$0.00
	90+	\$0.00

Previous Balance: \$0.00
 Total Credits: \$0.00
 Total Charges: \$250.50

Amount Due: \$250.50

Lewis County Herald
 187 Main Street
 Vanceburg, KY 41179

Statement

DATE
06/04/13

BILL TO
Grayson RECC Julie Lewis 109 Bagby Park Grayson, KY 41143

TERMS	AMOUNT DUE	AMOUNT ENC.
Due on receipt	\$16.50	

DATE	ITEM	DESCRIPTION	QTY	RATE	AMOUNT
05/31/13		Balance forward			0.00
06/04/13	DIS/AD	Public Hearing June 18	5.5	3.00	16.50

AMOUNT DUE
\$16.50

JAMES R. ADKINS
P.O. BOX 911162
LEXINGTON, KENTUCKY 40591-1162

Phone: 859-224-2647
Cell: 859-797-7995

E-mail: Jimadkins25@aol.com

Date: June 26, 2013

TO: Don Combs
Chief Financial Officer
Grayson RECC
109 Bagby Park
Grayson, KY 41143

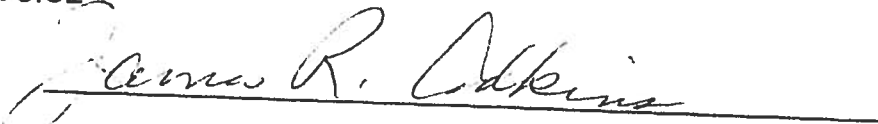
INVOICE FOR SERVICES RENDERED - AUGUST 2012 THROUGH MAY 2013

Date		Hours Worked	Miles Traveled
August 2012	Billing analysis	64.00	960
September 2012	Revenue Requirements & Test Year Adjustments	77.00	640
October 2012	Adjustments & Cost of Service	43.50	160
November 2012	Cost of Service, Prepay, Document Prep	96.00	160
December 2012	Rate Design & Exhibits	60.50	660
January 2013	PSC-1 Responses	22.00	422
February 2013	PSC-2 Responses	30.50	582
March 2013	PSC-3 Responses	24.00	330
Total		417.50	3,914.00
Rate		\$ 125.00	\$ 0.55
Amount Owed		\$ 52,188	\$ 2,152.70

AMOUNT OF INVOICE

\$ 54,340.20

Signature



USDVA CERTIFIED SERVICE DISABLED VETERAN OWNED BUSINESS

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

DSM Program Investment by category during test year

DSM Programs

1. Rebates/Incentives - (Investment \$0 to Co-Op. Rebated by EKPC)

• Heat Pump:	25 Participants	\$12,500.00 Rebates
• Button-Up:	26 Participants	\$ 7,110.22 Rebates
• Geothermal:	14 Participants	\$ 7,000.00 Rebates
• Touchstone Energy Home:	3 Participants	\$ 1,000.00 Rebates
• Dual Fuel:	4 Participants	\$10,000.00 Rebates
• Tune-Up:	5 Participants	\$ 1,800.00 Rebates
• Simple Savers:	178 Participants	\$ 2,190.00 Rebates

2. Employee Investment - (One employee dedicated to DSM/Energy Audits)

- Wages: \$43,803.72
- Benefits: \$37,980.66
- Total Compensation/Benefits: \$81,784.38

Grayson Rural Electric
2012-00426
Post Hearing Questions and Clarifications
June 28, 2013

Board Expense categories explained

Response:

Regular Board Meetings – Monthly Board meetings @ \$200 per day (2 directors accepted only \$150 per month until March 2012)

Other Board Meetings – Grayson committee meetings and Board retreat

Per Diem- daily rate for all other approved meetings and training.

Mileage - reimbursable

Air Fare - reimbursable

Meetings Fees – Registration fees for approved meetings and training

Hotel - reimbursable

Meals - reimbursable

Health Insurance - Cash paid in lieu of not enrolling in health insurance plan.

“General” indicates FASB postretirement benefit for those that are eligible.

Misc – Directors, Officers & Managers Liability Insurance policy, food and other expenses that benefit the group as a whole.