

Cost Sharing Plan Approved by the Board in September 2015

		Costs to be Shared by:	
	Task	AR Group	All
1	Planning Activities/Meetings		√
	RFP/Power Purchase Contract Development and Negotiation		
2	Preparation		√
3	Screening, Analysis, Contracts - Coal	√	
4	Screening, Analysis, Contracts - Other Resources		√
5	Analysis of AR Members' Portfolio	√	
6	KyMEA Contracts with OMU	√	
7	KyMEA Contracts with AR Munis		√
8	Updated Analyses for AR Member Approvals of Contracts	√	
9	Presentation of Agreements to Members for Approval		√
10	Transmission Service Applications – AR Members	√	
	<i>Annual energy requirements for FYE June 30 2015 to be used as the basis for determining share of costs.</i>		

Allowances for KyMEA Expenses

1/21/2016

		Notes	2nd Half of FY 2016	FY 2017		Jan-Mar 2016	Apr-Jun 2016	Jul-Dec 2016	Jan-Jun 2017
Allocable to AR Group									
NewGen	\$	1	90,000	90,000		45,000	45,000	60,000	30,000
Spiegel & McDiarmid	\$	1	120,000	90,000		60,000	60,000	60,000	30,000
nFront	\$	1	270,000	120,000		135,000	135,000	90,000	30,000
PFM	\$	1,5	15,500	0		15,500	0	0	0
Rubin & Hayes	\$	1	30,000	15,000		15,000	15,000	15,000	0
Transmission Study Fees - LGEE/ MISO	\$	2	100,000	0		100,000	0	0	0
Other	\$		0	0		0	0	0	0
Subtotals	\$		625,500	315,000		370,500	255,000	225,000	90,000
Allocable to All									
NewGen	\$	1	60,000	60,000		30,000	30,000	30,000	30,000
Spiegel & McDiarmid	\$	1	60,000	60,000		30,000	30,000	30,000	30,000
nFront	\$	1	180,000	90,000		90,000	90,000	60,000	30,000
PFM	\$	1,5	42,700	12,000		33,700	9,000	6,000	6,000
Rubin & Hayes	\$	1, 3	120,000	36,000		105,000	15,000	15,000	21,000
Meeting Expenses	\$	4	8,600	11,200		5,800	2,800	5,600	5,600
Other	\$		0	0		0	0	0	0
Subtotals	\$		471,300	269,200		294,500	176,800	146,600	122,600
Totals									
NewGen	\$		150,000	150,000		75,000	75,000	90,000	60,000
Spiegel & McDiarmid	\$		180,000	150,000		90,000	90,000	90,000	60,000
nFront	\$		450,000	210,000		225,000	225,000	150,000	60,000
PFM	\$		58,200	12,000		49,200	9,000	6,000	6,000
Rubin & Hayes	\$		150,000	51,000		120,000	30,000	30,000	21,000
Expenses other than Advisors	\$		108,600	11,200		105,800	2,800	5,600	5,600
Totals	\$		1,096,800	584,200		665,000	431,800	371,600	212,600
		1	The amounts shown above for each advisor represent allowances for costs of services to be provided in the indicated periods based on recent and anticipated levels of effort. No detailed task specific estimates have been prepared. Invoices would be submitted to KyMEA each month for the prior month's expenses. The breakdown between expenses Allocable to the AR Group or Allocable to All reflects anticipated breakdown under the Cost Sharing Plan adopted by the Board in September 2015 based in part on recent invoices. Allowances shown for FY ended June 2017 are very approximate and will be updated as implementation plans for that period becomes better defined.						
		2	\$100,000 allowance for fees related to applications for transmission service in the LGE/KU and MISO systems.						
		3	\$90,000 one time expenses shown in the Jan - Jun 2016 period includes \$65,000 for services provided by Rubin & Hayes plus \$25,000 for expenses paid on behalf of KyMEA by Rubin & Hayes in 2015.						
		4	Allowances for Meeting Expenses include \$3,000 for electronic meeting equipment, \$2,000 each for facility rental and food for 2 mtgs each 6 months assuming those 2 meetings will be in the city quarterly KMUA meetings are held, and \$400 each for food and facility rental for 4 meetings each 6 months assumed held in Bowling Green.						
		5	\$40,200 one time expenses shown in the Jan - Jun 2016 period is for services provided by PFM in 2015. Charges for services related to evaluating BREC financial status were including in the Allocable to AR Group category. Other charges pertained to peaking project financing and Interlocal Agreement and, therefore, were included in the Allocable to All category.						

Allowances for KyMEA Expenses

1/21/2016

			One Time	Monthly Average					Contingency Factor			
			Jan-Mar 2016	Jan-Mar 2016	Apr-Jun 2016	Jul-Dec 2016	Jan-Jun 2017		Jan-Mar 2016	Apr-Jun 2016	Jul-Dec 2016	Jan-Jun 2017
				3	3	6	6					
			Cells shaded in yellow are inputs. Changes to the yellow shaded cells should flow through the entire worksheet correctly. All other cells are computed and therefore should not be changed.									
Allocable to AR Group												
NewGen	\$			15,000	15,000	10,000	5,000		1.00	1.00	1.00	1.00
Spiegel & McDiarmid	\$			20,000	20,000	10,000	5,000		1.00	1.00	1.00	1.00
nFront	\$			45,000	45,000	15,000	5,000		1.00	1.00	1.00	1.00
PFM	\$		15,500	0	0	0	0		1.00	1.00	1.00	1.00
Rubin & Hayes	\$			5,000	5,000	2,500	0		1.00	1.00	1.00	1.00
Transmission Study Fees - LGEE/ MISO	\$		100,000						1.00	1.00	1.00	1.00
Other	\$								1.00	1.00	1.00	1.00
Subtotals	\$		115,500	85,000	85,000	37,500	15,000					
Allocable to All												
NewGen	\$			10,000	10,000	5,000	5,000		1.00	1.00	1.00	1.00
Spiegel & McDiarmid	\$			10,000	10,000	5,000	5,000		1.00	1.00	1.00	1.00
nFront	\$			30,000	30,000	10,000	5,000		1.00	1.00	1.00	1.00
PFM	\$			24,700	3,000	3,000	1,000		1.00	1.00	1.00	1.00
Rubin & Hayes	\$			90,000	5,000	5,000	2,500		1.00	1.00	1.00	1.00
Meeting Expenses	\$			3,000	933	933	933		1.00	1.00	1.00	1.00
Other	\$			0	0	0	0		1.00	1.00	1.00	1.00
Subtotals	\$		117,700	58,933	58,933	24,433	20,433					
Totals												
NewGen	\$		0	25,000	25,000	15,000	10,000					
Spiegel & McDiarmid	\$		0	30,000	30,000	15,000	10,000					
nFront	\$		0	75,000	75,000	25,000	10,000					
PFM	\$		40,200	3,000	3,000	1,000	1,000					
Rubin & Hayes	\$		90,000	10,000	10,000	5,000	3,500					
Expenses other than Advisors	\$		103,000	933	933	933	933					
Totals	\$		233,200	143,933	143,933	61,933	35,433					

Allowances for KyMEA Expense by Member

1/21/2016

Line No.		Allocation using FYE June 2015 Energy Requirements		FY 2016 2nd Half	FY 2017		Jan-Mar 2016	Apr-Jun 2016	Jul-Dec 2016	Jan-Jun 2017
		AR Group	ALL							
		%	%							
1	Barbourville	6.51%	4.14%	60,232	31,651		36,312	23,920	20,717	10,935
2	Bardwell	0.62%	0.39%	5,716	3,003		3,446	2,271	1,967	1,036
3	Benham	0.46%	0.29%	4,244	2,230		2,558	1,686	1,460	770
4	Berea	8.98%	5.72%	83,128	43,685		50,116	33,012	28,591	15,095
5	Corbin	5.75%	3.66%	53,216	27,965		32,082	21,133	18,303	9,662
6	Falmouth	1.36%	0.87%	12,607	6,626		7,601	5,006	4,335	2,291
7	Frankfort	48.99%	31.18%	453,384	238,255		273,333	180,051	155,937	82,318
8	Madisonville	20.84%	13.27%	192,896	101,369		116,292	76,603	66,344	35,025
9	OMU	0.00%	36.35%	171,318	97,854		107,051	64,267	53,289	44,565
10	Paris	4.36%	2.78%	40,374	21,218		24,341	16,033	13,885	7,332
11	Providence	2.13%	1.35%	19,686	10,344		11,867	7,818	6,772	3,572
12	Totals	100.00%	100.00%	1,096,800	584,200		665,000	431,800	371,600	212,600
	Allocated Among									
13	AR Group			625,500	315,000		370,500	255,000	225,000	90,000
14	All			471,300	269,200		294,500	176,800	146,600	122,600
15	Totals			1,096,800	584,200		665,000	431,800	371,600	212,600

Allocation Factors for KyMEA Expenses

1/21/2016

			Allocation using FY 2015 Energy Requirements			
			10 KY Munis		10 KY Munis + OMU	
			MWh	%	MWh	%
1	Barbourville		95,056	6.51%	95,056	4.14%
2	Bardwell		9,041	0.62%	9,041	0.39%
3	Benham		6,686	0.46%	6,686	0.29%
4	Berea		131,184	8.98%	131,184	5.72%
5	Corbin		84,075	5.75%	84,075	3.66%
6	Falmouth		19,870	1.36%	19,870	0.87%
7	Frankfort		715,686	48.99%	715,686	31.18%
8	Madisonville		304,499	20.84%	304,499	13.27%
9	OMU				834,319	36.35%
10	Paris		63,764	4.36%	63,764	2.78%
11	Providence		31,080	2.13%	31,080	1.35%
	Totals		1,460,940	100.00%	2,295,258	100.00%
4	Berea		131,184		131,184	
	Include??		Yes		Yes	