"Powering Your Life"

June 2021



Owned by the People of Paducah

paducahpower.com 1500 Broadway, Paducah phone: 270.575.4000



management team

David C. Carroll General Manager

Rick Windhorst Assistant General Manager

Andrea Underwood Director of Human Resources and Community Relations

Doug Handley Director of Finance, Power Supply & Rates

Eileen Miller Business Systems Manager

board of directors

Hardy Roberts Chairman Mark Workman Vice Chair Ed Hely Secretary/Treasurer Sandra Wilson Member Darryl Pea Member





Rate Vote

The Paducah Power System Board of Directors this month will vote on rates derived from its year-long rate review process. Standard practice for utilities is a rate study every three to five years. The last rate study for PPS was in 2013. Since August, staff has presented rate related information to the board during workshops at the end of the board's regular meetings, addressing topics such as service design, customer incentives, and rate design issues. A key part of the review process is to determine the cost allocation of services for each rate class and avoid one rate class subsidizing another.

Under the final proposal presented to the board May 10, residential customers would see an average 3.4% rate increase. General services accounts with no demand, such as small storefronts, would see a 2.5% change. Accounts with a small demand, like hotels, would have an average rise of 1.9%. Large demand accounts such as hospitals and industrial customers would see a 1.9% increase. There would also be small increases in some of the monthly customer service charges. If approved this month, the rise in base rates would be the first in seven years and would still be 5% lower than PPS's rate peak in 2014. The only changes in PPS rates since 2014 have been small up and down adjustments in the Power Cost Adjustment (PCA) to cover fluctuations in wholesale power costs. Under the proposal, the PCA would revert to zero, beginning July 1. It would still be reviewed every quarter for any up or down adjustments needed.

| Electric Plant Board of the City of Paducah, Kentucky Revenue from Existing and Proposed Rates [1] | | | | | | | |
|---|------------------|----------|--------------------|------------|-------------|------------|----------|
| | | | | | | | |
| | Billing | Existing | Proposed | Existing | Proposed | Increase/ | Percent |
| | Units [2] | Rates | Rates | Rates | Rates | (Decrease) | Increase |
| Residential | | | | | | | |
| Customer Charge | 227,445 | 14.75 | 16.50 | 3,354,811 | 3,752,840 | | |
| Energy Charge | 216,197 | 0.11153 | 0.14478 | 24,112,440 | 31,301,314 | | |
| PCA - June/July 2021 | 216,197 | 0.02305 | {0.00689} | 4,983,338 | (1,489,811) | | |
| Total | | | | 32,450,590 | 33,564,343 | 1,113,753 | 3.49 |
| General Service Nondemand (GS-1) | | | | | | | |
| Customer Charge | 34,032 | 22.00 | 33.00 | 748,713 | 1,123,070 | | |
| Energy Charge | 56,615 | 0.12217 | 0.14947 | 6,916,599 | 8,462,257 | | |
| PCA - June/July 2021 | 56,615 | 0.02305 | (0.00689) | 1,304,965 | (390,130) | | |
| Total | | | | 8,970,277 | 9,195,196 | 224,919 | 2.59 |
| Drain Pumps | | | | | | | |
| Customer Charge | 223 | 65.00 | 77.00 | 14,495 | 17,171 | | |
| Energy Charge | 151 | 0.09391 | 0.12197 | 14,171 | 18,405 | | |
| PCA - June/July 2021 | 151 | 0.02305 | (0.00689) | 3,478 | (1,040) | | |
| Total | | | | 32,144 | 34,537 | 2,392 | 7.49 |
| General Service Small Demand (GS-2 | | | | | | | |
| Customer Charge | 5,642 | 115.00 | 160.00 | 648,879 | 902,789 | | |
| Energy Charge - first 15 MWh | 80,956 | 0.11938 | 0.14100 | 9,664,548 | 11,414,936 | | |
| Energy Charge - over 15 MWh | 102,554 | 0.07495 | 0.11218 | 7,686,387 | 11,504,462 | | |
| Demand Charge - over 50 kW | 226,788 | 16.49 | 17.25 | 3,739,735 | 3,912,094 | | |
| PCA - June/July 2021 | 183,510 | 0.02305 | (0.00689) | 4,229,899 | (1,264,564) | 500.269 | 1.99 |
| Total | | | | 25,969,449 | 26,469,717 | 500,269 | 1.99 |
| Seasonal | | | 160.00 | 1.380 | 1.920 | | |
| Customer Charge | 12 | 115.00 | | | | | |
| Energy Charge - first 15 MWh | 468 | 0.13529 | 0.16600 0.13718 | 63,262 | 77,622 | | |
| Energy Charge - over 15 MWh | | 20.49 | 21.25 | | - | | |
| Demand Charge - over 50 kW | 468 | 0.02305 | (0.00689) | 10,778 | (3,222) | | |
| PCA - June/July 2021 Total | 900 | 0.02505 | (0.00085) | 75,420 | 76,320 | 900 | 1.25 |
| | | | | | | | |
| General Service - Large Demand [GS | -3] -48 | 275.00 | 275.00 | 13.200 | 13,200 | | |
| Customer Charge | 48 50.520 | 0.06736 | 0.09972 | 3,403,049 | 5,037,679 | | |
| Energy Charge Demand Charge - first MW | 41,456 | 15.25 | 16.50 | 632,204 | 684.024 | | |
| Demand Charge - first WW Demand Charge - over 1 MW | 41,450 51,169 | 17.62 | 16.50 | 901.603 | 844,293 | | |
| PCA - June/July 2021 | 50,520 | 0.02305 | (0.00689) | 1.164.493 | (348,135) | | |
| Total | 50,020 | 0.01303 | (1111003) | 6,114,549 | 6,231,061 | 116,512 | 1.93 |
| Industrial Service (IS-1) | | | | | | | |
| Customer Charge | 22 | 275.00 | 295.00 | 6,050 | 6,490 | | |
| Energy Charge | 17,377 | 0.05257 | 0.08672 | 913,519 | 1,506,879 | | |
| Demand Charge | 32,625 | 18.38 | 17.25 | 599,648 | 562,781 | | |
| PCA - June/July 2021 | 17,377 | 0.02305 | (0.00689) | 400,544 | (119,746) | | |
| Total | | | | 1,919,761 | 1,956,404 | 36.643 | 1.9 |

[1] Existing rates include Power Cost Adjustment (PCA) in effect for June 2021. Proposed rates include PCA effective July 2021. Customer Charges per customer are billed monthly. Energy Charges and PCA are billed based on monthly metered consumption in WMb. Demand Charges, Il golpalable, are billed based on monthly metered demand in WV. 2) Annual billing with 5 or Lutamee Charges is customer-months; for Demand Charges is WM-months; and for Energy Charges and PCA is MWb (L000 kWb).









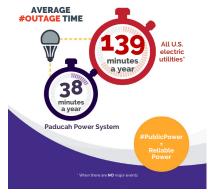
ENERGYedition

PPS Wins National Recognition

The American Public Power Association (APPA) recently recognized Paducah Power System with two of its most prestigious awards. APPA is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. The association, each year, bestows the E.F. Scattergood System Achievement Award on three utilities that demonstrate excellence in providing service to its customers, making a difference in the community, and enhancing the profile of public power. At the APPA national conference this month, Paducah Power received the award for achievements in 2020. PPS General Manager Dave Carroll said, "Our accomplishments in reliability, safety, and service are possible only because of the hard work and dedication of our employees. We are grateful for all they do to embrace our role of a public utility and our obligations to the community we serve."

APPA also gave Paducah Power its Excellence in Reliability award. 200 of the 2000 utilities in APPA received the honor. PPS had a 99.9928% reliability rate for 2020. That means the average PPS customer had 38 minutes of outage time last year, while the national average is 139 minutes. Assistant General Manager Rick Windhorst attributed the high reliability rate to extensive maintenance measures, data reviews that indicate potential equipment issues, and rapid response times.





Reminder



PPS will be closed Monday, July 5th for Independence Day.

Save with Mobile App



Our mobile app and online portal are free and handy ways to keep tabs on your daily usage during the summer months. Download our app from the Apple[™]or Android[™] app stores. Register for the customer portal by going to our webpage, paducahpower.com, clicking on "Login" and following the instructions. Please call our Customer Service Department at 270-575-4000 for help.



PPS crews display the American flag at Family Service Society's Iron Mom fundraising run.



Paint collected at the recent Spring Clean Up Day event.

Spring Clean Up Day Collection



The pouring rain did not keep people from taking part in April's Spring Clean-Up Day. Traffic at the event, the first since 2019 because of COVID, was heavy. PPS collected several thousand feet of fluorescent tubes. Residential customers who missed Spring Clean Up Day may drop off fluorescent tubes and compact fluorescent bulbs at our building at 1500 Broadway during regular business hours. The service is free.