



EAST KENTUCKY POWER COOPERATIVE

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DEC 15 2010

PUBLIC SERVICE
COMMISSION

December 15, 2010

HAND DELIVERED

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: PSC Case No. 2010-00182

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case an original and ten copies of revisions to the response to Request 2, Page 2 of 8 and Page 6 of 8, of South Kentucky Rural Electric Cooperative Corporation's responses to the Commission Staff's Information Request from East Kentucky Power Cooperative, Inc.'s Informal Conference held December 3, 2010. An electronic version the entire revised response to Request 2 is included on the attached CD.

Very truly yours,

Ann F. Wood
Manager, Regulatory Services

Enclosures

South Kentucky RECC
Billing Analysis
for the 12 months ended December 31, 2009

	Total	% of Total	Total	% of Total	\$ Increase	% Increase
Residential, Farm and Non-Farm Service	\$ 73,801,535	66.21%	\$ 76,954,890	66.21%	\$ 3,153,355	4.27%
Residential, Farm and Non-Farm Service (ETS)	532,254	0.48%	554,982	0.48%	22,728	4.27%
Schedule B	7,381,285	6.62%	7,696,744	6.62%	315,459	4.27%
Schedule B ETS	1,525	0.00%	1,590	0.00%	65	4.27%
Schedule LP - Excess of 50 kVA	15,891,950	14.26%	16,569,998	14.26%	678,048	4.27%
Schedule LP-1	1,008,771	0.90%	1,051,862	0.90%	43,091	4.27%
Schedule LP-2	2,997,963	2.69%	3,126,007	2.69%	128,044	4.27%
Schedule LP-3	4,570,454	4.10%	4,765,831	4.10%	195,378	4.27%
Casey Stone Company	-	0.00%	-	0.00%	-	0.00%
Schedule OPS	1,384,133	1.24%	1,443,368	1.24%	59,236	4.28%
Schedule AES	639,794	0.57%	667,122	0.57%	27,328	4.27%
STL	134,309	0.12%	140,086	0.12%	5,778	4.30%
DSTL	64,591	0.06%	67,356	0.06%	2,765	4.28%
Outdoor Lighting Service	3,065,140	2.75%	3,195,321	2.75%	130,181	4.25%
Revenue From Base Rates	<u>\$ 111,473,703</u>	<u>100.00%</u>	<u>\$ 116,235,158</u>	<u>100.00%</u>	<u>\$ 4,761,455</u>	<u>4.27%</u>
FAC	2,779,449		2,779,449		0	0.00%
ES	7,151,773		7,151,773		0	0.00%
Enviro Watts	7,031		7,031		0	0.00%
Total	<u>\$ 121,411,956</u>		<u>\$ 126,173,411</u>		<u>\$ 4,761,455</u>	<u>3.92%</u>
South Kentucky Portion of EKPC's Wholesale Rate Increase					<u>4,764,647</u>	
Over (Under) Recovery due to Rounding					\$ (3,192)	

Note: In order to appropriately match retail rates to the forecasted test year used for wholesale rates, an escalation factor was applied to each member system's 2009 actual billing determinants. The escalation factors used in this proceeding were an outcome of preliminary load forecast projections.

South Kentucky Rural Electric
Billing Analysis
for the 12 months ended December 31, 2009

Schedule LP-2
Large Power Rate (5,000 KW to 9,999 KW)
Rate 10

Billing Units	Escalation Factor	Existing				Proposed				\$ Increase	% Increase	
		Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate	Annualized Revenues	% of Total			
Metering Charge	12	12	\$ 136.99	\$ 1,644	0.05%	12	\$ 142.85	\$ 1,714	0.05%	\$ 70	4.28%	
Substation Charge 3000-749	12	12	2,600.75	31,209	1.04%	12	2,711.96	32,544	1.04%	1,335	4.28%	
Substation Charge 7500-14799 kW			3,129.01	0	0.00%	-	3,262.80	0	0.00%	0	0.00%	
Demand Charge	104,050	0.26%	104,321	5.91	616,537	20.57%	104,321	6.16	642,617	20.56%	26,080	4.23%
First 400 kwh per KW (to 5,000 kW): Energy charge per kWh	24,000,000		24,000,000	\$0.05841	1,401,840	46.76%	24,000,000	\$0.06091	1,461,840	46.76%	60,000	4.28%
All remaining kwh: Energy charge per kWh	20,030,880	-4.00%	<u>18,269,645</u>	\$0.05182	946,733	31.58%	<u>18,269,645</u>	\$0.05404	987,292	31.58%	40,559	4.28%
Total kwh			<u>42,269,645</u>				<u>42,269,645</u>					
Total from base rates				\$ 2,997,963	100.00%			\$ 3,126,007	100.00%	\$ 128,044	4.27%	
Fuel adjustment				82,537				82,537		0	0.00%	
Environmental surcharge				195,719				195,719		0	0.00%	
Total revenues				\$ 3,276,219				\$ 3,404,263		\$ 128,044	3.91%	
Average Bill				\$ 273,018.25				\$ 283,688.56		\$ 10,670.31	3.91%	

Schedule LP-3
Large Power Rate (500 KW to 2,999 KW)
Rate 12; 15

Billing Units	Escalation Factor	Existing				Proposed				\$ Increase	% Increase	
		Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate	Annualized Revenues	% of Total			
Metering Charge	108	108	\$ 136.99	\$ 14,795	0.32%	108	\$ 142.85	\$ 15,428	0.32%	\$ 633	4.28%	
Substation Charge 500-999 kW	47	47	\$345.23	16,226	0.36%	47	359.99	16,920	0.36%	694	4.28%	
Substation Charge 1000-299	59	59	\$1,034.60	61,041	1.34%	59	1,078.84	63,652	1.34%	2,610	4.28%	
Demand Charge:												
Contract demand	138,850	0.26%	139,211	\$5.91	822,737	18.00%	139,211	6.16	857,540	17.99%	34,803	4.23%
Excess demand	4,998	0.26%	5,011	\$8.57	42,944	0.94%	5,011	8.94	44,798	0.94%	1,854	4.32%
Energy charge per kWh	67,745,091	-4.00%	65,035,287	\$0.05555	3,612,710	79.04%	65,035,287	\$0.05793	\$ 3,767,494	79.05%	154,784	4.28%
Total from base rates				\$ 4,570,454	100.00%			\$ 4,765,831	100.00%	\$ 195,378	4.27%	
Fuel adjustment				134,984				134,984		0	0.00%	
Environmental surcharge				293,053				293,053		0	0.00%	
Total revenues				\$ 4,998,491				\$ 5,193,868		\$ 195,378	3.91%	
Average Bill				\$ 46,282.32				\$ 48,091.37		\$ 1,809.05	3.91%	