



Big Sandy Rural Electric
Cooperative Corporation

504 11th Street
Paintsville, Kentucky 41240-1422
(606) 789-4095 • Fax (606) 789-5454
Toll Free (888) 789-RECC (7322)

ORIGINAL

October 07, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

RE: Public Service Commission Case No. 2013-00324

Dear Mr. Derouen:

Please find enclosed the original and 7 copies of Big Sandy Rural Electric Cooperative Corporation's response as requested in Case No. 2013-00324, AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE TWO-YEAR BILLING PERIOD ENDING JUNE 30, 2013 AND THE PASS THROUGH MECHANISM FOR ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES. Billy Frasure will be the witness responsible for responding to the questions related to the information provided.

If you should need any additional information, please do not hesitate to contact me.


Thank you,

David Estep
President & General Manager

CERTIFICATE

**STATE OF KENTUCKY)
COUNTY OF JOHNSON)**

Billy O. Frasure, CPA, being duly sworn, states that he has supervised the preparation of the response of Big Sandy RECC to the Public Service Commission Staff's Request for information in Case No. 2013-00324 dated September 18, 2013 and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Billy O. Frasure, CPA

Subscribed and sworn before me on this 7th day of October, 2013



Notary Public

Big Sandy RECC - Calculation of (Over)/Under

	EKPC Invoice Month recorded Member's Books	Billed to Retail Consumer & recorded on Member's Books	Monthly (Over) or Under	Cumulative (Over) or Under
Mo/Yr	(1)	(2)	(3)	(4)
Jan-13	\$ 252,597	\$ 262,290	\$ (9,693)	\$ (9,697)
Feb-13	\$ 211,782	\$ 224,558	\$ (12,776)	\$ (22,473)
Mar-13	\$ 202,506	\$ 209,020	\$ (6,514)	\$ (28,987)
Apr-13	\$ 167,875	\$ 167,825	\$ 50	\$ (28,937)
May-13	\$ 164,640	\$ 163,272	\$ 1,368	\$ (27,569)
Jun-13	\$ 227,647	\$ 232,220	\$ (4,573)	\$ (32,142)
Jul-13	\$ 227,908	\$ 239,167	\$ (11,259)	\$ (43,401)
Aug-13	\$ 198,761	\$ 215,797	\$ (17,036)	\$ (60,437)

Cumulative 6-months (Over)/Under Recovery	\$ (32,142)
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Monthly Recovery (per month for six months)	\$ (5,357)
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East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
 Pass Through Mechanism Report for Big Sandy RECC

For the Month Ending August 2013

Surcharge Factor Expense Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Big Sandy	On-Peak Revenue Adjustment	EKPC Net Monthly Sales to Big Sandy	EKPC 12-months Ended Average Monthly Revenue from Sales to Big Sandy	Big Sandy Revenue Requirement	Amortization of (Over)/Under Recovery	Big Sandy Net Revenue Requirement	Big Sandy Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Big Sandy Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Big Sandy Pass Through Mechanism Factor
	Col. (1) - Col. (2)	Col. (3) - Col. (4)	Col. (4) - Col. (6)	Col. (8) x Col. (7)	Col. (8) + Col. (9)	Col. (8) + Col. (9)	Col. (8) + Col. (9)	Col. (8) + Col. (9)	Col. (11) - Col. (12)	Col. (11) - Col. (12)	Col. (10) / Col. (11)	Col. (11) - Col. (12)	Col. (11) - Col. (12)	Col. (10) / Col. (11)	Col. (10) / Col. (11)
Sep-11	12.01%	0.00%	12.01%	\$ 1,151,494	\$ -	\$ 1,151,494	\$ 1,388,709	\$ 165,904	\$ (6,802)	\$ 160,102	\$ 1,585,200	\$ -	\$ 1,585,200	\$ 1,955,237	8.21%
Oct-11	14.85%	0.00%	14.85%	\$ 1,165,133	\$ -	\$ 1,165,133	\$ 1,407,812	\$ 209,060	\$ (6,802)	\$ 202,258	\$ 1,643,559	\$ -	\$ 1,643,559	\$ 1,968,044	10.34%
Nov-11	15.11%	0.00%	15.11%	\$ 1,426,980	\$ -	\$ 1,426,980	\$ 1,424,282	\$ 215,206	\$ (6,802)	\$ 208,404	\$ 1,810,875	\$ -	\$ 1,810,875	\$ 1,982,625	10.59%
Dec-11	14.21%	0.00%	14.21%	\$ 1,684,471	\$ -	\$ 1,684,471	\$ 1,396,367	\$ 199,424	\$ (6,802)	\$ 191,622	\$ 2,400,379	\$ -	\$ 2,400,379	\$ 1,950,247	8.67%
Jan-12	12.09%	0.00%	12.09%	\$ 1,726,721	\$ -	\$ 1,726,721	\$ 1,370,868	\$ 185,738	\$ -	\$ 165,738	\$ 2,468,470	\$ -	\$ 2,468,470	\$ 1,908,932	8.50%
Feb-12	10.78%	0.00%	10.78%	\$ 1,576,298	\$ -	\$ 1,576,298	\$ 1,368,583	\$ 147,533	\$ -	\$ 147,533	\$ 2,207,359	\$ -	\$ 2,207,359	\$ 1,910,341	7.79%
Mar-12	12.82%	0.00%	12.82%	\$ 1,182,701	\$ -	\$ 1,182,701	\$ 1,356,391	\$ 175,246	\$ -	\$ 175,246	\$ 1,694,331	\$ -	\$ 1,694,331	\$ 1,888,910	9.17%
Apr-12	14.94%	0.00%	14.94%	\$ 1,017,253	\$ -	\$ 1,017,253	\$ 1,353,466	\$ 202,208	\$ -	\$ 202,208	\$ 1,492,663	\$ -	\$ 1,492,663	\$ 1,890,160	10.71%
May-12	16.90%	0.00%	16.90%	\$ 1,139,333	\$ -	\$ 1,139,333	\$ 1,356,753	\$ 228,281	\$ -	\$ 229,291	\$ 1,630,984	\$ -	\$ 1,630,984	\$ 1,894,592	12.13%
Jun-12	15.55%	0.00%	15.55%	\$ 1,255,101	\$ -	\$ 1,255,101	\$ 1,352,838	\$ 210,366	\$ -	\$ 210,366	\$ 1,595,991	\$ -	\$ 1,595,991	\$ 1,895,955	11.10%
Jul-12	14.51%	0.00%	14.51%	\$ 1,418,528	\$ -	\$ 1,418,528	\$ 1,347,019	\$ 195,452	\$ -	\$ 195,452	\$ 2,132,740	\$ -	\$ 2,132,740	\$ 1,868,721	10.31%
Aug-12	16.23%	0.00%	16.23%	\$ 1,256,596	\$ -	\$ 1,256,596	\$ 1,333,457	\$ 188,419	\$ -	\$ 188,419	\$ 1,801,645	\$ -	\$ 1,801,645	\$ 1,880,433	9.97%
Sep-12	17.57%	0.00%	17.57%	\$ 1,092,731	\$ -	\$ 1,092,731	\$ 1,328,571	\$ 215,627	\$ -	\$ 215,627	\$ 1,511,751	\$ -	\$ 1,511,751	\$ 1,874,312	11.47%
Oct-12	18.23%	0.00%	18.23%	\$ 1,112,733	\$ -	\$ 1,112,733	\$ 1,324,204	\$ 243,136	\$ -	\$ 243,136	\$ 1,568,508	\$ -	\$ 1,568,508	\$ 1,868,058	12.41%
Nov-12	14.61%	0.00%	14.61%	\$ 1,541,080	\$ -	\$ 1,541,080	\$ 1,333,712	\$ 232,663	\$ -	\$ 232,663	\$ 1,568,508	\$ -	\$ 1,568,508	\$ 1,891,428	13.02%
Dec-12	14.61%	0.00%	14.61%	\$ 1,607,607	\$ -	\$ 1,607,607	\$ 1,327,307	\$ 193,920	\$ -	\$ 193,920	\$ 2,191,412	\$ -	\$ 2,191,412	\$ 1,886,086	10.25%
Jan-13	13.49%	0.00%	13.49%	\$ 1,728,944	\$ -	\$ 1,728,944	\$ 1,327,492	\$ 179,079	\$ -	\$ 179,079	\$ 2,324,278	\$ -	\$ 2,324,278	\$ 1,865,086	8.00%
Feb-13	12.61%	0.00%	12.61%	\$ 1,569,914	\$ -	\$ 1,569,914	\$ 1,326,860	\$ 167,330	\$ -	\$ 167,330	\$ 2,556,078	\$ -	\$ 2,556,078	\$ 1,892,303	9.50%
Mar-13	14.37%	0.00%	14.37%	\$ 1,605,923	\$ -	\$ 1,605,923	\$ 1,362,229	\$ 195,752	\$ -	\$ 195,752	\$ 2,363,553	\$ -	\$ 2,363,553	\$ 1,905,303	8.84%
Apr-13	14.27%	0.00%	14.27%	\$ 1,168,240	\$ -	\$ 1,168,240	\$ 1,374,811	\$ 196,186	\$ -	\$ 196,186	\$ 1,833,770	\$ -	\$ 1,833,770	\$ 1,961,094	10.27%
May-13	17.97%	0.00%	17.97%	\$ 1,153,740	\$ -	\$ 1,153,740	\$ 1,376,011	\$ 247,269	\$ -	\$ 247,269	\$ 1,632,508	\$ -	\$ 1,632,508	\$ 1,972,861	10.00%
Jun-13	17.09%	0.00%	17.09%	\$ 1,266,813	\$ -	\$ 1,266,813	\$ 1,378,887	\$ 235,327	\$ -	\$ 235,327	\$ 1,854,262	\$ -	\$ 1,854,262	\$ 1,972,988	12.53%
Jul-13	15.77%	0.00%	15.77%	\$ 1,333,577	\$ -	\$ 1,333,577	\$ 1,389,825	\$ 216,021	\$ 18,477	\$ 235,327	\$ 2,004,628	\$ -	\$ 2,004,628	\$ 1,894,510	11.93%
Aug-13	15.48%	0.00%	15.48%	\$ 1,260,375	\$ -	\$ 1,260,375	\$ 1,370,140	\$ 212,235	\$ 14,199	\$ 226,434	\$ 1,834,960	\$ -	\$ 1,834,960	\$ 1,983,854	11.76%
															11.41%

Notes:

Big Sandy Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues. Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
 Pass Through Mechanism Report for Big Sandy RECC

For the Month Ending August 2013

Surcharge Factor Expense Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	EKPC CESF %	EKPC BESF %	EKPC MIESF %	EKPC Monthly Revenues from Sales to Big Sandy	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Big Sandy	EKPC 12-months Ended Average Monthly Revenue from Sales to Big Sandy	Big Sandy Revenue Requirement	Amortization of (Over)/Under Recovery	Big Sandy Net Revenue Requirement	Big Sandy Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Big Sandy Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Big Sandy Pass Through Mechanism Factor
	Col. (1) - Col. (2)	Col. (4) - Col. (5)	Col. (3) x Col. (7)					Col. (8) + Col. (9)					Col. (11) - Col. (12)	Col. (10) / Col. (14)	
Sep-11	12.01%	0.00%	12.01%	\$ 1,151,494	\$	\$ 1,151,494	\$ 1,389,709	\$ 165,904	\$ (6,802)	\$ 160,102	\$ 1,585,200	\$	\$ 1,585,200	\$ 1,955,237	8.21%
Oct-11	14.85%	0.00%	14.85%	\$ 1,165,133	\$	\$ 1,165,133	\$ 1,407,812	\$ 208,060	\$ (6,802)	\$ 202,258	\$ 1,643,659	\$	\$ 1,643,659	\$ 1,988,044	10.34%
Nov-11	15.11%	0.00%	15.11%	\$ 1,426,980	\$	\$ 1,426,980	\$ 1,424,262	\$ 215,208	\$ (6,802)	\$ 208,404	\$ 1,910,975	\$	\$ 1,910,975	\$ 1,982,625	10.59%
Dec-11	14.21%	0.00%	14.21%	\$ 1,684,471	\$	\$ 1,684,471	\$ 1,398,367	\$ 198,424	\$ (6,802)	\$ 191,622	\$ 2,400,378	\$	\$ 2,400,378	\$ 1,950,247	9.67%
Jan-12	12.09%	0.00%	12.09%	\$ 1,726,721	\$	\$ 1,726,721	\$ 1,370,868	\$ 165,738	\$	\$ 165,738	\$ 2,468,470	\$	\$ 2,468,470	\$ 1,808,932	8.50%
Feb-12	10.78%	0.00%	10.78%	\$ 1,576,298	\$	\$ 1,576,298	\$ 1,368,563	\$ 147,533	\$	\$ 147,533	\$ 2,207,359	\$	\$ 2,207,359	\$ 1,910,341	7.73%
Mar-12	12.92%	0.00%	12.92%	\$ 1,182,701	\$	\$ 1,182,701	\$ 1,356,391	\$ 175,248	\$	\$ 175,248	\$ 1,694,331	\$	\$ 1,694,331	\$ 1,888,910	9.17%
Apr-12	14.94%	0.00%	14.94%	\$ 1,017,253	\$	\$ 1,017,253	\$ 1,353,468	\$ 202,208	\$	\$ 202,208	\$ 1,492,583	\$	\$ 1,492,583	\$ 1,890,160	10.71%
May-12	15.55%	0.00%	15.55%	\$ 1,139,333	\$	\$ 1,139,333	\$ 1,356,753	\$ 229,291	\$	\$ 229,291	\$ 1,630,984	\$	\$ 1,630,984	\$ 1,894,592	12.13%
Jun-12	14.51%	0.00%	14.51%	\$ 1,255,101	\$	\$ 1,255,101	\$ 1,352,838	\$ 210,366	\$	\$ 210,366	\$ 1,595,991	\$	\$ 1,595,991	\$ 1,895,955	11.10%
Jul-12	14.13%	0.00%	14.13%	\$ 1,419,528	\$	\$ 1,419,528	\$ 1,347,019	\$ 195,452	\$	\$ 188,419	\$ 1,801,645	\$	\$ 1,801,645	\$ 1,889,721	10.31%
Aug-12	16.23%	0.00%	16.23%	\$ 1,256,598	\$	\$ 1,256,598	\$ 1,333,467	\$ 188,419	\$	\$ 185,452	\$ 1,511,751	\$	\$ 1,511,751	\$ 1,880,433	9.87%
Sep-12	17.57%	0.00%	17.57%	\$ 1,092,731	\$	\$ 1,092,731	\$ 1,328,571	\$ 215,627	\$	\$ 215,627	\$ 1,568,608	\$	\$ 1,568,608	\$ 1,874,312	11.47%
Oct-12	18.23%	0.00%	18.23%	\$ 1,112,733	\$	\$ 1,112,733	\$ 1,324,204	\$ 232,863	\$	\$ 232,863	\$ 1,588,608	\$	\$ 1,588,608	\$ 1,868,058	12.41%
Nov-12	14.61%	0.00%	14.61%	\$ 1,541,080	\$	\$ 1,541,080	\$ 1,333,712	\$ 243,136	\$	\$ 243,136	\$ 2,181,412	\$	\$ 2,181,412	\$ 1,891,428	13.02%
Dec-12	13.49%	0.00%	13.49%	\$ 1,607,607	\$	\$ 1,607,607	\$ 1,327,307	\$ 193,920	\$	\$ 193,920	\$ 2,324,278	\$	\$ 2,324,278	\$ 1,885,068	10.26%
Jan-13	12.61%	0.00%	12.61%	\$ 1,728,944	\$	\$ 1,728,944	\$ 1,327,492	\$ 179,078	\$	\$ 179,078	\$ 2,556,078	\$	\$ 2,556,078	\$ 1,892,303	9.30%
Feb-13	14.37%	0.00%	14.37%	\$ 1,569,914	\$	\$ 1,569,914	\$ 1,326,960	\$ 167,330	\$	\$ 167,330	\$ 2,363,353	\$	\$ 2,363,353	\$ 1,905,303	8.44%
Mar-13	14.37%	0.00%	14.37%	\$ 1,605,923	\$	\$ 1,605,923	\$ 1,362,229	\$ 185,752	\$	\$ 185,752	\$ 2,363,821	\$	\$ 2,363,821	\$ 1,961,094	10.27%
Apr-13	14.27%	0.00%	14.27%	\$ 1,166,240	\$	\$ 1,166,240	\$ 1,374,811	\$ 188,186	\$	\$ 188,186	\$ 1,633,770	\$	\$ 1,633,770	\$ 1,972,881	10.20%
May-13	17.97%	0.00%	17.97%	\$ 1,153,740	\$	\$ 1,153,740	\$ 1,378,011	\$ 247,269	\$	\$ 247,269	\$ 1,632,508	\$	\$ 1,632,508	\$ 1,972,888	12.53%
Jun-13	17.09%	0.00%	17.09%	\$ 1,266,813	\$	\$ 1,266,813	\$ 1,376,987	\$ 235,327	\$ (5,357)	\$ 229,970	\$ 1,854,262	\$	\$ 1,854,262	\$ 1,994,510	11.66%
Jul-13	15.77%	0.00%	15.77%	\$ 1,333,577	\$	\$ 1,333,577	\$ 1,369,825	\$ 216,021	\$ 18,477	\$ 234,498	\$ 2,004,628	\$	\$ 2,004,628	\$ 1,983,834	11.76%
Aug-13	15.49%	0.00%	15.49%	\$ 1,260,375	\$	\$ 1,260,375	\$ 1,370,140	\$ 212,235	\$ 14,199	\$ 226,434	\$ 1,834,960	\$	\$ 1,834,960	\$ 1,986,611	11.41%

Notes:
 Big Sandy Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
 Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.