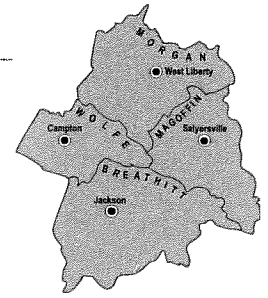


LICKING VALLEY
RURAL ELECTRIC COOPERATIVE CORPORATION
P. O. Box 605 • 271 Main Street
West Liberty, KY 41472-0605
(606) 743-3179



October 14, 2013

Mr. Jeff Derouen
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED
OCT 16 2013
PUBLIC SERVICE
COMMISSION

Re: Case No. 2013-00324

Dear Mr. Derouen:

Please find enclosed and original and seven copies of Licking Valley Rural Electric Cooperative Corporation's (Licking Valley RECC) Responses to the Commission Staff's First Request for Information, dated September 18, 2013, regarding the Examination of the Environmental Surcharge Mechanism of East Kentucky Power Cooperative, Inc., and the Pass Through Mechanism for its Sixteen Member Distribution Cooperative.

The applicant, Licking Valley RECC, makes the following response as follows:

1. The witness who is prepared to answer questions concerning the request is Kerry K. Howard.
2. Kerry K. Howard, General Manager/CEO of Licking Valley RECC, is the person supervising the preparation of the responses on behalf of the applicant.
3. The response and exhibit are attached hereto and incorporated by referenced herein.

Thank you for your assistance.

Sincerely,

Kerry K. Howard
General Manager/CEO

Enclosures

cc: Isaac Scott @ East Kentucky Power Cooperative
Managers @ Member Distribution Cooperatives

RECEIVED
OCT 16 2013
PUBLIC SERVICE
COMMISSION

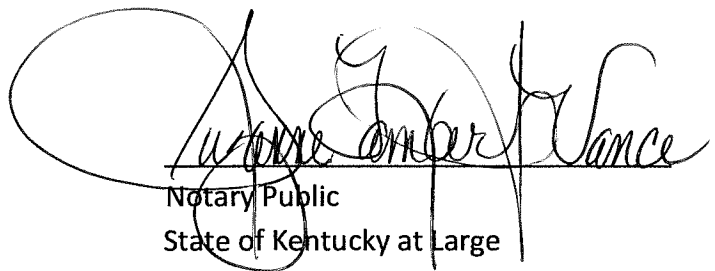
AFFIDAVIT

The Affiant, Kerry K. Howard, General Manager/CEO for Licking Valley Rural Electric Cooperative Corporation, Post Office Box 605, West Liberty, Kentucky 41472-0605, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.



Kerry K. Howard
General Manager/CEO

Subscribed and sworn before me by the Affiant, Kerry K. Howard, this 14th day of October 2013.



Notary Public
State of Kentucky at Large

My Commission Expires: 05/29/2016

LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2013-00324
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

RECEIVED
OCT 16 2013
PUBLIC SERVICE
COMMISSION

Request 8

This question is addressed to each of the 16 member distribution cooperatives. For your particular distribution cooperative, provide the actual average residential customer's monthly usage. Based on the usage amount, provide the dollar impact any over-or under-recovery will have on the average residential customer's monthly bill for the requested recovery period. Provide all supporting calculations.

Response 8.

See Attached Exhibit A.

Witness: Kerry K. Howard

Licking Valley Rural Electric Cooperative Corporation
Case Number 2013-00324
Response 8

		<i>Actual</i>	<i>Spread</i>	
			6 Month	12 Month
<i>12-Month Average Residential kwh</i>		840	840	840
<i>Residential Rate:</i>				
<i>Customer Charge</i>	<i>\$9.32</i>	9.32	9.32	9.32
<i>Kwh Charge</i>	<i>.093550</i>	78.58	78.58	78.58
<i>Subtotal</i>		87.90	87.90	87.90
<i>Surcharge December 2012</i>	<i>(1)</i>	10.64	(2) 11.49%	(3) 11.49%
<i>11.49%</i>		98.54		10.64
<i>Total</i>			98.54	98.54
<i>Impact</i>			.00	.00

June 2013 was used as a representative month for the calculation.

Licking Valley 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	\$ 261,392	\$ 281,271	\$ (19,879)	\$ (19,879)
Feb-13	\$ 220,474	\$ 217,823	\$ 2,651	\$ (17,227)
Mar-13	\$ 211,292	\$ 194,973	\$ 16,319	\$ (908)
Apr-13	\$ 179,972	\$ 169,140	\$ 10,832	\$ 9,924
May-13	\$ 175,702	\$ 176,842	\$ (1,140)	\$ 8,784
Jun-13	\$ 239,788	\$ 249,273	\$ (9,485)	\$ (701)
Jul-13	\$ 241,896	\$ 256,289	\$ (14,393)	\$ (15,094)
Aug-13	\$ 212,327	\$ 211,666	\$ 661	\$ (14,433)

Cumulative 6-months (Over)/Under Recovery	\$ (701)
-------------------------------------------	----------

Monthly Recovery (per month for six months)	\$ (117)
---------------------------------------------	----------

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

For the Month Ending August 2013

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Licking Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Licking Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley 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%	\$ 1,229,591		\$ 1,229,591	\$ 1,449,087	\$ 174,035	\$ (4,922)	\$ 169,113	\$ 1,574,736		\$ 1,574,736	\$ 2,158,513	7.88%
Oct-11	14.85%	0.00%	14.85%	\$ 1,237,339		\$ 1,237,339	\$ 1,466,910	\$ 217,838	\$ (4,922)	\$ 212,914	\$ 2,127,047		\$ 2,127,047	\$ 2,179,331	9.86%
Nov-11	15.11%	0.00%	15.11%	\$ 1,442,609		\$ 1,442,609	\$ 1,482,052	\$ 223,938	\$ (4,922)	\$ 219,016	\$ 2,220,462		\$ 2,220,462	\$ 2,165,478	10.05%
Dec-11	14.21%	0.00%	14.21%	\$ 1,698,715		\$ 1,698,715	\$ 1,454,701	\$ 206,713	\$ (4,922)	\$ 201,791	\$ 2,765,628		\$ 2,765,628	\$ 2,159,008	9.32%
Jan-12	12.09%	0.00%	12.09%	\$ 1,760,108		\$ 1,760,108	\$ 1,428,676	\$ 172,727	\$ -	\$ 172,727	\$ 2,467,579		\$ 2,467,579	\$ 2,090,169	8.00%
Feb-12	10.78%	0.00%	10.78%	\$ 1,579,437		\$ 1,579,437	\$ 1,422,489	\$ 153,344	\$ -	\$ 153,344	\$ 2,187,722		\$ 2,187,722	\$ 2,095,467	7.34%
Mar-12	12.92%	0.00%	12.92%	\$ 1,190,390		\$ 1,190,390	\$ 1,407,230	\$ 181,814	\$ -	\$ 181,814	\$ 1,723,390		\$ 1,723,390	\$ 2,059,095	8.68%
Apr-12	14.94%	0.00%	14.94%	\$ 1,080,482		\$ 1,080,482	\$ 1,403,946	\$ 209,750	\$ -	\$ 209,750	\$ 1,730,601		\$ 1,730,601	\$ 2,070,506	10.19%
May-12	16.90%	0.00%	16.90%	\$ 1,212,841		\$ 1,212,841	\$ 1,407,435	\$ 237,857	\$ -	\$ 237,857	\$ 1,813,296		\$ 1,813,296	\$ 2,081,858	11.49%
Jun-12	15.55%	0.00%	15.55%	\$ 1,346,633		\$ 1,346,633	\$ 1,406,980	\$ 218,785	\$ -	\$ 218,785	\$ 2,110,180		\$ 2,110,180	\$ 2,104,791	10.51%
Jul-12	14.51%	0.00%	14.51%	\$ 1,550,009		\$ 1,550,009	\$ 1,403,685	\$ 203,675	\$ -	\$ 203,675	\$ 2,212,278		\$ 2,212,278	\$ 2,085,816	9.68%
Aug-12	14.13%	0.00%	14.13%	\$ 1,386,845		\$ 1,386,845	\$ 1,392,917	\$ 196,819	\$ -	\$ 196,819	\$ 1,987,786		\$ 1,987,786	\$ 2,076,725	9.44%
Sep-12	16.23%	0.00%	16.23%	\$ 1,197,094		\$ 1,197,094	\$ 1,390,209	\$ 225,631	\$ -	\$ 225,631	\$ 1,667,259		\$ 1,667,259	\$ 2,084,436	10.86%
Oct-12	17.57%	0.00%	17.57%	\$ 1,227,424		\$ 1,227,424	\$ 1,389,382	\$ 244,114	\$ -	\$ 244,114	\$ 2,022,836		\$ 2,022,836	\$ 2,075,751	11.71%
Nov-12	18.23%	0.00%	18.23%	\$ 1,590,599		\$ 1,590,599	\$ 1,401,715	\$ 255,533	\$ -	\$ 255,533	\$ 2,271,015		\$ 2,271,015	\$ 2,079,964	12.31%
Dec-12	14.61%	0.00%	14.61%	\$ 1,693,400		\$ 1,693,400	\$ 1,401,272	\$ 204,726	\$ -	\$ 204,726	\$ 2,712,774		\$ 2,712,774	\$ 2,075,560	9.84%
Jan-13	13.49%	0.00%	13.49%	\$ 1,789,127		\$ 1,789,127	\$ 1,403,690	\$ 189,358	\$ -	\$ 189,358	\$ 2,856,397		\$ 2,856,397	\$ 2,107,961	9.12%
Feb-13	12.61%	0.00%	12.61%	\$ 1,634,362		\$ 1,634,362	\$ 1,408,267	\$ 177,582	\$ -	\$ 177,582	\$ 2,388,468		\$ 2,388,468	\$ 2,124,690	8.42%
Mar-13	14.37%	0.00%	14.37%	\$ 1,675,598		\$ 1,675,598	\$ 1,448,701	\$ 208,178	\$ -	\$ 208,178	\$ 2,316,067		\$ 2,316,067	\$ 2,174,080	9.80%
Apr-13	14.27%	0.00%	14.27%	\$ 1,252,416		\$ 1,252,416	\$ 1,463,029	\$ 208,774	\$ -	\$ 208,774	\$ 1,725,716		\$ 1,725,716	\$ 2,173,673	9.60%
May-13	17.97%	0.00%	17.97%	\$ 1,231,265		\$ 1,231,265	\$ 1,464,564	\$ 263,182	\$ -	\$ 263,182	\$ 1,842,124		\$ 1,842,124	\$ 2,176,075	12.11%
Jun-13	17.09%	0.00%	17.09%	\$ 1,334,380		\$ 1,334,380	\$ 1,463,543	\$ 250,120	\$ -	\$ 250,120	\$ 2,058,044		\$ 2,058,044	\$ 2,171,730	11.49%
Jul-13	15.77%	0.00%	15.77%	\$ 1,415,429		\$ 1,415,429	\$ 1,452,328	\$ 229,032	\$ 8,046	\$ 237,078	\$ 2,230,547		\$ 2,230,547	\$ 2,173,253	10.92%
Aug-13	15.49%	0.00%	15.49%	\$ 1,346,400		\$ 1,346,400	\$ 1,448,958	\$ 224,444	\$ 7,528	\$ 231,972					10.67%

Notes:

Licking Valley 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 Licking Valley RECC

For the Month Ending August 2013

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