

(270) 465-4101 • Fax (270) 789-3625
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July 8, 2014

RECEIVED

JUL 10 2014

Jeff Derouen, Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

PUBLIC SERVICE
COMMISSION

RE: PSC Case No. 2014-00051

Dear Mr. Derouen:

Please find an original and five (5) copies of the responses of Taylor County RECC as requested in the above referenced case dated July 1, 2014.

If you have any questions, please let me know.

Sincerely,

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

John F. Patterson, Office Manager

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2014-00051

VERIFICATION

I verify state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.

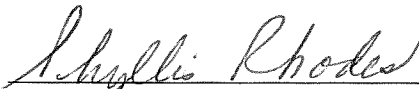


John F. Patterson, Office Manager

State of Kentucky

County of Taylor

The foregoing was signed, acknowledged and sworn to before me by John F. Patterson, this eighth day of July, 2014.



Notary Public

My Commission Expires: 1/22/15 ID# 435235

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KY 42719

PSC CASE NO. 2014-00051
RESPONSE TO DATA REQUEST DATED JUNE 30, 2014

WITNESS: John F. Patterson

1. To further Staff's understanding of how environmental surcharge expenses and revenues impact a cooperative's financial position, explain how the transactions are recorded on your books and provide representative journal entries showing account numbers and descriptions.

ANSWER: Taylor County prepares a spreadsheet monthly from reports generated by the billing system shown as page 2 of 3 of this Item. The spreadsheet is used to prepare the journal entry for the month as shown on page 3 of 3 of this Item number. The Monthly Revenue Totals are for meter readings dated JHune 30, 2014 and billed July 3, 2014. The Journal Entry is entered in July 2014.

MONTHLY REVENUE TOTALS
Jul-13

FROM CLASSREG REPORT

<u>REVENUE BILLED</u>															
GENERAL LEDGER															
ACCOUNT	CONSUMERS	KWH	KWH YARD LIGHT	TOTAL KWH	KW DEMAND	ENERGY	FUEL	SUR-CHARGE	LIGHTS	TOTAL BILLING	STATE TAX	SCHOOL TAX	FRANCHISE TAX	TOTAL BILLED	PENALTY
440.10	9,062	7,457,225	109,343	7,566,568	36.332	701,061.43	21,268.54	103,093.21	14,037.18	839,480.36	1.48	25,186.63	67.14	864,735.61	
440.30	13,763	14,160,123	170,175	14,330,298	94.697	1,297,055.60	40,273.33	190,290.63	21,897.16	1,549,516.72	3.24	46,485.46	542.63	1,596,548.05	
442.10	2,513	2,712,414	44,555	2,756,969	2,887.604	247,843.26	7,748.21	36,586.54	5,664.60	297,642.61	16,746.17	6,933.66	175.88	323,698.34	
442.20	265	8,623,279	22,908	8,646,187	27,131.082	677,081.39	24,296.02	98,524.93	2,371.94	802,274.28	40,348.86	23,982.77	1,170.45	667,776.36	
442.30	9	2,148,271	1,597	2,149,868	19,307.340	171,506.60	6,041.15	24,878.27	154.08	202,580.10	10,693.76	5,810.44	75.95	219,360.25	
444.00	8	664	57,258	57,942		58.34	162.61	1,038.64	7,199.76	8,457.55	157.19	253.72		6,668.46	
445.10	309	332,674	20,554	353,428	302.973	30,441.92	993.58	4,768.15	2,622.58	38,826.23	186.11	1,164.80	13.05	40,190.19	
445.20	4	5,740	41	5,781		512.81	16.25	75.00	6.62	610.66	10.14	18.31		639.13	
TOTALS	25,933	35,440,610	426,431	35,867,041	49,760.228	3,125,579.35	100,799.89	459,255.37	53,953.92	3,739,588.53	68,346.97	111,835.81	2,045.10	3,921,816.41	

REVENUE ADJUSTED

440.10		2,652		2,652		217.99	1.68	25.70		245.37		7.36		252.73	6,408.48
440.30		(3,051)	(93)	(3,144)		(250.57)	(6.78)	(34.70)	(11.45)	(303.50)	0.00	(9.02)		(312.52)	18,140.56
442.10		(594)		(594)		(48.87)	(0.67)	(5.66)		(55.20)	(0.67)	(1.66)	0.00	(57.53)	1,677.14
442.20				0	-	0.49		(29.52)		(29.03)	(1.82)	(0.89)		(31.74)	1,207.62
442.30		214,856		214,856	-	40,564.16	0.00	4,486.00		45,050.16	2,784.10	1,351.50		49,185.76	119.38
444.00				0	-					0.00				-	54.05
445.10				0	-					0.00				-	217.44
445.20				0	-					0.00				-	0.55
TOTALS		213,863	(93)	213,770	-	40,483.20	(5.77)	4,441.62	(11.45)	44,907.80	2,781.61	1,347.29	0.00	49,036.70	29,825.22

ADJUSTED REVENUE TOTAL

440.10	9,062	7,459,877	109,343	7,569,220	36.332	701,299.42	21,270.22	103,118.91	14,037.18	839,725.73	1.48	25,193.99	67.14	864,988.34	\$ 8,408.48
440.30	13,763	14,157,072	170,082	14,327,154	94.697	1,296,805.03	40,266.55	190,255.93	21,885.71	1,549,213.22	3.24	46,476.44	542.63	1,596,235.53	18,140.56
442.10	2,513	2,711,820	44,555	2,756,375	2,887.604	247,794.39	7,747.54	36,580.88	5,664.60	297,787.41	16,745.50	8,932.02	175.88	323,640.81	1,677.14
442.20	265	8,623,279	22,908	8,646,187	27,131.082	677,081.88	24,296.02	98,495.41	2,371.94	802,245.25	40,347.06	23,981.88	1,170.45	867,744.64	1,207.62
442.30	9	2,363,127	1,597	2,364,724	19,307.340	212,070.76	6,041.15	29,364.27	154.08	247,630.26	13,677.86	7,161.94	75.95	268,546.01	-
444.00	8	664	57,256	57,942	0.000	58.34	162.81	1,038.64	7,199.76	8,457.55	157.19	253.72	-	8,866.46	54.05
445.10	309	332,674	20,554	353,428	302.973	30,441.92	993.58	4,768.15	2,622.58	38,826.23	186.11	1,164.80	13.05	40,190.19	217.44
445.20	4	5,740	41	5,781	0.000	512.81	16.25	75.00	6.62	610.66	10.14	18.31	-	639.13	0.55
TOTALS	25,933	35,654,473	426,338	36,080,811	49,760.228	3,166,062.55	100,794.12	463,697.19	53,942.47	3,784,496.33	71,128.58	113,183.10	2,045.10	3,970,853.11	29,705.84

TOTAL BILL GENERAL			GENERAL ADJUSTMENTS		PENALTY			
<u>MONTH</u>	<u>LEDGER ACCOUNT</u>	<u>TOTAL BILLING DEBIT</u>	<u>CREDIT</u>	<u>LEDGER ACCOUNT</u>	<u>DEBIT (CREDIT)</u>	<u>JE9601-01</u>	<u>DEBIT</u>	<u>CREDIT</u>
	Jul-13	JE9601-04		JE9603-01	(enter opposite in ledger)	JE9601-01		
	14200	3,921,816.41		14200	(49,036.70)	142	29,825.22	
-	23650		68,346.97	23650	2,781.61	450		29,825.22
	23688		56.27	23688	0.00			
	23689		44.74	23689	0.00			
	23690		3,342.09	23690	0.00			
	23691		2,045.10	23691	0.00			
	23692		18,951.12	23692	(0.30)			
	23693		45,972.91	23693	1,342.73			
	23694		28,628.56	23694	(2.50)			
	23695		14,290.45	23695	7.36			
	23696		76.18	23696	0.00			
	23697		0.00	23697	0.00			
	23698		334.14	23698	0.00			
	23699		139.35	23699	0.00			
	44010		839,480.36	44010	245.37			
	44030		1,549,516.72	44030	(303.50)			
	44210		297,842.61	44210	(55.20)			
	44220		802,274.28	44220	(29.03)			
	44230		202,580.10	44230	45,050.16			
	44400		8,457.55	44400	0.00			
	44510		38,826.23	44510	0.00			
	44520		610.68	44520	0.00			
			3,921,816.41		0.00			
			-					
JE9602-01	WOB Reserv	.005 X	3,921,816.41					19,609.08

ITEM 2

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KY 42719

PSC CASE NO. 2014-00051
RESPONSE TO DATA REQUEST DATED JUNE 30, 2014

WITNESS: John F. Patterson

ITEM 2a

Using the month of July 2013 as an example, for the amount shown in the column titled "EKPC Invoice Month recorded on Member's Books," for your cooperative, provide the month in which the expenses are incurred by EKPC and when this amount was billed to the member cooperative.

ANSWER: The \$450,006 is on the EKPC June 2013 Power Bill which was paid and recorded on the books of Taylor County RECC in July 2013.

ITEM 2b

Using the month of July 2013 as an example, for the amount shown in the column titled "Billed to Retail Consumer & recorded on Member's Books," for your cooperative, provide the pass-through factor and the revenue amount to which it was applied to arrive at the amount shown.

ANSWER: The surcharge factor was 14.00% and the revenue amount was \$3,320,799.