P.O. Box 489 Brandenburg, KY 40108-0489 (270) 422-2162

Fax: (270) 422-4705

May 10, 2011

RECEIVED

MAY 11 2011

Mr. Jeff Derouen **Executive Director** Public Service Commission 21 1 Sower Boulevard

PUBLIC SERVICE COMMISSION

Frankfort, KY 40602

Re: Commission Staff's Second Information Request To Meade County Rural Electric Cooperative Corporation in the Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment- PSC Case No. 2011-00038

Dear Mr. Derouen:

Please find enclosed for filing with the Commission an original and 10 copies of Meade County Rural Electric Cooperative Corporation ("Meade County RECC") response to Commission Staff's First Information Request in the Application for Pass-Through of Big Rivers Electric Corporation ("Big Rivers") Wholesale Rate Adjustment. In addition, one (1) CD is attached to the original copy containing the electronic version of exhibits.

Respectfully submitted,

Burns E. Mercer President / CEO

C: Thomas C. Brite, Attorney for Meade County RECC

Jamo E. Wene

RECEIVED

MAY 1 1 2011

PUBLIC SERVICE

COMMISSION

Response to

Commission Staff's Second Information Request

To Meade County Rural Electric Cooperative Corporation
in the Application for Pass-Through of Big Rivers Electric

Corporation Wholesale Rate Adjustment

Case No. 2011-00038

VERIFICATION

COMMONWEALTH OF KENTIJCKY)) ss:
COUNTY OF MEADE)

The undersigned, **Burns E. Mercer**, being duly sworn, deposes and says that he is President and CEO of Meade County Rural Electric Cooperative Corporation, that he has personal knowledge of the matters set forth in the responses, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Burns E. Mercer

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 10th day of May 2011.

Notary Public

entucker

My Commission e

- 1						

Meade County Rural Electric Cooperative Corporation Response to Commission Staff's Second Information Request In

The Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment Case Number 2011-00038

Item 1

Refer to the electronic copies of Exhibit JDG-5 and the Loss Factor Schedule. Exhibit IDG-5 uses a line loss factor of 6.0038 percent. Provide the location of this factor in the Loss Factor Schedule.

Response

It is not on the Loss Factor Schedule. The 6.0038% is the loss amount reflected in the current Renewable Energy Resource Tariff mark-up. It is one minus the quotient of a) the present wholesale mark-up of \$0.0346 per kWh divided by b) the retail mark-up of 0.03681 per kWh. 0.060038 = (1-0.939962)

Meade County Rural Electric Cooperative Corporation Response to Commission Staff's Second Information Request

The Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment Case Number 2011-00038

Item 2

Confirm that electronic schedules FAC and FAC Roll-in are unrelated to this proceeding.

Response

Correct, they are not related to this proceeding.

Meade County Rural Electric Cooperative Corporation Response to Commission Staff's Second Information Request

The Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment Case Number 2011-00038

Item 3 a.

Refer to page 1 of 2. Meade Uses the abbreviation "F(b)" in the Non-Fuel Adjustment Clause Purchased Power Adjustment (Non-FAC PPS") formula. Given that this abbreviation is used in the formula in Schedule 18 of Meade's tariff, the Fuel Adjustment Clause, state whether Meade intended to use the abbreviation "PPA(b) in the Non-FAC PPS formula instead of "F(b)".

Response

Yes, PPA(b) should be used in place of F(b)

Item 3 b.

Refer to page 2 of 2. The first sentence in the second paragraph provides a list of the rates to which Section 1 of the Non-FAC PP rider would apply. Meade's Rate Schedule 4, Large Power Service (1,000 KVA and Larger Time-of-Day) is not included in the list. State whether Schedule 4 is omitted because there are no customers on that schedule. If no, explain why Schedule 4 is omitted. If yes, explain why this rider should not apply to any future customers served under Schedule 4.

Response

Schedule 4 should be included in the applicability. A corrected schedule is attached as pages 2 and 3 of this exhibit.

page 2 of 3 eltem 36

FOR	Entire territory	served	
	Community,	Town or City	
		P.S.C. No.	39
_X	(Original)	Sheet No.	84
	(Revised)		
	Cancelling	P.S.C. No.	
	(Original)	Sheet No.	
	(Revised)	Officer 140.	

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Schedule 25	CLASSIFICATION OF SERVICE	
Non-FAC Purchased Power Adjustment Clause		RATE PER UNIT

AVAILABILITY

To the entire territory served.

APPLICABILITY

This non-FAC Purchased Power Adjustment Clause ("PPA") is a rider to all rate schedules of Meade County RECC ("Meade" or "Corporation").

NON-FAC PURCHASED POWER ADJUSTMENT RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.

The non-FAC purchased power adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:

$$PPA = \underline{WPPA - O + U} - PPA(b)$$

$$P(m) \times L$$

Where:

PPA = the non-FAC purchased power adjustment rate per kWh for the current month

W_PPA = the non-FAC PPA amount charged by the Corporation's wholesale power supplier on power bill for the second month preceding the month in which PPA is applied.

P(m) = the kWh purchased in the second month preceding the month in which F is applied.

L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).

O = any over recovery amount from the second preceding month.

U = any under recovery amount from the second preceding month.

PPA(b) = Base non-FAC purchased power adjustment factor of \$.00000 per kWh.

DATE OF ISSUE	April 21, 2011			
	Month	Day	Year	
DATE EFFECTIVE	March 1, 2011			
	Month	Day	Year	
ISSUED BY		President / CEO P. O. Box 489, Brander	nburg, KY 40108	
	Name of Officer	Title	Address	***************************************
ISSUED BY AUTHORITY	OF P.S.C.			

ORDER NO.

2011-00038

	FUR	Entire territory	served	
	******	Community,	Town or City	
	_X	_ (Original) (Revised)	P.S.C. No. Sheet No.	39 85
MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION		Cancelling	P.S.C. No.	
	Puppersonal St. 1000000000000000000000000000000000000	_ (Original) (Revised)	Sheet No.	

Schedule 25 - continued	CLASSIFICATION OF SERVICE	
Non-FAC Purchased Power Adjustment Clause		RATE PER UNIT

SECTION 2

BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS (NO LINE LOSSES TO MEADE)

Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount charged or credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.

RATE APPLICATION

Section 1 of this rider shall apply to Rate Schedule 1, Rate Schedule 2, Rate Schedule 3, Schedule 3A, Rate Schedule 4, Rate Schedule 5, and Rate Schedule 6. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

DATE OF ISSUE	April 21, 2011		
	Month	Day	Year
DATE EFFECTIVE	March 1, 2011		
	Month	Day	Year
ISSUED BY		President / CEO P. O. Box 489, Brar	ndenburg, KY 40108
	Name of Officer	Title	Address
ICCUED BY AUTHORS	TVOEDEC		

ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2011-00038

Meade County Rural Electric Cooperative Corporation Response to Commission Staff's Second Information Request In

The Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment Case Number 2011-00038

Item 4

Provide the name of the newspaper or newspapers in which Meade County published notice of its proposed rate change.

Response

- 1. The Breckinridge Herald-News
- 2. The Grayson County News Gazette
- 3. The News Standard
- 4. Ohio County Times News
- 5. Meade County Messenger

Meade County Rural Electric Cooperative Corporation Response to Commission Staff's Second Information Request page 1 of be altern 5

The Application for Pass-Through of Big Rivers Electric Corporation Wholesale Rate Adjustment Case Number 2011-00038

Item 5

Provide an affidavit of publication of each newspaper in which notice was published.

Response

See pages 2 through 6 of this exhibit.

page 2 of b Stem 5

STATE OF KENTUCKY
COUNTY OF Meade
I, <u>Charlotte Lackler</u> , the Owner, Publisher or
Manager of The News Standard, a Newspaper having a
general circulation in County, Kentucky, do hereby
certify that the attached notice of Meade County RECC appeared in the
newspaper on the following dates March 4 2011.
Witness my hand this the day of 2011
Subscribed and sworn to before me this the $\frac{Q^{TH}}{Q^{TH}}$ day of
<u>MARCH</u> 2011.
My commission expires 1-14-2012 Morral Ametter
Notary Public,

AFFIDAVIT

STATE OF KENTUCKY
COUNTY OF Grayson
1, Shartyn, the Owner, Publisher or
Manager of G.C. VIUS GAZEHE, a Newspaper having a
general circulation in <u>Grayon</u> County, Kentucky, do hereby
certify that the attached notice of Meade County RECC appeared in the
newspaper on the following dates 3211 .
Witness my hand this the day of Jehnany 2011.
Subscribed and sworn to before me this the day of
february 2011.
My commission expires 4/28/12
Guslie a. Shartzer
Notary Public, <u>GraySon</u> County Kentucky

v = 11 = v = v ex

clem 5 people 4 of 6

STATE OF KENTUCKY
COUNTY OF Breckinridge
1, Nadean Collins , the Owner, Publisher or
Manager of The Breckinridge Herold-News, a Newspaper having a
general circulation in Breckinndge County, Kentucky, do hereby
certify that the attached notice of Meade County RECC appeared in the
newspaper on the following dates March 2, 2011 .
Witness my hand this the day of March 2011.
Subscribed and sworn to before me this the <u>2nd</u> day of
<u>March</u> 2011.
My commission expires $\frac{12\sqrt{32/12}}{12}$
Notary Public, Brecking idsc County Kentucky
Notary Public, <u>Breckinridge</u> County Kentucky

etem 5 pose 5 y 6

STATE OF KENTUCKY
COUNTY OF Ohio
I, <u>Jowanna Bandy</u> , the Owner, Publisher or
Manager of Ohio County Times News , a Newspaper having a
general circulation in <u>Ohio</u> County, Kentucky, do hereby
certify that the attached notice of Meade County RECC appeared in the
newspaper on the following dates <u>March 3, 2010</u> .
Witness my hand this the <u>3rd</u> day of <u>March</u> 2011.
Subscribed and sworn to before me this the day of
<u>March</u> 2011.
My commission expires <u>May 19, 2013</u>
Deborah Brasley
Notary Public, Muhlenberg County Kentucky

STATE OF KENTUCKY
COUNTY OF Meade
1, Linda Riddell - Services Coordine Owner, Publisher or
Manager of <u>Meade County Messenger</u> , a Newspaper having a
general circulation in Meade County, Kentucky, do hereby
certify that the attached notice of Meade County RECC appeared in the
newspaper on the following dates March 2, 2011.
Witness my hand this the 4th day of March 2011.
Subscribed and sworn to before me this the and day of
March 2011.
My commission expires $6-22-13$
Bayana Curto
Notary Public, <u>Meanle</u> County Kentucky