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October 4, 2012

RECEIVED

OCT 04 2012

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Dear Mr. Derouen:

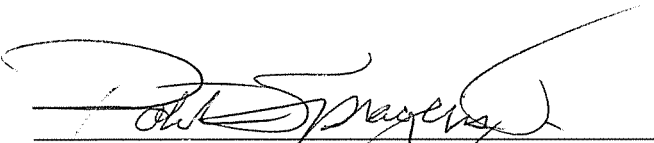
Re: Application of Taylor County Rural
Electric Cooperative Corporation
for an Adjustment of Rates;
Case No. 2012-00023

Enclosed herewith please find an original and ten (10) copies of Taylor County RECC's Responses to the Commission Staff's Second Request for Information in this proceeding.

With kind regards, I remain,

Respectfully submitted,

SPRAGENS & HIGDON, P.S.C.



Robert Spragens, Jr., Attorney for
Taylor County Rural Electric Cooperative

RS,JR:js
Enclosures

cc: Mr. John F. Patterson, Office Manager
Taylor County RECC

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of Adjustment of Rates of

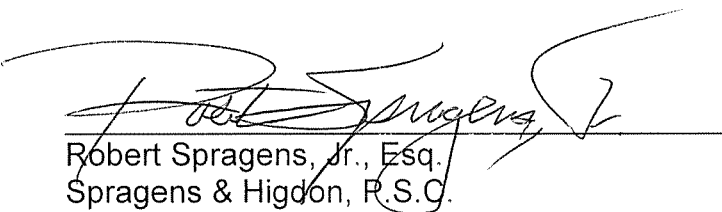
Taylor County Rural Electric Cooperative Corporation

Case No. 2012-00023

**APPLICANT'S RESPONSES TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**

The applicant, Taylor County Rural Electric Cooperative Corporation, makes the following responses to the "Commission Staff's Second Request for Information", dated September 20, 2012, as follows:

1. The witnesses who are prepared to answer questions concerning each of these Requests are Barry Myers, John F. Patterson, and Jim Adkins.
2. Barry Myers, General Manager of Taylor County Rural Electric Cooperative Corporation, is the person supervising the preparation of the responses on behalf of the Applicant.
3. The responses and Exhibits are attached hereto and incorporated by reference herein.



Robert Spragens, Jr., Esq.
Spragens & Higdon, P.S.C.
Attorneys at Law
P.O. Box 681

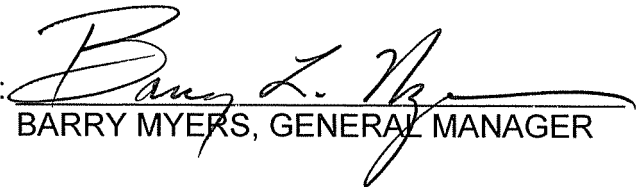
Lebanon, Kentucky 40033
Telephone: 270-692-4131

**Attorney for Taylor County Rural Electric
Cooperative Corporation**

The undersigned, Barry Myers, as General Manager of Taylor County Rural Electric Cooperative Corporation, being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: October 4, 2012

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

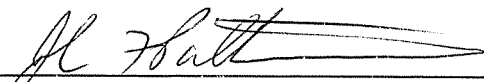
By: 
BARRY MYERS, GENERAL MANAGER

COMMONWEALTH OF KENTUCKY

COUNTY OF TAYLOR

Subscribed, sworn to, and acknowledged before me by Barry Myers, as General Manager for Taylor County Rural Electric Cooperative Corporation on behalf of said Corporation this 4th day of October, 2012.

My Commission Expires: 5/6/2013


Notary Public, Kentucky State At Large
Notary I.D. 395951

CERTIFICATE OF SERVICE


The undersigned counsel certifies that the foregoing responses have been served upon the following, this 4th day of October, 2012:

Original and Ten Copies
Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Copy

Hon. Lawrence W. Cook
Assistant Attorney General
700 Capitol Avenue, Suite 118
Frankfort, Kentucky 40601

By:


Robert Spragens, Jr., Attorney for Taylor
County Rural Electric Cooperative Corporation

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

1.Refer to Revised Exhibit B filed on August 29, 2012, proposed Tariff Sheet No. 41, Schedule GP - General Purpose Service. Under the Minimum Monthly Charges, confirm that Taylor County intended to replace the \$8.15 shown at the beginning of this section with the \$10.00 that appears above it. **Response:** This is correct. The \$8.15 should have been changed to \$10.00.

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

2. Refer to Revised Exhibit B filed on August 29, 2012, Item 3, proposed Tariff Sheet No. 6, the Service Investigation Charge section. Taylor County is proposing to increase the Service Investigation Charge during regular working hours from \$25 to \$45. The Service Investigation Charge After Hours charge is currently \$35. State whether Taylor County believes the Service Investigation Charge After Hours charge reflects the costs it incurs to provide this service. If no, provide the costs incurred for performing a service investigation after regular working hours or state that the costs are the same as those shown on the After Hours cost justification found on page 2 of Exhibit 15 of the application. **Response:** The time and costs for the Service Investigation and After Hours are similar and the costs would be the same.

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
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3. Refer to Revised Exhibit B Tariff Sheet No. 31 filed on August 30, 2012, the Termination or Field Collection Charge section. Taylor County is proposing to increase the Termination or Field Collection Charge during regular working hours from \$25 to \$35. The Termination or Field Collection Charge After Hours charge is currently \$35. State whether Taylor County believes the Termination or Field Collection Charge After Hours charge reflects the costs it incurs for this service. If no, provide the costs incurred for performing a termination or field collection after regular working hours or state that the costs are the same as those shown on the After Hours cost justification found on page 2 of Exhibit 15. **Response:** The time and costs would be the same as After Hours.

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
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4. Refer to Exhibit C of the application, the page just prior to Tariff Sheet No. 59. This page is titled "CATV Pole Attachments PSC Administrative Case No. 251." State whether this page is current or if it contains outdated information. If it contains outdated information, state whether the page should be updated or deleted from the tariff.
Response: This contains outdated information. This page should be deleted from the tariffs.

Witness: Jim Adkins

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit H-3 of the application, the Prepared Testimony of James R. Adkins (“Adkins Testimony”) page 4 of 15.

a. Mr. Adkins states that the fuel adjustment clause (“FAC”) under-recovery “had its most significant amount during the test year in July 2011 which exceeded \$544,000 for that one month.” Provide a copy of the FAC filing made with the Commission which shows this under-recovery amount.

b. Reference is made to JRA Exhibit 1, which does not appear to be included in the application. Provide a copy of JRA Exhibit 1 or indicate where it can be found in the filing.

Response:

a. Please Exhibit JRA 1, page 3 for the month of July 2011 and Exhibit 19, page 3 of 3, in the application which contains the reference information in the Adkins Testimony. This data is based on the financial accounting records of Taylor County and will not appear in any FAC filing made with the Commission.

b. Attached is a copy of Exhibit JRA 1 which was mistakenly left out of the application.

PREPARED TESTIMONY OF JAMES R. ADKINS

	FAC Revenue	FAC Cost	Over(Under) Recovery	Cumulative Over(Under) Recovery
Nov 2004	214,146	216,072	(1,926)	(1,926)
Dec	160,859	152,569	8,290	6,364
Jan 2005	195,960	151,598	44,362	50,726
Feb 2005	307,986	329,288	(21,302)	29,424
Mar 2005	474,742	511,584	(36,842)	(7,418)
Apr 2005	520,441	487,726	32,715	25,297
May 2005	277,746	317,479	(39,733)	(14,435)
June 05	216,436	229,119	(12,683)	(27,118)
July 05	313,703	234,088	79,615	52,497
Aug 05	60,587	64,490	(3,903)	48,594
Sept 05	176,776	211,245	(34,469)	14,125
Oct 05	218,062	238,012	(19,950)	(5,825)
Nov 05	372,196	394,363	(22,167)	(27,992)
Dec 05	313,152	288,512	24,640	(3,352)
Jan 06	384,279	292,835	91,444	88,092
February	293,995	339,705	(45,710)	42,382
March	502,940	550,754	(47,814)	(5,433)
April	303,326	318,383	(15,057)	(20,490)
May	286,438	260,109	26,329	5,839
June	237,630	180,337	57,293	63,132
July	201,671	228,702	(27,031)	36,101
August	300,163	282,780	17,383	53,484
September	190,807	203,651	(12,844)	40,639
October	203,468	256,783	(53,315)	(12,676)
November	226,614	229,881	(3,267)	(15,943)
December	280,716	230,645	50,071	34,127
Jan 07	97,474	95,590	1,884	36,011
February	210,296	229,897	(19,601)	16,410
March	355,853	334,489	21,364	37,775
April	331,482	402,323	(70,841)	(33,067)
May	510,630	541,569	(30,939)	(64,006)
June	353,950	292,365	61,585	(2,421)
July	684,254	604,896	79,358	76,937
August	250,515	233,999	16,516	93,454
September	223,921	286,662	(62,741)	30,712
October	7,195	12,279	(5,084)	25,628

PREPARED TESTIMONY OF JAMES R. ADKINS

	FAC Revenue	FAC Cost	Over(Under) Recovery	Cumulative Over(Under) Recovery
November	290,128	321,380	(31,252)	(5,624)
December	119,852	111,489	8,363	2,739
Jan 2008	64,390	48,781	15,609	18,349
February	37,228	42,383	(5,155)	13,194
March	301,728	322,023	(20,295)	(7,101)
April	311,505	320,834	(9,329)	(16,430)
May	220,991	228,793	(7,802)	(24,232)
June	305,682	292,116	13,566	(10,666)
July	331,573	245,430	86,143	75,478
August	192,162	197,460	(5,298)	70,180
September	448,567	497,466	(48,899)	21,281
October	231,682	238,572	(6,890)	14,391
Nov	324,864	351,190	(26,326)	(11,935)
Dec	522,477	478,757	43,720	31,785
Jan 2009	591,872	514,413	77,459	109,244
Feb	374,962	353,105	21,857	131,101
Mar	407,133	447,002	(39,869)	91,232
Apr	351,023	363,205	(12,182)	79,050
May	374,179	342,435	31,744	110,794
June	157,569	168,161	(10,593)	100,201
July	36,109	29,529	6,581	106,782
Aug	6,161	4,832	1,329	108,111
Sept	54,883	51,919	2,964	111,075
Oct	(326,316)	(404,672)	78,355	189,430
Nov	(238,004)	(249,351)	11,347	200,778
Dec	(468,027)	(438,739)	(29,288)	171,490
Jan 2010	(509,767)	(366,954)	(142,812)	28,678
Feb	(474,860)	(429,669)	(45,191)	(16,514)
Mar	(98,751)	(117,007)	18,256	1,743
Apr	(132,827)	(134,980)	2,153	3,896
May	(237,334)	(327,416)	90,082	93,978
June	(433,443)	(393,785)	(39,658)	54,320
July	(717,403)	(554,413)	(162,990)	(108,671)
Aug	(390,228)	(369,036)	(21,192)	(129,862)
Sept	(130,959)	(130,757)	(203)	(130,065)
Oct	(241,707)	(310,015)	68,308	(61,757)
Nov	(240,038)	(271,343)	31,305	(30,452)

PREPARED TESTIMONY OF JAMES R. ADKINS

	FAC Revenue	FAC Cost	Over(Under) Recovery	Cumulative Over(Under) Recovery
Dec	(493,884)	(426,049)	(67,835)	(98,287)
Jan 2011	(729,982)	(414,253)	(315,729)	(414,016)
Feb	(328,162)	(306,357)	(21,805)	(435,821)
Mar	(25,727)	(312,617)	286,890	(148,931)
Apr	(291,659)	(378,528)	86,869	(62,062)
May	(309,574)	(275,391)	(34,183)	(96,245)
June	(335,222)	(400,365)	65,143	(31,102)
July	(557,018)	(12,316)	(544,702)	(575,804)
Aug	15,278	(64,833)	80,111	(495,693)
Sept	13,636	16,189	(2,553)	(498,246)
Oct	10,103	(11,554)	21,657	(476,589)
Nov	(10,348)	(1,971)	(8,377)	(484,966)
Dec	1,726	71,247	(69,521)	(554,487)
Jan 2012	90,940	33,772	57,168	(497,319)
Feb	34,854	33,293	1,561	(495,758)
Mar	13,160	(23,544)	36,704	(459,054)
Apr	(20,040)	(53,938)	33,898	(425,156)
May	(48,806)	(124,349)	75,543	(349,613)
Jun	(149,561)	(118,806)	(30,755)	(380,368)

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to page 13 of 15 of the Adkins Testimony. Just below the middle of the page, Mr. Adkins states that "All ETS customers under contract will see no increase in their ETS rates."

- a. State the number of ETS Marketing rate customers who are not under contracts.
- b. State the number of ETS Marketing rate customers who are not under contract.
- c. State the amount of increase that ETS Marketing rate customers not under contract will receive.

Response:

The statement that "All ETS customers under contract will see no increase in their ETS rates" was included by mistake. This statement does not apply to Taylor County.

- a. None of the current ETS customers are under contract.
- b. All of the current ETS customers, which is 23 in number, are not under contact.
- c. All ETS customers will receive an increase.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Page 14 of 15 of the Adkins Testimony. In response to question 17, Mr. Adkins states that by placing more of its costs into a fixed component, Taylor County “will more prone and incentivized to enter into additional DSM programs.” Identify and describe the additional Demand-Side Management (“DSM”) programs to which Mr. Adkins is referring.

Response:

Please see the response to Item 45 in this request for information.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

8. Refer to Exhibit I of the application. The percentage increase per kWh usage appears to be calculated by dividing the Increase Amount by the Proposed Rate rather than the Existing Rate. Provide a corrected Exhibit I showing the increase calculated as a percentage of the Existing Rate. **Response:** The corrected percentages are attached.

Witness: Jim Adkins

Taylor County Rural Electric Cooperative
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Commission Staff's Second Request for Information

**Average Bill for Residential Rate Class
Schedule A1 - Farm and Home**

	<u>Present</u>	<u>Proposed</u>		
Customer charge	\$7.94	\$10.00		
Energy charge	\$0.08220	\$0.08313		
<u>kwh Usage</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Increase Amount</u>	<u>Percent</u>
0	\$7.94	\$10.00	\$2.06	25.9%
25	10.00	12.08	2.08	20.8%
50	12.05	14.16	2.11	17.5%
100	16.16	18.31	2.15	13.3%
150	20.27	22.47	2.20	10.9%
200	24.38	26.63	2.25	9.2%
250	28.49	30.78	2.29	8.0%
300	32.60	34.94	2.34	7.2%
350	36.71	39.10	2.39	6.5%
400	40.82	43.25	2.43	6.0%
450	44.93	47.41	2.48	5.5%
500	49.04	51.57	2.53	5.1%
600	57.26	59.88	2.62	4.6%
700	65.48	68.19	2.71	4.1%
800	73.70	76.50	2.80	3.8%
900	81.92	84.82	2.90	3.5%
1,000	90.14	93.13	2.99	3.3%
1,100	98.36	101.44	3.08	3.1%
1,200	106.58	109.76	3.18	3.0%
1,300	114.80	118.07	3.27	2.8%
1,400	123.02	126.38	3.36	2.7%
1,500	131.24	134.70	3.45	2.6%
1,600	139.46	143.01	3.55	2.5%
1,700	147.68	151.32	3.64	2.5%
1,800	155.90	159.63	3.73	2.4%
1,900	164.12	167.95	3.83	2.3%
2,000	172.34	176.26	3.92	2.3%
The average monthly usage				
1,140	101.62	104.74	3.12	3.1%

Taylor County Rural Electric Cooperative
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Commission Staff's Second Request for Information

9. Refer to Exhibit J of the application, page 1 of 8.

a. Refer to Line 11. Confirm that the amount in the Increase Amount column for the Farm and Home class of \$847,856 includes the Residential Marketing rate increase of \$74, and therefore, should instead be \$74 less since the Residential Marketing rate increase of \$74 is shown separately on Line 18. If this cannot be confirmed, explain.

Response: Taylor County confirms this.

b. Refer to Line 19.

(1) Explain how the amount of (\$2,219) that appears in the Proposed Revenue column was calculated. **Response:** This is simply the difference between the revenue requirement increase and the calculation of rates times billing units.

(2) Confirm that the proposed rates would result in an increase of \$1,067,922 (the sum of the amounts in the Increase Amount column after correction for the \$74 discussed in part a. to this question and prior to the subtraction of \$2,219). If this cannot be confirmed, explain. **Response:** Taylor County confirms this.

c. There are no billings for rate schedules B2, B3, C2, and C3. Confirm that there are no customers on these rate schedules. **Response:** Taylor County confirms this.

Witness: Jim Adkins

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

10. Provide an electronic copy in spreadsheet format of Exhibits J and R of the application with all formulas intact and unprotected and with all columns and rows accessible. If it is necessary to update either exhibit in response to questions contained in this information request, provide the updated version instead of the original version in both hard copy and electronically.

Witness: Jim Adkins

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit K of the application, page 1, column titled "Actual Test Year" and the row titled "Total". Have the non-cash patronage dividends of \$1,383,363 been included twice in the total amount of \$3,910,413. If so, provide a corrected schedule.

Response:

They have been included. Please see the revised schedule provided below:

	Actual Test Year	Adjusted Test Year
Net Margins	1,545,760	952,575
Less: Non-cash patronage dividends	-	-
Interest on long-term debt	<u>981,290</u>	<u>952,575</u>
Total	<u>2,527,050</u>	<u>1,905,150</u>
Net Rate Base	<u>52,572,340</u>	<u>52,323,723</u>
Rate of Return	<u>4.81%</u>	<u>3.64%</u>
Equity Capitalization	<u>50,679,645</u>	<u>50,086,460</u>
Rate of Return	<u>4.99%</u>	<u>3.80%</u>

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 5 of 53. Confirm that the third column on this page, the Amount column represents the amount of payroll expense allocated to the expense accounts listed. If this cannot be confirmed, explain.

Response:

The column labeled "Amount" represents payroll expenses allocated to the expense accounts.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 6 of 53. Explain why expense accounts 582 – Station Expense, and 591 – Maintenance of Station Equipment are directly assigned to Lines rather than Stations.

Response:

These expense accounts were assigned to lines because of the small amount of this expense and because they would be classified and allocated on the same basis as lines.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 18 of 53. Explain the difference between the Total Invest for Acct 365, Conductors shown on this pas as \$7,840,221 and the total of \$15,062,263 shown on page 11 of 53.

Response:

The amount listed on page 18 of \$7,840,221 is the value of overhead conductor only in Account 365. The amount of \$15,062,263 listed on page 11 is the value of all items in Account 365 including conductor, capacitors, switches, grounds and other items.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R , page 18 of the application, the table at the bottom of the page..

a. For the first column, confirm that Acct. 365 should be shown on the first row and Acct. 364. If this cannot be confirmed, explain why the percentage amounts for each account differ from those shown on pages 17 and 18 of 53.

b. Explain why the amounts in the second column, the Total Investment column for each account does not reconcile with the investment amounts shown on pages 17-18 or page 11, lines 4 and 5?

Response:

The table listed at the bottom has two errors. One, the percentage amounts in the Percent Consumer Related were reversed and the investment amounts in the Total Investment columns were incorrect. Listed below is the appropriate information in the proper orders.

Breakdown of Lines into Demand Related and Consumer Related Components					
Acct	Total Investment	Consumer Related		Demand Related	
		Percent	Amount	Percent	Amount
364.00	\$ 23,305,621	33.39%	\$ 7,782,502	66.61%	\$ 15,523,119
365.00	\$ 15,062,263	33.02%	\$ 4,974,230	66.98%	\$ 10,088,032
	<u>\$ 38,367,884</u>		<u>\$ 12,756,733</u>		<u>\$ 25,611,151</u>
	Percent		33.25%		66.75%

This change results in percentage change of 0.07%.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 21 of 53. Explain the difference between the total Cost for Acct. 368 Transformers, shown on this page as \$10,973,212 and the total of \$12,850,077 shown on page 11 of 53.

Response:

The amount listed on page 21 of \$10,973,212 is the value of transformers only in Account 368. The amount of \$12,850,077 \$15 listed on page 11 is the value of all items in Account 368 including transformers, regulators, cutouts and arrestors, and other items.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 27 of 53. The Transformers Demand Related and Consumer Related Margin Requirements are shown as \$121,112 and \$80,027, respectively. Explain why these accounts differ from the Transformer Demand Related and Consumer Requirements of \$125,479 and \$55,773, respectively, shown on page 15 of 93.

Response:

The difference is due to the fact that different percentages were applied. The amounts listed on page 15 of 53 were developed on the proper basis while those on 27 of 53 were developed on another basis. Those margins requirements on page 27 were based on the wrong information from page 19 of 53 while it should have been based on information from page 21 for transformers. It should be noted that the data from page 27 of 53 is not used any further in the COSS.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 30.

- a. Explain how the Demand Related Purchased Power amount of \$7,850,075 was allocated to the rate classes.
- b. Explain how the Energy Related Purchased Power amount of \$24,498,163 was allocated to the rate classes.

Response:

a. For those rate classes billed under EKPC's Schedule E, the demand related costs based on the Demand Rate of the Wholesale Power Supplier have been allocated on the basis of the sum of each rate classes' monthly contribution to EKPC coincident peak ("CP") demand which is the basis for EKPC demand billing to each distribution system served. The data for the contribution of each rate classes' contribution to EKPC's wholesale peak demand is provided on page 40 of 53. For all other rate classes billed on the basis of special wholesale rates, the demand costs have been directly assigned to the appropriate rate class.

The meter and substation demand related costs have been billed on the basis of the each rate classes' contribution to EKPC's CP demand. See page 40 of 53 of this exhibit for the details.

b. For those classes billed on the basis of EKPC's Schedule E wholesale rate, the energy related costs are allocated proportionally based on the retail energy sales for each rate class. Page 39 of 53 contains the details for this allocation. For those rate classes billed on the basis of a special wholesale rate of EKPC, these energy costs are directly assigned to each rate class.

TAYLOR COUNTY RECC
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RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, pages 30-36. Explain why, with the exception of Purchased Power Demand Related costs, none of the amounts on pages 30-34 reconcile with the amounts on the Summary of Allocation of Expenses on pages 35 and 36.

Response:

The amounts contained in the Summary of Allocation of Expenses on pages 35 and 36 is based on the allocation of revenue requirements where while the revenue requirements equals costs plus margins. The amounts contained in pages 30-34 is based on the allocation of total costs with no margins.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, pages 35-36, the table at the bottom of the pages. Explain why the amounts in the last row , Revenue Requirements, sum to \$43,362,462 after including the Lighting row of \$142,462) rather than the amount shown in the Total column of \$43,369,134.

Response:

Energy costs were allocated on an incorrect basis. Attached are new pages for pages 35 and 36 of 54.

**TAYLOR COUNTRY RECC
CASE NO. 20012-00023**

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

SUMMARY OF ALLOCATION OF EXPENSES

Revised Pages 35 & 36

Function	Classifi- cation	Amount	Schedule A	Schedule GP	Schedule GP	Schedule SL
			Farm & Home	Gen Power Part 1	Gen Power Part 2	Street Lighting
Purchased Power	Demand	7,301,322	4,855,854	691,907	993,141	32,715
Purchased Power	Energy	24,498,163	16,205,649	2,015,792	4,116,949	264,979
Metering & Substation	Demand	548,753	383,129	54,592	78,359	2,581
Lines	Consumer	2,263,925	2,005,501	234,056	23,220	706
Lines	Demand	4,559,181	2,750,057	475,004	967,114	42,523
Transformers	Consumer	263,988	229,916	26,833	6,526	16
Transformers	Demand	593,920	458,147	52,673	67,570	2,478
Services	Consumer	357,016	310,975	36,293	9,713	-
Meters	Consumer	1,087,747	951,699	111,070	24,015	-
Consumer Services & Accounting	Consumer	1,752,656	1,407,559	164,272	40,743	137,936
Lighting	Lighting	142,462				142,462
Revenue Requirements		43,369,134	29,558,487	3,862,491	6,327,350	626,398
			Schedule A	Schedule GP	Schedule GP	Schedule SL
		Amount	Farm & Home	Gen Power	Gen Power	Street Lighting
				Part 1	Part 1	
Consumer Related		5,725,333	4,905,651	572,524	104,217	138,659
Demand Related		13,003,176	8,447,187	1,274,175	2,106,184	80,298
Energy Related		24,498,163	16,205,649	2,015,792	4,116,949	264,979
Lighting		142,462				142,462
Revenue Requirements		43,369,134	29,558,487	3,862,491	6,327,350	626,398

**TAYLOR COUNTRY RECC
CASE NO. 20012-00023**

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

SUMMARY OF ALLOCATION OF EXPENSES

Revised Pages 35 & 36

Function	Classifi- cation	Schedule R-1	Total for Rate	Rate B-1	Rate C-1	Schedule C3	Total
		Residential ETS	Classes on EKPC Rate E	Large Industrial	Large Power	Special Contr. Tenn Gas	
Purchased Power	Demand	-	6,573,617	213,068	262,637	252,000	7,301,322
Purchased Power	Energy	5,937	22,609,307	635,938	1,019,136	233,782	24,498,163
Metering & Substation	Demand	-	518,661	12,150	15,768	2,175	548,753
Lines	Consumer	-	2,263,484	265	88	88	2,263,925
Lines	Demand	-	4,234,698	103,899	119,760	100,823	4,559,181
Transformers	Consumer	-	263,291	523	174	-	263,988
Transformers	Demand	390	581,257	6,055	6,608	-	593,920
Services	Consumer	35	357,016	-	-	-	357,016
Meters	Consumer	964	1,087,747	-	-	-	1,087,747
Consumer Services & Accounting	Consumer	-	-	-	-	-	-
Lighting	Lighting	534	1,751,045	744	620	248	1,752,656
Revenue Requirements		7,860	40,382,586	972,640	1,424,791	589,117	43,369,134
Consumer Related		1,533	5,722,584	1,531	882	336	5,725,333
Demand Related		390	11,908,233	335,171	404,773	354,998	13,003,176
Energy Related		5,937	22,609,307	635,938	1,019,136	233,782	24,498,163
Lighting		-	142,462	-	-	-	142,462
Revenue Requirements		7,860	40,382,586	972,640	1,424,791	589,117	43,369,134

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, pages 37-38 of 53.

a. Refer to page 37. For rate classes Farm and Home, General Power 1, Street Lighting, and Residential ETS, explain how the Demand Related billing units were calculated.

b. Pages 37 and 38 show that, for rate classes General Power 2, Large Industrial B1 and Large Industrial C1, the cost of service study supports a smaller customer charge and a larger demand charge than currently approved. Explain to what extent Taylor County considered proposing a reduction to customer charge and increase to the demand charges for these classes.

c. Refer to page 38. Explain the purpose of the \$214,511 that appears in the middle of the page.

Response:

a. The demand billing units for the rate classes listed in (a) above are based on the load research data provided by EKPC. The demand units represents the sum of the monthly individual customers peak demand for each rate class. Please see page 42 of 53 for the details of demand billing units.

b. The customer charge for these rate classes does include some of the cost associated with substation costs of the wholesale supplier. It then determined to leave this charge alone. An increase in demand rates for these classes is justified but it judge best to leave this charge alone as well. However, Taylor County is increasing the energy rate only because of its FAC under-collection.

c. It is an amount that has been included in error.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 45. Explain why there is no allocation to rate classes B1, C1 and C3.

Response:

The investment in services and the cost to operate and maintain are the responsibility of the customers in those rate classes.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 46. Explain why there is no allocation to rate classes B1, C1 and C3.

Response:

The meters for the rate classes has been purchased and paid for by EKPC as load research meters.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application, page 47. Explain the differences in customer number for the Street Lights rate class on the this table and on pages 43-46.

Response:

The customer number for lights in each one of the tables and its basis is as follows:

- a. Page 43 – Lines; Based on the number of accounts with lights only and not other service on that account.
- b. Page 44 – Transformers; Based on the number of transformers for lights only accounts.
- c. Page 45 – Services; Based on the number of lights requiring services beyond the normal service drop for other service at the same location.
- D. Page 46 – Meters; No costs allocated to meters since lights do not have their own separate meter.

TAYLOR COUNTY RECC
CASE NO. 2012-00023

RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Question:

Refer to Exhibit R of the application on page 48.

- a. The metering and substation charges appear to be omitted from the schedule. Explain why they are not included.
- b. Provide a detailed breakdown of the \$1,090,334 of Other Revenue.
- c. Explain how the total was allocated to the rate classes.

Response:

- a. The metering and substation costs have been summed with the wholesale demand costs as a part of the demand costs because they are considered to be demand related.
- b. A breakdown of the Other Revenue is listed below:

OTHER REVENUE		
Account	Title	Amount
460	Forfeited Discounts	454,594
454	Rent from Electric Prop.	284,490
456	Other Electric Revenue	86,663
419	Interest Income	142,641
421	Misc. Non-operating Income	(3,673)
424	Other Capital Credits	125,619
		1,090,334

- c. It is allocated on the basis of the rate revenue for each rate class whose wholesale billing is based on EKPC's Schedule E.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

26. Refer to Exhibit S of the application, page 4 of the application, which shows the amount of the proposed increase based on attaining a TIER of 2.0X.

a. Describe the methodology employed by Taylor County in determining that 2.0X was the appropriate TIER on which to base its requested rate increase.

Response: A TIER of 2.0x will allow Taylor County to increase its margins to a level to meet its mortgage requirements for TIER and DSC.

b. Is Taylor County aware of any studies performed by the Rural Utilities Service ("RUS") or the National Rural Utilities Cooperative Finance Corporation ("CFC") on the subject of the appropriate TIER level for an electric distributive cooperative? If yes, identify the studies and when they were performed. **Response:** Taylor County is not aware of any studies, however, both RUS and CoBank have minimum requirements in their mortgage agreements.

Witness: Jim Adkins

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

27. Refer to Exhibit W of the application, which provides a comparison of balance sheet account levels for the test period and the 12 months immediately preceding the test period.

a. Page 2 of 8 shows that Account 136.00, Temporary Cash Investment decreased by \$2,121,771, from \$6,443,085 to \$4,321,314, from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this magnitude.

Response: See Exhibit V page 3 of 3 of the original application.

b. Page 2 of 8 shows that Account 144.1 , Accum Prov for Uncoll Cons A/C increased by \$133,598 from (\$162,472) to (\$296,070), from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude.

Response: Amount Reserved for Uncollectable Accts	\$225,019.16
Amount of Written Off Accounts Collected	58,170.14
Less Amount Written Off	149,591.46
 Total	 133,597.84

c. Page 3 of 8 shows that Account 165.1, Prepayments – Insurance increased by \$268,377 from \$25,589 to \$293,966, from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude.

Response: The Premium for Property and Liability Insurance for 2011 was paid in December, 2010. This premium for 2012 was paid in November, 2011.

d. Page 3 of 8 shows that Account 182.1, Extraordinary Property Losses decreased by \$182,451 from \$618,293 to \$435,842 from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this magnitude.

Response: This is the amount amortized each year for five (5) years for the retirement of meters when Taylor County converted to AMR meters.

e. Page 4 of 8 shows that Account 219.2, Nonoperating Margins decreased by \$1,196,590 from (\$4,793,994) to (\$3,597,404) from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this magnitude.

Response: The entry to allocate the Nonoperating Margins from East Kentucky Power for 2009 was not made until January 2011.

Witness: John Patterson

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

28. Refer to Exhibit X of the application, which provides a comparison of income statement account levels for the test period and the 12 months immediately preceding the test period.

a. Page 1 of 5 shows that Account 419, Interest and Dividend Income increased by \$79,587 from (\$63,053) to (\$142,641) from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response: Taylor County received \$6,000,000.00 in FFB loan funds in September 2010. This amount was invested which resulted in the increase in account 419.00

b. Page 2 of 5 shows that Account 427.2, Long Term Interest-LBC increased by \$375,751 from \$460,221 to \$835,971 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response: In August 2010 Taylor County borrowed \$5,420,301.68 from CoBank to pay off RUS 5.0% loans. This resulted in an increase in CoBank interest expense.

c. Page 2 of 5 shows that Account 427.3, Interest on FFB Loan increased by \$251,968 from \$0 to \$251,968 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude Response: Taylor County received \$6,000,000.00 in FFB loan funds in September 2010.

d. Page 2 of 5 shows that Account 442.3, Industrial Sales decreased by \$641,517 from (\$2,865,162) to (\$2,223,644) from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this magnitude. Response: During the month of February 2010 TGP reduced the amount of energy they purchased resulting in lower sales.

e. Refer to page 2 of 5. Provide a detailed breakdown of account 456, Other Electric Revenue for the test year ended November 30, 2011. Response:

Compensation Sales Tax	\$7,293.45
Reconnect and Collection Charge	34,166.00
Meter Test	120.00
Return Check	8,555.00
Service Investigation	325.00
 Total	 \$50,459.45

f. Refer to page 3 of 5. Provide a detailed breakdown of account 555.1, Purchased Power Saloma Sub. State whether this account represents purchases

of power from East Kentucky Power Cooperative, Inc. ("East Kentucky") which is sold to Tennessee Gas Pipeline ("TGP"). If no, explain what this account represents. Response: Yes this account represents purchases from East Kentucky which are sold to TGP. A copy of the Purchased power bills for this account are included in Item 47 of this filing.

g. Page 3 of 5 shows that Account 586, Meter Expense increased by \$72,582 from \$386,389 to \$458,971 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response: Taylor County completed installing AMR meters in April 2009, the two employees that were primarily changing the old to new meters then began reading meters by substation and charging time to Acct 902. In 2011 Taylor County began changing meters for test on a random basis while reading meters, the labor, benefits and transportation expense for changing these meters was charged to account 586.00 causing the increase.

h. Page 3 of 5 shows that Account 593, Maint of Overhead Lines increased by \$91,980 from \$1,487,394 to \$1,579,375 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response: Labor, Benefits and Transportation increased.

i. Page 4 of 5 shows that Account 902, Meter Reading Expense decreased by \$34,841 from \$126,949 to \$92,109 from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this magnitude. Response: See answer for 28G of this filing.

j. Page 4 of 5 shows that Account 903, Cons Records & Collection Exp increased by \$42,174 from \$769,313 to \$811,487 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response Labor and Benefits increased, also the number of credit card payments made by consumers increased increasing the amount charged for processing credit card payments.

k. Page 4 of 5 shows that Account 904, Uncollectible Accounts increased by \$12,778 from \$219,174 to \$231,952 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude.

Response: An entry for postage on mailing bills for \$6,932.81 was charged to Acct. 904 instead of Acct 903. Also the amount of Revenue Billed increased which caused the Reserve for uncollectible to increase.

l. Page 4 of 5 shows that Account 926, Employees' Pension & Benefits decreased by \$23,344 from \$77,563 to \$54,220 from 2010 to the 2011 test period. Provide a detailed explanation for why this account decreased by this

magnitude. Response: The difference in the amount of Anthem Blue Cross spread for 2011 as compared to 2010 was \$30,154, and the amount of the Co-op's 401k contribution was \$10,607 more. Fire Retardant uniforms purchased were \$5,043. less.

m. Page 5 of 5 shows that Account 930.1, Director's Fees & Mileage increased by \$11,717 from \$159,974 to \$171,691 from 2010 to the 2011 test period. Provide a detailed explanation for why this account increased by this magnitude. Response: This was the amount of increase in Anthem Blue Cross paid for Directors.

Witness: John Patterson

Taylor County Rural Electric Cooperative
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Commission Staff's Second Request for Information

29. Refer to Exhibit 1 of the application. On pages 3 and 4 the column titled "Wage Rate" indicates that the wages included in the column were in effect as of January 1, 2011. On pages 6 and 7 the wage rate is indicated to be as of December 1, 2011. Explain which date is the correct effective date of the wage rates used in Exhibit 1.

Response: The correct effective date is December 1, 2011.

Witness: Barry Myers

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

e. Refer to page 6. Expand this schedule by providing a detailed analysis for Distribution Plant in the same format as that provided for General Plant. **Response:** The schedule is attached.

f. On page 6 the total accumulated depreciation is shown as \$18,735,173. Confirm this amount is correct and should not be \$18,828,023. **Response:** The \$18,735,173 is the correct amount.

g. Refer to Exhibit 3, page 4 of 6, and Exhibit 21, the Service Life and Net Salvage Study ("depreciation study"). The depreciation study indicates that, except for its automated metering infrastructure ("AMI") meters, Taylor County uses a 3.0 percent depreciation rate for all distribution plant accounts, which make up nearly 95 percent of its total utility plant. Given that it uses a single rate for a large portion of its distribution plant and no previous depreciation study performed, explain why, as shown on page 4 of 6 of Exhibit 3, Taylor County's reserve ratio has steadily increased such that it nearly doubled from 1996 (12.62 percent) to 2011 (23.59 percent). **Response:** Prior to 1986, the composite rate for distribution plant was 2.4%.

h. The amount of the proposed depreciation expense adjustment, \$458,113, represents a 22 percent increase above the test year depreciation expense amount. In Case No. 2011-00096, noting its provisions regarding gradual changes to depreciation, the Commission cited RUS Bulletin 183-1 in limiting South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") to a seven percent increase in its depreciation expense rather than the 12 percent increase that had been proposed.

(1) Explain whether Taylor County was aware of the decision in Case No. 2011-00096 prior to filing its application. **Response:** Taylor County is aware that South Kentucky was not granted its requested rates due to the fact that the following were not provided with its application: Squared Error; Index of Variation; Conformation Index; and Retirement Experience. Taylor County has provided each of these elements of the depreciation study with this application. Taylor County is of the opinion that the rates provided in the application should be accepted based on the merits of the depreciation study, not South Kentucky's study.

(2) If the answer to part h.3. of this request is affirmative, explain what consideration Taylor County gave to the ruling in Case No. 2011-00096 in deciding to request an increase in depreciation expense of 22 percent. **Response:** Refer to (1) of this response.

Witness: Jim Adkins

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

30. Refer to Exhibit 3 of the application.

a. On Page 1 Taylor County states that its depreciation rates and procedures follow RUS Bulletin 183-1. In Exhibit 21, page 3 of the Scope section, the rates indicated for Accounts 362, 366, 367, 369, 370, 371 and 373 are outside of the rate ranges published in RUS Bulletin 183-1. Explain fully this discrepancy and why the rates being proposed by Taylor County are appropriate. **Response:** RUS allows for rates above or below the "RUS Low and High" range when the rates are supported by a depreciation study.

b. Has Taylor County sought formal approval from RUS for depreciation rates that are outside the RUS ranges? If so, provide documentation of RUS approval of those rates. If not, does Taylor County plan to do so and when? **Response:** Taylor County is in the process of seeking RUS approval for the rates supported in the study. There has not been any correspondence from RUS at this time.

c. How long have Taylor County's current depreciation rates been in effect? **Response:** This Commission allowed Taylor County to increase the depreciation rate for distribution plant from 2.4% to 3.0% during October 1986 in Case No. 9536.

d. Page 2 shows Account 371, Security Lights with a balance of \$70,361 and does not show Account 373, Street Lighting as of the end of the test year. Page 5 shows Account 371, Security Lights with a balance of \$1,634,097 and Account 373, Street Lighting with a balance of \$70,361 as of the end of the test year. Explain this discrepancy and provide corrected schedules as necessary. **Response:** The schedule pulled information from another worksheet, and was off by 1 line. Attached is the corrected page.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

November 30, 2011
Depreciation Adjustment

<u>Account Number</u>	<u>Description</u>	<u>11/30/11 Balance</u>	<u>Rate</u>	<u>Normalized Expense</u>	<u>Test Year Expense</u>	<u>Items Fully Depreciate</u>
Distribution plant:						
362	Station equipment	0	6.67%	0	0	
364	Poles, towers & fixtures	23,305,621	3.54%	825,019	637,303	
365	Overhead conductors /devices	15,062,263	2.76%	415,718	412,377	
366	Underground conduit	445,130	2.38%	10,594	11,324	
367	Underground conductor devic	2,274,480	4.65%	105,763	60,737	
368	Line transformers	12,850,077	2.98%	382,932	350,352	
369	Services	5,417,379	3.86%	209,111	148,864	
370	Meters	5,457,588	6.67%	364,021	151,076	
371	Security lights	1,721,222	6.00%	103,273	46,621	
373	Street lights	70,361	6.39%	4,496	1,925	
		<u>66,604,121</u>		<u>2,420,928</u>	<u>1,820,578</u>	
General plant:						
389	Land	59,845				
390	Structures and improvements	511,624	2.0%	3,739	3,139	324,000
391	Office furniture and equipment	215,928	6.0%	3,232	3,292	162,000
391.1	Computer	483,168	16.7%	57,664	57,998	137,000
392	Transportation equipment	1,853,120	16.0%	141,284	142,884	970,000
393	Stores	8,209	6.0%	96	96	6,000
394	Tools, shop and garage	15,477	6.0%	0	0	15,000
395	Laboratory	100,008	6.0%	1,121	1,051	81,000
396	Power operated equipment	167,025	16.0%	0	0	167,000
397	Communication	122,312	8.0%	770	610	112,000
398	Miscellaneous	135,154	6.0%	6,780	6,145	22,000
		<u>3,671,870</u>		<u>214,687</u>	<u>215,215</u>	
	Total electric plant	<u>70,275,991</u>		<u>2,635,615</u>	<u>2,035,793</u>	

Items that are fully depreciated are removed from the ending balance to compute test year depreciation.

Taylor County Rural Electric
Case No. 2012-00023
November 30, 2011

Exhibit 3
page 6 of

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Changes in reserve for depreciation:

	30-Nov-10		Original	Removal	Gain/Loss	Net	30-Nov-11
	<u>Balance</u>	<u>Accrual</u>	<u>Cost</u>	<u>Cost</u>	<u>Salvage</u>	<u>Charge</u>	<u>Balance</u>
Station equipment	0	0					0
Poles, towers and fixtures	5,093,132	637,303	97,047	118,477	7,926	207,598	5,522,837
Overhead conductor and device	3,299,647	412,377	40,204	49,082	3,284	86,002	3,626,022
Underground conduit	83,490	11,324				0	94,814
Underground conductor and device	473,343	60,737	892	1,089	73	1,908	532,172
Line transformers	2,791,316	350,352	107,828			107,828	3,033,840
Services	1,195,646	148,864	10,713	13,079	875	22,917	1,321,593
Meters	1,222,498	151,076	20,363			20,363	1,353,211
Security lights	368,886	46,621	40,756	49,755	3,328	87,183	328,324
Street lighting	15,883	1,925				0	17,808
Subtotal distribution plant	14,543,841	1,820,578	317,803	231,482	15,486	533,799	15,830,620
Land							
Structures and improvements	253,655	3,139	0			0	256,794
Office furniture and equipment	135,471	3,292	0			0	138,763
Computer	421,467	57,998	17,642		12,349	5,293	474,172
Transportation equipment	1,604,997	142,884	181,657		50,000	131,657	1,616,224
Stores	6,044	96	0			0	6,140
Tools	17,892					0	17,892
Laboratory	83,659	1,051	0			0	84,710
Power operated	172,131	0	0			0	172,131
Communication	111,881	610	0			0	112,491
Miscellaneous	68,288	6,145	0			0	74,433
Subtotal general plant	2,875,485	215,215	199,299	0	62,349	136,950	2,953,750
Retirement WIP	2,747			46,450		46,450	49,197
Total accumulated depreciation	\$17,416,579	\$2,035,793	\$517,102	\$185,032	\$77,835	\$624,299	\$18,735,173

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

31. Refer to Exhibit 4 of the application.

a. Provide a detailed analysis of Other Taxes in the amount of \$42,849.

Response: This is the PSC tax based on revenues less one-half of the power cost as assessed by the PSC.

b. Provide a comparative schedule of property tax expense for each year of the period 2007 through 2011.

<u>Year</u>	<u>Amount Paid</u>
2011	448,968
2010	436,734
2009	433,075
2008	416,672
2007	418,789

Witness: Jim Adkins

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

32. Refer to Exhibit 5 of the application.

a. Provide an update of the current interest rates for outstanding long term debt as of the most recent date available and continue to update monthly until the date of the hearing in this proceeding. **Response:** Rates are attached.

b. On pages 2 and 3, in the section labeled "RUS loans", there is a line indicated as "Advance payment" reducing the total debt outstanding for RUS loans. Explain this amount and the impact on annual interest expense. **Response:** RUS allows cooperatives to make non-refundable advance payments on long-term debt. These advances can only be reduced by making debt service payments and earn 5% interest income. This has no effect on annual interest expense.

c. On page 4, lines 25 through 27 refer to a payment made by Big Sandy to East Kentucky. Explain this statement. Refer to Exhibit 6 of the application. **Response:** This should have been removed and not included with Taylor County's application.

Taylor County Rural Electric Cooperative

Exhibit 5

Case No. 2012-00023

page 2 of 4

Schedule of Outstanding Long-Term Debt

Format 8a

November 30, 2011

Schedule 2

Type of <u>Debt Issued</u> (a)	Date of <u>Issue</u> (b)	Date of <u>Maturity</u> (c)	Outstanding <u>Amount</u> (d)	Cost Rate to <u>Maturity</u> (g)	Annualized Cost <u>Col (d)x(g)</u> (j)	Test Year Interest <u>Cost</u>
RUS loans						
1B200	4/26/95	4/17/30	970,131	3.875%	37,593	38,269
1B201	4/26/95	4/17/30	639,446	5.375%	34,370	34,893
1B202	4/26/95	4/17/30	1,280,350	1.500%	19,205	19,649
1B210	6/1/99	5/23/34	1,615,573	3.750%	60,584	61,916
1B215	6/1/99	5/23/34	1,437,638	3.875%	55,708	56,475
1B220	6/1/99	5/23/34	709,209	3.625%	25,709	25,972
1B221	11/1/04	10/24/39	694,261	3.750%	26,035	26,477
Advance payment			<u>(1,113,923)</u>			
			<u>6,232,685</u>		<u>259,204</u>	<u>263,650</u>
FFB loans						
H0010	1/4/08	12/26/42	<u>5,896,631</u>	3.306%	<u>194,943</u>	<u>196,651</u>
CoBank loans						
127635	4/1/77	3/23/12	187,200	5.64%	10,558	11,163
31224	7/1/79	6/22/14	389,944	2.99%	11,659	12,786
34038	3/1/82	2/20/17	666,159	2.99%	19,918	21,541
36387	9/1/84	8/24/19	734,283	5.44%	39,945	40,666
36527	9/1/89	8/23/24	659,992	5.44%	35,904	36,212
36527	3/1/93	2/21/28	1,030,964	6.78%	69,899	70,501
60352	12/1/95	11/22/30	1,384,085	2.99%	41,384	44,241
654T9	6/1/03	5/30/11	628,065	6.69%	42,018	42,401
178291	6/1/03	5/28/18	<u>4,830,903</u>	4.52%	<u>218,357</u>	<u>237,016</u>
			<u>10,511,595</u>		<u>489,642</u>	<u>516,526</u>
Total long term debt and annualized			<u>22,640,911</u>		<u>943,789</u>	<u>976,827</u>

Annualized cost rate [Total Col. (j) / Total Col. (d)] 4.17%

Actual test year cost rate [Total Col (k) / Total Reported in Col (d)] 4.31%

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

33. Refer to Exhibit 6 of the application.

a. Provide a narrative description of each section of the actuarial valuation study describing the process involved and how the amounts reported in the study are determined. **Response:** The estimated future payments to existing employees when they retire, the existing retired employees, and those on disability are discounted to current dollars. Employees are expected to retire at age 62, or with 30 years experience. Insurance premiums were estimated to increase by 5%, then reduced by ½% per year until level at a 3% annual increase.

It should be noted that retired directors no longer participate in the retiree insurance program.

b. The cover letter included a journal entry to adjust accumulated other comprehensive income at December 31, 2011 in the amount of \$1,099,060. Did Taylor County record the entry suggested? **Response:** Taylor County made the entry as of May 31, 2012.

c. Page 1, line 17, shows the test year accrual for Statement of Financial Accounting Standards 106 costs. In the same format shown as of January 1, 2012, on pages 2-8 of Exhibit 6, provide the actuarial variance results as of January 1, 2011 that resulted in the 2011 accrual of \$222,900. **Response:** Attached is the previous study which indicated that the annual accrual should have been \$333,792, however, Taylor County failed to make the necessary increase in accrual. This was an oversight in the accounting department as there was some turnover at that same time.

d. Refer to the fourth page of Exhibit 6, which has the heading, Exhibit 2

(1) \$110,892 is the amount of the "Amortization of net loss" on line 3 under "Other changes in plan assets and benefit obligations recognized in other comprehensive income."

(i) Provide the amount of the net loss being amortized. **Response:** The loss from the previous study was \$2,772,206, and was being amortized over 25 years.

(ii) identify the period over which the loss was incurred and the period over which it is being amortized. **Response:** The postretirement benefits are not funded, therefore, the loss is cumulative from the inception of the adoption of FAS 106.

(2) On line 4 under the same heading, \$1,099,060 is shown as the "Adjustment for current net loss." Provide a general description of how the loss was derived along with the source documents which show its derivation. **Response:** This is the difference between what the accumulated postretirement benefit obligation ("APBO") as reflected in the general ledger and the APBO calculated in the current study.

e. Refer to the fifth page of Exhibit 6, specifically, the top portion of the page which has the heading "FAS 106 Expense Components."

(1) Explain the derivation of the amounts shown for the service cost, interest cost, and the amortization of actuarial loss. **Response:** The service and interest cost

Taylor County Rural Electric Cooperative

Case No. 2012-00023

Commission Staff's Second Request for Information

are the difference in APBO from the beginning of the period to the end of the period, with the interest cost as the average APBO beginning and ending times the discount interest rate. The amortization of actuarial loss is amortization of the amount in accumulated other comprehensive income.

(2) Provide the amount of the loss being amortized. **Response:** \$4,190,921.

(3) Identify the period over which the loss was incurred and the period over which it is being amortized. **Response:** The postretirement benefits are not funded, therefore, the loss is cumulative from the inception of the adoption of FAS 106. The loss being amortized is \$4,190,921, which is being amortized over 20 years.

f. Explain how the "Expected pay-as-you-go expense of \$375,537" was derived. **Response:** This is the estimated premiums for current retirees. Retirees are assumed to live at 78 years for females and 74 years for males. The \$375,537 assumes that several of the current retirees will not have premiums paid during the next year.

g. Refer to the bottom portion of the fifth page of Exhibit 6. Explain why the annual amounts shown for estimated payments are expected to decline approximately 40 percent between 2012 and 2015. **Response:** This reflects the aging of current retired employees and the mortality for paying premiums.

Witness: Jim Adkins

W. DUDLEY SHRYOCK, CPA, PSC
CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 542
145 COLLEGE STREET
LAWRENCEBURG, KY 40342
(502) 839-8112

MEMBER AICPA

MEMBER KY SOCIETY
OF CPA'S

January 17, 2009

John Patterson, Office Manager
Taylor County Rural Electric Cooperative
625 West Main Street
Campbellsville, Kentucky 42718

Dear John:

Please find enclosed the actuarial valuation results as of January 1, 2008 for Financial Accounting Standard No. 106 - Employers' Accounting for Postretirement Benefits Other than Pensions.

The annual accrual for 2009 should be as follows:

Employees	\$313,403
Directors	\$20,389
Total	<u>\$333,792</u>

The accrual for 2009 includes current service and interest costs and amortization of the actuarial gains and losses.

If you have any questions or would like to discuss these results, please give me a call.

Sincerely,

W. Dudley Shryock, CPA

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of December 31, 2008

Entries to record the effects of SFAS No. 158 are as follows:

(1)			
Accum other comprehensive income	209.00	\$3,202,753	
Accum postretirement benefits	228.30		\$3,202,753

Record adoption of SFAS No. 158

Monthly entry for 2009

Employee benefits	926.00	\$26,117	
Director expenses	930.10	\$1,699	
Accum other comprehensive income	209.00		\$9,241
Accum postretirement benefits	228.30		\$18,575

Record SFAS No. 106 expense.

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of January 1, 2009

FAS 106 Expense Components

1. Service cost	(\$52,394)
2. Interest cost	275,298
3. Expected return on assets	-
4. Amortization of transition obligation	-
5. Amortization of actuarial (gain) / loss	<u>110,888</u>
6. Total FAS 106 expense	<u><u>\$333,792</u></u>
7. Expected pay-as-you-go expense	<u><u>\$217,434</u></u>

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of January 1, 2009

	<u>Employees</u>	<u>Directors</u>	<u>Total</u>
A. Accumulated Postretirement Benefit Obligations (APBO) as of January 1, 2009			
1. Actives not yet eligible	\$2,213,015	\$145,981	\$2,358,996
2. Actives fully eligible	641,673	102,182	743,855
3. Retirees and dependents	<u>1,453,932</u>	<u>34,255</u>	<u>1,488,187</u>
4. Total APBO	4,308,620	282,418	4,591,038
B. Future accruals	<u>2,098,105</u>	<u>134,706</u>	<u>2,232,811</u>
C. Total Expected Postretirement Benefit Obligations (EPBO) (A4 + B)	<u>\$6,406,725</u>	<u>\$417,124</u>	<u>\$6,823,849</u>
D. Reconciliation of Funded Status			January 1, <u>2009</u>
1. Accrued Postretirement Benefit Cost			\$1,388,285
2. Assets			<u>0</u>
3. Funded Status = (D1 + D2)			1,388,285
4. Unrecognized Transition Obligation			-
5. Unrecognized (Gain) / Loss			3,202,753
6. Unrecognized Prior Service Cost			-
7. APBO (D3 + D4 + D5 + D6)			<u>\$4,591,038</u>

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of January 1, 2009

A. Accrued Postretirement Benefit Cost

1. Balance January 1, 2008	\$1,433,764
2. Accrual for 2008	240,000
3. Payout for 2008	<u>(285,479)</u>
4. Balance December 31, 2008	1,388,285
5. Accrual for 2009	333,792
6. Estimated payout for 2009	<u>(217,434)</u>
7. Estimated balance December 31, 2009	<u><u>\$1,504,643</u></u>

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of January 1, 2009

A. Development of Actuarial (Gain)/Loss during 2008

1. Expected APBO as of December 31, 2008	\$1,388,285
2. Actual APBO as of January 1, 2009	<u>4,591,038</u>
3. Actuarial (gain)/loss as of January 1, 2009 = (2) - (1)	3,202,753
4. Unrecognized (gain)/loss as of December 31, 2008	<u>-</u>
5. Cumulative (gain)/loss = (3) + (4)	3,202,753
6. 10% corridor	<u>430,547</u>
7. (Gain)/Loss subject to amortization = (5) - (6)	2,772,206
8. Future working lifetime to expected retirement	<u>25</u>
9. Amortization of (gain)/loss = (7) / (8)	<u><u>\$110,888</u></u>

B. Amortization of Transition Obligation

1. Transition Obligation as of January 1, 1995	-
2. Number of years in amortization	<u>-</u>
3. Annual amortization	<u><u>-</u></u>

**Taylor County Rural Electric
Medical Insurance Premiums**

FAS 106 Obligation as of January 1, 2009

Alternate assumptions:

Impact on obligations and expense of a
health care cost trend increase of 1%

	Current <u>Plan</u>	Alternate <u>Assumptions</u>	<u>% Change</u>
APBO	4,591,038	5,200,000	13.3%
EPBO	6,823,849	7,700,000	12.8%
FAS 106 Expense	333,792	380,000	13.8%

Estimated payments for the next five years are:

2009	\$201,810
2010	210,221
2011	216,162
2012	210,267
2013	198,823

Taylor County Rural Electric

FAS 106 Assumptions

Covered Groups

All eligible employees.

Eligibility

Employees who retire at age 60 and have 30 years of service.

Spouse

Taylor County pays family medical coverage for retirees and their dependents.

Medicare

At age 65 retirees will commence with Medicare "Carve Out" coverage.

Contributions

Taylor County pays the premium for eligible employees and their spouses. The Cooperative will not pay the retired employee portion of medical premiums for those hired after December 1, 2005. The retiree may continue coverage at their own expense.

Life Expectancies

Per annuity tables female employees can expect to live until age 78.2 and male employees can expect to live until age 73.8.

Retirement, withdrawals, and mortality

Estimate that employees will retire at age 62 and will be replaced in the normal course of business.

Discount rate

6.0%

Medical inflation rate

8% per year decreasing by 0.5% per year until 5.5% per year.

Taylor County Rural Electric

FAS 106 Assumptions

Terminations

Rates vary by attained age for employees. Sample rates are as follows:

<u>Age</u>	<u>Rate</u>	<u>No. of Employees</u>
20	15%	3
30	7%	8
40	3%	15
50	1%	15
60	0%	<u>6</u>
		<u>47</u>

Eligibility classes

Based on the employees, retirees and those on disability as of January 1, 2009 are as follows:

	<u>Employees</u>	<u>Directors</u>
Actives not fully eligible	43	2
Actives fully eligible	4	3
Retirees and dependents	<u>30</u>	<u>1</u>
Total	<u>77</u>	<u>6</u>

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

34. Refer to Exhibit 8 of the application.

a. Provide documentation to support the approximate 5 percent increase in medical insurance premiums. **Response:** A copy of the invoices is attached. It should be noted that the premiums for 2013 will increase another 10%.

b. Page 2 shows a proposed expense for single participants of \$106,933. Provide the calculation that results in this amount. **Response:** 12 employees times 12 months times \$742.59 equals \$106,933.

Witness: John Patterson

Fully Insured Renewal



Taylor County RECC

Group Number(s): 00023004
 Effective Date: 12/01/2011 - 11/30/2012
 Anthem Sales Representative: Jan Mitro

Current		
Blue Access 3.0 String Option 002G		

COVERED NETWORK BENEFITS

Deductible (single/family)	\$0 / \$0		
Physician / Specialist Office Services Copayment	\$10 / \$30		
IP Facility / OP Hospital ACF; Surgery	No Copay / No Copay		
OP ACF: Other / IP & OP Professional Services	No Copay / No Copay		
Out-of-Pocket Maximum (single/family)	\$1,000 / \$2,000		
Lifetime Maximum	Unlimited		
Emergency Room	\$100		
Urgent Care	\$50		
Rx - Retail Member Pharmacy	\$10/\$20/\$30		
Rx - Mail Order Pharmacy	\$20/\$40/\$60		
Rx - Deductible and/or Out-of-Pocket	na		
Employer Contribution (single/family)	na		
Contribution Rollover Maximum (single/family)	na		

ENROLLMENT

Subscriber Only	21		
Subscriber + Spouse	29		
Subscriber + Child	0		
Subscriber + Children	1		
Subscriber + Family	25		
Total Number of Contracts	76		

This year's renewal rate includes changes to the standard medical plan to ensure compliance with the requirements of the recently enacted federal health care reform legislation. Some of the changes in the standard medical plan include no lifetime maximums, elimination of certain annual limits, and the expansion of the definition of dependents.

RATES

Subscriber Only	\$707.23	\$742.59
Subscriber + Spouse	\$1,950.29	\$2,047.80
Subscriber + Child	\$1,950.29	\$2,047.80
Subscriber + Children	\$1,950.29	\$2,047.80
Subscriber + Family	\$1,950.29	\$2,047.80
Total Monthly Premium	\$122,117.78	\$128,223.67
Total Annual Premium	\$1,465,413.36	\$1,538,684.03
% Rate Increase		5.00%

ASSUMPTIONS

- * Anthem Blue Cross and Blue Shield is the only carrier being offered.
- * Anthem Blue Cross and Blue Shield reserves the right to recalculate any/all rates if actual enrollment or split between tiers varies by +/- 10% from quoted enrollment.
- * The minimum employer contribution level is 25% of total premium but not less than 50% of the single premium.
- * The minimum acceptable participation is the greater of (a) 50% of total eligible full-time employees or (b) 75% of net eligible full-time employees.
- * Refer to your sales brochure(s) for benefit details and limitations.
- * This benefit description is intended to be a brief outline of coverage. The entire provisions of benefits and exclusions are contained in the Group Contract. In the event of a conflict between the Group Contract and this description, the terms of the Group Contract will prevail.

11/17/11

 Authorized Signature Date Authorized Signature Date Authorized Signature Date

Underwriter Issue Date: 10/25/2011
(10/03)

Fully Insured Renewal



Taylor County RECC

Group Number(s): 00023004
 Effective Date: 12/01/2011 - 11/30/2012
 Anthem Sales Representative: Jan Mitro

Current		
Blue Access 3.0 String Option 002G		

COVERED NETWORK BENEFITS

Deductible (single/family)	\$0 / \$0		
Physician / Specialist Office Services Copayment	\$10 / \$30		
IP Facility / OP Hospital ACF; Surgery	No Copay / No Copay		
OP ACF: Other / IP & OP Professional Services	No Copay / No Copay		
Out-of-Pocket Maximum (single/family)	\$1,000 / \$2,000		
Lifetime Maximum	Unlimited		
Emergency Room	\$100		
Urgent Care	\$50		
Rx - Retail Member Pharmacy	\$10/\$20/\$30		
Rx - Mail Order Pharmacy	\$20/\$40/\$60		
Rx - Deductible and/or Out-of-Pocket	na		
Employer Contribution (single/family)	na		
Contribution Rollover Maximum (single/family)	na		

ENROLLMENT

Subscriber Only	14		
Subscriber + Spouse	3		
Subscriber + Child	0		
Subscriber + Children	0		
Subscriber + Family	0		
Total Number of Contracts	17		

This year's renewal rate includes changes to the standard medical plan to ensure compliance with the requirements of the recently enacted federal health care reform legislation. Some of the changes in the standard medical plan include no lifetime maximums, elimination of certain annual limits, and the expansion of the definition of dependents.

RATES

Subscriber Only	\$424.33	\$445.55
Subscriber + Spouse	\$1,170.18	\$1,228.69
Subscriber + Child	\$1,170.18	\$1,228.69
Subscriber + Children	\$1,170.18	\$1,228.69
Subscriber + Family	\$1,170.18	\$1,228.69
Total Monthly Premium	\$9,451.16	\$9,923.72
Total Annual Premium	\$113,413.92	\$119,084.62
% Rate Increase		5.00%

ASSUMPTIONS

- * Anthem Blue Cross and Blue Shield is the only carrier being offered.
- * Anthem Blue Cross and Blue Shield reserves the right to recalculate any/all rates if actual enrollment or split between tiers varies by +/- 10% from quoted enrollment.
- * The minimum employer contribution level is 25% of total premium but not less than 50% of the single premium.
- * The minimum acceptable participation is the greater of (a) 50% of total eligible full-time employees or (b) 75% of net eligible full-time employees.
- * Refer to your sales brochure(s) for benefit details and limitations.
- * This benefit description is intended to be a brief outline of coverage. The entire provisions of benefits and exclusions are contained in the Group Contract. In the event of a conflict between the Group Contract and this description, the terms of the Group Contract will prevail.

11/17/11

 Authorized Signature Date Authorized Signature Date Authorized Signature Date

Underwriter Issue Date: 10/25/2011
(10/03)

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

35. Refer to Exhibit 9 of the application.

a. On pages 4 through 11 payments to various directors are referenced as "VOUCHER COMM". Provide an explanation of these references. **Response:** The Bylaws require that a Voucher Committee meet on quarterly basis to review paid invoices for the quarter.

b. Page 4 shows that Mr. Bardin received per diem payments with a reference of "VOUCHER COMM". Pages 6, 7, 8, 9, and 10 show that Messers Kessler, Shuffett, Depp, Minor and Rucker received other board meeting payments also with a reference of "VOUCHER COMM". Should Mr. Bardin's payments have been listed as other board meeting payments, or should the other directors payments have been listed as per diem, and therefore removed for ratemaking purposes? **Response:** These are quarterly board meetings of the Voucher Committee and should be listed as other board meetings.

c. Explain the reference of "FRESH LOOK CONF" that appears on page 4 for Mr. Bardin. **Response:** The Fresh Look refers to the cooperative's responses to the management audit that the Commission required EKPC to have performed. It is expected that the member cooperatives of EKPC will continue to monitor and meet to update compliance with the Liberty Report as a result of EKPC's management audit.

d. For Messers. Kessler, Shuffett, Depp and Minor, the detailed analysis of their expenses (pages 6 through 9) does not agree with the amounts shown for each on page 3 which is a summary of director's expenses. **Response:** Attached are the corrected exhibits. The application had incorrect cell references.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Director Fees and Expenses
November 30, 2011

Exhibit 9
page of
Witness: Jim Adkins

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	Regular Board <u>Mtg</u>	Other Board <u>Mtg</u>	Per <u>Diem</u>	<u>Mileage</u>	Air <u>Fare</u>	Meeting <u>Fees</u>	<u>Hotel</u>	<u>Meals</u>	Health <u>Insurance</u>	Misc <u>Expenses</u>	<u>Total</u>
Bardin, Greg	3,600	900	1,200	204	0	0	0	0	0	0	5,904
Giles, Thomas	3,600	900	1,200	325	0	0	0	0	0	0	6,025
Kessler, James	3,600	900	0	226	0	0	0	0	0	0	4,726
Shuffett, Donald	3,600	1,800	100	271	0	0	0	0	0	0	5,771
Depp, P.D.	3,600	1,500	300	536	0	0	0	0	0	0	5,936
Minor, Roland	3,600	1,200	0	179	0	0	0	0	0	0	4,979
Rucker, Raymond	3,600	1,800	600	168	0	0	0	0	0	0	6,168
General expenses	0	0	0	0	0	0	0	991	102,101	29,090	132,182
Total	25,200	9,000	3,400	1,909	0	0	0	991	102,101	29,090	171,691

Taylor County Rural Electric Cooperative
Case No. 2012-00023
General Expenses
November 30, 2011

Exhibit 9
page of
Witness: Jim Adkins

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Date	Check Number	Payee	Description	Regular Bd Mtg	Other Bd Mtg	Per Diem	Mileage	Air Fare	Meeting Fees	Hotel	Meals	Health Ins	Misc Expense	Total		
1/27/11	70959	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
2/24/11	71152	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
3/30/11	71355	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
4/27/11	71548	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
5/25/11	71748	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
6/24/11	72172	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
8/25/11	72700	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
9/28/11	72938	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
10/26/11	73134	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
12/27/10	70775	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
7/25/11	72394	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
11/30/11	73421	BC / BS	PREMIUMS									8,508.39		8,508.39	x	
12/1/10	70575	SWAN'S LANDIN	BOARD MTG MEAL								389.80			389.80		
12/31/10	70843	VISA	BOARD MTG SNACKS								42.32			42.32		
3/31/11	71455	VISA	BOARD MTG MEAL								135.49			135.49		
8/31/11	72831	VISA	BOARD MTG MEAL								128.14			128.14		
10/31/11	73229	VISA	BOARD MTG MEAL								145.72			145.72		
11/30/11	73459	VISA	BOARD MTG MEAL								149.62			149.62		
VAR	VAR	DOM LIABILITY	INSURANCE										29,089.98	29,089.98		
				0.00	0.00	0.00	0.00	0.00	0.00	0.00	991.09	102,100.68	29,089.98	132,181.75		
															Remove for rate making purposes	
															102,100.68	x

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

36. Refer to Exhibit 10 of the application.

a. Page 3 shows payments to Robert Spragens, Jr. in the amounts of \$2,389.02 and \$3,570.42. Fully explain the nature of these expenditures and why Taylor County considers this to be a normal recurring expense.

Response: Items included on the \$2,389.02 bill include time for preparing new joint use pole contract; production of employee records for former employee involved in lawsuit; Notice of compliance in PSC Case 2010-00511; review EKPC policy for certification of EKPC Director; various questions from office on consumer problems. Items included on the \$3,570.42 bill include: attendance at Co-op annual meeting; amendment to by-laws; discussion and work on Right-of Way issue and complaint filed with PSC; PSC Case No 2011-00163.

Taylor County will continue to have the need for legal advice and will incur legal cost in the future.

b. Page 3 shows a payment to Robert Spragens, Jr. in the amount of \$345.00 for Electric Coop Bar Assoc. dues. Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This is for membership in the NRECA Electric Cooperative Bar Association and provides Mr. Spragens with information and discussion on various legal issues pertaining to Electric Cooperatives. This is a normal recurring expense.

c. Page 3 shows three payments to Frost, Brown, Todd PLLC for employee issues. Fully explain the nature of these expenditures and why Taylor County considers this to be a normal recurring expense.

Response: Frost, Brown, Todd provides legal service for Taylor County on Human Resource and union matters, amounts billed were for advice on Healthcare Reform; Preparing for 2011 Contract Negotiations. These are considered a recurring expense.

d. Page 3 shows a payment to Frost, Brown, Todd PLLC for union contract negotiations. Fully explain the services performed and why Taylor County considers this to be a normal recurring expense.

Response: The term of the contract between Taylor County RECC and Teamster Local 89 ended December 1, 2011, this billing included cost for negotiating a new contract. Yes this is considered a recurring expense.

e. Page 3 shows payments to Patterson & Dewar Engineering totaling \$17,309.33. Fully explain the nature of these expenditures, and why Taylor County considers this to be a normal recurring expense. Does Taylor County have a formal agreement with Patterson & Dewar Engineering to provide services?

Response: This amount includes a monthly retainer fee; cost for bidding a new construction contractor for a line contractor; cost for line and work order inspection. These costs are recurring. Taylor County does not have a formal agreement with Patterson & Dewar.

Witness: John Patterson

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

37. Refer to Exhibit 11 of the application.

a. Page 3 shows payments to Gurnsey & Associates totaling \$5,874.78 for "EKCP Strategic Review Shared Cost". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: See Answer to 35C.

b. Page 4 shows a payment to National Rural Electric in the amount of \$795.00 for "2011 CEO Close-up Conf". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This was the registration fee paid for Mr. Myers to attend the CEO conference. Yes this is considered a recurring expense.

c. Page 4 shows a payment to Visa in the amount of \$3,730.00 for "2011 CEO Close-up Conf". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: The \$3,730.00 is for the registration fee for a NRECA Director Conference not the CEO Close-up Conference. This is considered a recurring expense.

d. Page 4 shows three payments to Visa in the amounts of \$3,180.30, \$421.89 and \$394.14 for "CEO Conference Expense". Fully explain the nature of these expenditures and why Taylor County considers them to be a normal recurring expense.

Response: The \$3,180.30 was for lodging, meals, airfare and car rental for the Manager attending the NRECA CEO Conference this is considered a recurring expense. The \$421.89 was mislabeled as CEO Conference when it was actually for meals the Manager paid for and a room at Marriott Griffin Gate while attending the Fall Manager's Meeting. It is recurring..

e. Page 4 shows three payments to Visa in the amounts of \$3,735.62, \$1,748.28 and \$6,417.95 for "Board Hotel Director Conf". Fully explain the nature of these expenditures and why Taylor County considers them to be normal recurring expense.

Response: The \$3,735.62 is for Director's room, meals and airport parking while attending an NRECA Director's Conference in San Antonio this is recurring.

The \$1,748.28 is for the room deposit at time the reservation was made for Directors room while attending the NRECA Director Conference. The

\$6,417.95 is the cost of meals and lodging at the NRECA Director Conference. This is recurring.

f. Page 4 shows a payment to Visa in the amount of \$1,589.50 for "Board Air Fare Director Conf". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This is Airfare for director's attending the NRECA annual meeting. This is recurring.

g. Page 4 shows a payment to Visa in the amount of \$421.89 for 'CEO Conference Exp". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense

Response See Item 37d above.

h. Page 4 shows a payment to Visa in the amount of \$1,095.45 for "Hotel, Meals, NRECA Director Conf". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense

Response: This is for Rooms for 5 Directors and the Manager attending the KAEC Annual Meeting in Louisville. This is recurring.

i . Page 4 shows a payment to SRW Environmental in the amount of \$1,982.00 for 'Site Assessment". Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This is for soil testing where underground gas tanks were removed. Similar expenses in the future will be recurring.

l. Page 5 shows a payment to Dom Liability Ins in the amount of \$11,745.00. Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This is the Director, Officer and Management Liability Insurance. It is recurring.

k. Page 6 shows a payment to KAEC in the amount of \$300.00. Fully explain the nature of this expenditure and why Taylor County considers this to be a normal recurring expense.

Response: This is payment for Kentucky Manager Association Dues. It is recurring.

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

38. Refer to Exhibit 12 of the application where Taylor County estimates the expenses associated with this rate case. On a monthly basis, beginning with the first month in which it incurred any rate case expense, provide the amount of Taylor County's actual rate case expenses, by category, as was done in the estimate. Consider this an ongoing request which is to be updated monthly. **Response:** The costs to date are as follows:

Date	Ck No.	Amount	Vendor	Description
9/13/12	75766	404.03	Chandler's Office Equip	Supplies
8/28/12	75653	66.85	FedEx	Postage
8/23/12	75639	4.71	Petty Cash	Supplies
8/23/12	75642	321.18	Quill Office Supplies	Supplies
8/28/12	75663	189.57	Visa	Supplies
		986.34		

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

39. Refer to Exhibit 13 of the application where the cost of the depreciation study is indicated to be an estimate. If known provide the actual cost of the depreciation study. If not known at this time, provide an estimate of when the actual cost will be available.

Response: Taylor County has not received an invoice for the study at this time, it is still estimated that the study will cost approximately \$25,000.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

40. Refer to Exhibit 15, page 3 of 6 of the application. This page shows that there were 31 occurrences of After Hours charges during the test period. Provide a breakdown of the 31 occurrences as to whether they pertained to Reconnect, Service Investigation, or Termination/Field Collection charges. **Response:** All occurrences were for reconnect of service.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

41. Refer to Exhibit 16 of the application.

a. Refer to page 2 of 3. Explain why no metering or substation charges are shown for December 2010. **Response:** This was an oversight only. The corrected page 2 is attached. This results in an additional power cost of \$49,567.

b. Refer to page 3 of 3.

(1) Regarding the fuel columns, this schedule appears to compare the FAC portion of the power bill received from East Kentucky with the amount of FAC revenues received from customers without taking into account the over or under recovery amounts that occur each month and without taking into account the lag between billing and collecting the FAC. Provide a schedule for the period January 2009 through January 2012 which removes the lag and takes into account the under and over recovery amounts each month (i.e., this schedule should compare the recoverable FAC revenue/(refund), which is represented by Line 10 on the monthly FAC filing, with the amount of FAC revenue actually collected/(refunded), which is represented by Line 11 on the monthly FAC filing, and show the resultant over or under recovery each month, which is represented by Line 12 on the monthly filing). **Response:** The schedule is attached and accurately reflects the over/under recovery as filed with the Commission. Refer to (2) and (3) below for additional details.

(2) The bottom of the page states that "the Environmental Surcharge has a built in over-under recovery mechanism." Confirm your understanding that the FAC has an over-under-recovery mechanism that is applied each month and is calculated using lines 10, 11, and 12 on the FAC form. Explain in detail how any amount of over or under-recovery would not be captured through this monthly calculation. **Response:** The monthly calculation of the over/under recovery is performing properly for the line loss, however, for the 1 (one) month of July 2011, when the rate was applied to customers bills there was an unrecovered difference. As reflected in Exhibit 16, page 3 of 3 Taylor County had a credit from EKPC of \$12,316. During that same month, Taylor County gave credits to consumers of \$557,018, which resulted in a reduction in margins of \$544,702. This amount will not be recovered through the fuel adjustment over/under mechanism as reflected in the following months as shown through November, 2011.

(3) The bottom of the page states that "The month that East Kentucky rolled the fuel into the base rates during June 2011, which Taylor recognized in July 2011, resulted [sic] a large credit to customers. Taylor County did not recognize this credit from East Kentucky, which resulted in a deficit for Taylor County." Explain in detail what is meant by "Taylor County did not recognize this credit from East Kentucky." **Response:** As reflected in Exhibit 16, page 3 of 3 Taylor County had a credit from EKPC of \$12,316. During that same month, Taylor County gave credits to consumers of \$557,018, which resulted in a reduction in margins of \$544,702. This amount will not be recovered through the fuel adjustment over/under mechanism as reflected in the following months as shown through November, 2011.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Test Year Purchased Power Costs

<u>Month</u>	<u>Demand Charge</u>	<u>Energy Charge</u>	<u>Metering Point</u>	<u>Substation Charge</u>	<u>Other</u>	<u>Total Base Rates</u>	<u>Fuel Adjustment</u>	<u>Environmental Surcharge</u>	<u>Total</u>	
December, 2010	461,482	1,932,221	1,918	45,139		2,440,760	(426,049)	247,204	2,261,915	
January, 2011	725,532	3,091,111	1,918	45,139		3,863,700	(414,253)	546,736	3,996,183	
February	739,659	3,091,955	1,974	46,540		3,880,128	(306,357)	525,703	4,099,474	
March	775,877	2,387,155	2,016	47,551		3,212,599	(312,617)	187,629	3,087,611	
April	510,735	2,154,574	2,016	47,551		2,714,876	(378,528)	150,693	2,487,041	
May	508,818	1,695,266	2,016	47,551		2,253,651	(275,391)	229,280	2,207,540	
June	523,774	1,898,222	2,016	47,551		2,471,563	(400,365)	260,144	2,331,342	
July	535,526	1,957,620	2,016	47,551		2,542,713	(12,316)	363,113	2,893,510	
August	593,371	2,352,976	2,016	47,551		2,995,914	(64,833)	410,058	3,341,139	
September	563,316	2,160,579	2,016	47,551		2,773,462	16,189	366,838	3,156,489	
October	562,215	1,570,860	2,016	47,551		2,182,642	(11,554)	244,897	2,415,985	
November	440,320	1,577,977	2,016	47,551		2,067,864	(1,971)	248,114	2,314,007	
Subtotal	6,940,625	25,870,516	23,954	564,777	-	33,399,872	(2,588,045)	3,780,409	34,592,236	
SALOMA										
December, 2010	21,000	11,753	293		460	33,506		3,571	37,077	2,298,992
January, 2011	21,000	14,284	293		2,005	37,582		4,591	42,173	4,038,356
February	21,000	11,340	293		427	33,060		4,079	37,139	4,136,613
March	21,000	8,574	293		366	30,233		1,687	31,920	3,119,531
April	21,000	113,436	293		3,760	138,489		5,143	143,632	2,630,673
May	21,000	24,087	293		1,225	46,605		3,746	50,351	2,257,891
June	21,000	9,832	293		408	31,533		3,344	34,877	2,366,219
July	21,000	12,402	293		38	33,733		3,921	37,654	2,931,164
August	21,000	13,137	293		469	34,899		3,840	38,739	3,379,878
September	21,000	11,276	293		424	32,993		3,481	36,474	3,192,963
October	21,000	8,268	293		394	29,955		2,903	32,858	2,448,843
November	21,000	6,953	293		339	28,585		3,056	31,641	2,345,648
Subtotal	252,000	245,342	3,516		10,315	511,173	-	43,362	554,535	#####
Total test year	7,192,625	26,115,858	27,470	564,777	10,315	33,911,045	(2,588,045)	3,823,771	35,146,771	-
Normalized purchased power						<u>32,348,238</u>				
Normalized adjustment						<u>(1,562,807)</u>				

ITEM 41-b1

**TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
 CALCULATION OF OVER - UNDER - RECOVERY
 OF FUEL BILLS
 CASE NO 2012-00023
 FOR THE PERIOD NOVEMBER 1, 2010 - AUGUST 2012**

DATE	FUEL REVENUE	FUEL COST	OVER (UNDER) RECOVERY
Nov-10	(240,038.46)	(271,343.39)	31,304.93
December	(493,884.21)	(421,692.94)	(72,191.27)
Jan-11	(729,981.76)	(457,353.93)	(272,627.83)
February	(328,162.33)	(342,061.73)	13,899.40
March	(25,726.98)	(33,729.17)	8,002.19
April	(291,658.86)	(326,516.40)	34,857.54
May	(309,574.21)	(386,530.19)	76,955.98
June	(335,221.97)	(310,248.54)	(24,973.43)
July	(557,017.98)	(477,320.98)	(79,697.00)
August	15,277.77	12,657.43	2,620.34
September	13,635.88	14,864.00	(1,228.12)
October	10,102.83	13,568.66	(3,465.83)
November	(10,348.32)	(10,325.88)	(22.44)
December	1,726.22	1,494.83	231.39
Jan-12	90,939.69	71,269.44	19,670.25
February	34,853.80	33,540.61	1,313.19
March	13,159.82	13,622.75	(462.93)
April	(20,040.36)	(24,857.19)	4,816.83
may	(48,806.00)	(53,475.07)	4,669.07
June	(149,561.12)	(129,165.83)	(20,395.29)
July	(132,661.93)	(123,475.07)	(9,186.86)
August	(121,923.62)	(98,627.71)	(23,295.91)
	(3,614,912.10)	(3,305,706.30)	(309,205.80)

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

42. Refer to Exhibit 21 of the application.

a. Explain fully why Taylor County has never had a depreciation study performed prior to the filing of this case. **Response:** This Commission allowed Taylor County to increase its rates during 1986 from 2.4% to 3.0% without performing a study. Taylor County operates with limited office personnel, and did not have the time or resources to gather the information necessary to have a study performed. Taylor County has been accumulating the information for several years, and the timing allowed a study to be performed in conjunction with filing of this rate application.

b. Under the section titled Scope, the study indicates that starting in 2010 and through 2012, Taylor County will replace its existing meters with AMI equipment.

(1) Taylor County included the installation of an automated meter reading system ("AMR") as part of its 2006 - 2009 construction work plan which the Commission approved in case 2006-00286. Explain the reference to the AMI project noted above given that Taylor County had already replaced its meters with an AMR system. **Response:** Taylor County did in fact replace its meters with an AMR system starting in December, 2007 through April 2009.

¹Case No. 2006-00286, Application of Taylor County Rural Electric Cooperative Corporation for Certificate of Public Convenience and Necessity (Ky. PSC Oct. 5, 2006)

(2) In case 2008-00376, the Commission approved Taylor County's request to establish a regulatory asset to record the net meter write-off of the replaced meters by AMI meters, and amortize the amount of the regulatory asset over 5 years. Provide the amount of the regulatory asset that Taylor County established. **Response:** Taylor County ultimately retired meters with an original cost of \$1,027,667.59, which is being amortized over 5 years. Taylor County is presently amortizing \$15,204.25 per month, which is an annual amortization of \$182,451.00.

² Case No. 2008-00376, Filing of Taylor County Rural Electric Cooperative Corporation Requesting Approval of Deferred Plan for Retiring Meters (Ky. PSC Dec. 9, 2008)

(3) It appears that the amount of annual amortization expense is approximately \$59,000 dollars less than the amount indicated in case 2008-00376. Explain why amortization expense is lower than initially estimated. **Response:** As noted in (2) above, Taylor County's actual retirements are reflected in that response.

(4) Provide the date that Taylor County began amortizing the regulatory asset for the net meter write-off, and the date that amortization will be completed. **Response:** The first month of amortization was January, 2008 and the last month will be May, 2014.

(5) Provide the unamortized balance of the regulatory asset net meter write-off as of the end of the test year, and as of February 28, 2012. **Response:**

November 30, 2011	\$435,842.00
February 28, 2012	\$390,229.25

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

43. Refer to Taylor County's response to Commission Staffs First Request for Information ("Staffs First Request"), Item 21.

a. On page 2, the distribution of benefits shows a total of \$959,873, while the total benefits shows a total amount of \$1,558,447. Explain this discrepancy. **Response:** Please find the following that reflects the correct benefits and average cost per employee. Taylor County apologized for the first response.

		Benefits <u>Distribution</u>
107.20	Construction work in progress	339,744
108.80	Retirement work in progress	47,878
163.00	Stores	39,477
184.10	Transportation	43,661
390.40	General plant additions	4,964
580.00	Supervision, operations	59,252
582.00	Station	1,570
583.00	Overhead line	158,454
586.00	Meter	115,551
587.00	Installations	706
588.00	Miscellaneous distribution	14
590.00	Supervision, maintenance	42,022
593.00	Maintenance	247,638
594.00	Underground	4,998
595.00	Transformers	3,780
597.00	Meters	29
598.00	Miscellaneous maintenance	6,876
902.00	Meter reading	21,914
903.00	Consumer records	199,492
907.00	Customer service	36,425
920.00	Administrative	<u>150,514</u>
930.00	Miscellaneous	7,207
935.00	Maintenance general plant	<u>26,281</u>
	Total	<u>1,558,447</u>

Benefits include the following:

Medical insurance	1,054,312
Life and disability insurance	14,228
Savings plan 401(k)	273,978

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

44. Refer to Taylor County's response to Staffs First Request, Item 49.

a. Are the DSM programs listed offered in conjunction with identical programs offered by East Kentucky?

Response Yes.

b. Does Taylor County have plans to increase its DSM offerings in the future independent of East Kentucky's DSM programs?

Response: Taylor County has no plans at this time to increase its DSM offerings independent of EKPC, however DSM continues to be evaluated and programs could be offered in the future.

c. Describe the level of customer interest in the DSM programs noted in Taylor County's response. Provide the number of customers that are actually participating or have indicated a desire to participate.

Response: At this time Taylor County has 23 ETS units; 68 Air conditioner switches; and 62 Water heater switches.

Witness: John Patterson

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

45. Refer to Exhibit P of the application. Explain why the cost of the annual meeting for 2012 increased significantly over 2011. Provide a summary schedule of annual meeting costs by major categories of expense for the years 2008 through 2012. The schedule should indicate total expenses incurred and the amounts removed for rate-making purposes. **Response:** There was an election in 2012. It should be noted that the costs for the election occurred during 2012, after the test period. Therefore, there are no costs associated with the election in the test period. Also, the costs reported in Exhibit P of the application did not include employee labor and benefits.

<u>Description</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tent, stage, setups	10,616	10,355	10,173	9,746	8,937
Food	652	1,200	880	842	818
Entertainment	475	450	450	450	450
Supplies	445	351	252	15	311
Election expense	16,498	1,113	1,072	1,005	1,060
Labor and benefits	18,109	22,243	20,613	18,856	16,525
Prizes and giveaways	2,947	3,032	1,442	1,938	2,820
Total	49,742	38,744	34,882	32,852	30,921

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

46. In Case No. 2010-00511, the Commission approved new rates for Taylor County for service on and after June 1, 2011.

a. Provide the number of billing cycles employed by Taylor County in June 2011 and the start and end dates for each cycle. **Response:** Taylor County has 1 (one) billing cycle, with usage recorded on a calendar month basis.

b. Explain in detail how Taylor County prorated customer bills when the new rates went into effect for service on and after June 1, 2011. **Response:** Taylor County did not require a prorating since its billing was effective as of June 1st.

Witness: John Patterson

³ Case No. 2010-00511, An Examination of the Application of the Fuel Adjustment Clause of Taylor County Rural Electric Cooperative Corporation from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011)

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

47. Provide a copy of the purchased power bills for each month of the test year as well as for the last month preceding the start of the test year and the first month following the end of the test year. **Response:** Copies are attached.

Witness: John Patterson

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
November 2011

Invoice Date 12/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .034464			12,000	99,757	21,000	3,438				3,778	32,659
Off-Peak .034210				119,411		4,085			358		
CO-OP Totals			12,000	219,168	21,000	7,523			358	3,778	32,659

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$32,659

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,353	804,674	26,205	42,872	144	3,292	3,450	17,544	135,688
Off-Peak .044554				946,730		42,181					
Campbellsville	E2										
On-Peak .053279			8,918	1,265,786	53,686	67,440	144	5,310	5,215	28,710	222,043
Off-Peak .044554				1,381,203		61,538					
Amazon.com	C	Jul **	3,035	1,853,287	21,761	79,473			3,651	15,575	120,460
Total Regular			11,953	4,500,276	75,447	208,451	144	5,310	8,866	44,285	342,503
Coburg	E2										
On-Peak .053279			6,843	1,164,213	41,195	62,028	144	3,292	4,973	25,577	197,815
Off-Peak .044554				1,360,275		60,606					
Columbia	E2										
On-Peak .053279			6,548	1,278,836	39,419	68,135	144	3,292	5,534	27,428	212,128
Off-Peak .044554				1,530,192		68,176					
Creston	E2										
On-Peak .053279			6,679	1,118,258	40,208	59,580	144	3,292	4,857	24,964	193,074
Off-Peak .044554				1,347,336		60,029					
East Campbellsville	E2										
On-Peak .053279			5,250	1,020,594	31,605	54,376	144	3,292	4,362	21,824	168,790
Off-Peak .044554				1,193,763		53,187					
Murakami Mfg. USA	B	*	800	406,871	5,736	17,447			802	3,562	27,547
Total Regular			6,050	2,621,228	37,341	125,010	144	3,292	5,164	25,386	196,337

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .053279			6,170	1,037,711	37,143	55,288	144	3,292	4,405	22,817	176,468
Off-Peak .044554				1,198,085		53,379					
Green River Plaza	E2										
On-Peak .053279			4,161	1,115,604	25,049	59,438	144	3,292	4,686	22,108	170,986
Off-Peak .044554				1,262,930		56,269					
Walmart #655	B	*	785	347,144	5,628	14,886			684	3,148	24,346
Total Regular			4,946	2,725,678	30,677	130,593	144	3,292	5,370	25,256	195,332
Greensburg	E2										
On-Peak .053279			5,288	1,037,874	31,834	55,297	144	3,292	4,426	22,103	170,945
Off-Peak .044554				1,208,628		53,849					
McKinney Corner	E2										
On-Peak .053279			4,350	782,146	26,187	41,672	144	2,737	3,330	17,010	131,554
Off-Peak .044554				908,429		40,474					
Mile Lane	E2										
On-Peak .053279			7,180	1,329,759	43,224	70,848	144	3,292	5,611	28,330	219,105
Off-Peak .044554				1,518,510		67,656					
PHIL	E2										
On-Peak .053279			9,228	1,389,096	55,553	74,010	144	3,292	5,870	31,145	240,873
Off-Peak .044554				1,590,415		70,859					
Summersville	E2										
On-Peak .053279			5,970	1,082,673	35,939	57,684	144	3,292	4,617	23,443	181,308
Off-Peak .044554				1,261,143		56,189					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .053279			5,083	943,725	30,600	50,281	144	3,292	4,033	20,422	157,944
Off-Peak .044554				1,103,654		49,172					
Walmart #569	B		740	375,960	5,559	16,122			741	3,330	25,752
Total Regular			5,823	2,423,339	36,159	115,575	144	3,292	4,774		183,696
CO-OP Totals			91,381	36,165,504	556,531	1,740,441	2,016	47,551	71,247	359,040	2,776,826

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,776,826

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

**East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391**

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
November 30, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
October 2011

Invoice Date 11/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .035840			12,000	79,465	21,000	2,848				3,056	31,348
Off-Peak .036425				112,696		4,105			339		
CO-OP Totals			12,000	192,161	21,000	6,953			339	3,056	31,348

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$31,348

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 11/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
October 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,150	688,613	24,983	36,689	144	3,292	-91	12,256	114,305
Off-Peak .044554				831,162		37,032					
Campbellsville	E2										
On-Peak .053279			4,683	1,041,411	28,192	55,485	144	5,310	-132	16,867	157,310
Off-Peak .044554				1,154,651		51,444					
Amazon.com	C	Jul **	3,035	1,896,623	21,761	81,331			-114	12,368	115,346
Total Regular			7,718	4,092,685	49,953	188,260	144	5,310	-246	29,235	272,656
Coburg	E2										
On-Peak .053279			5,417	961,569	32,610	51,231	144	3,292	-126	16,536	154,223
Off-Peak .044554				1,134,268		50,536					
Columbia	E2										
On-Peak .053279			4,840	1,213,838	29,137	64,672	144	3,292	-160	19,468	181,564
Off-Peak .044554				1,459,141		65,011					
Creston	E2										
On-Peak .053279			5,828	976,939	35,085	52,050	144	3,292	-130	17,242	160,805
Off-Peak .044554				1,192,305		53,122					
East Campbellsville	E2										
On-Peak .053279			4,602	913,775	27,704	48,685	144	3,292	-120	15,341	143,076
Off-Peak .044554				1,078,007		48,030					
Murakami Mfg. USA	B	*	800	496,448	5,736	21,289			-30	3,242	30,237
Total Regular			5,402	2,488,230	33,440	118,004	144	3,292	-150	18,583	173,313

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 11/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
October 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .053279			4,873	881,943	29,335	46,989	144	3,292	-114	15,032	140,194
Off-Peak .044554				1,021,592		45,516					
Green River Plaza	E2										
On-Peak .053279			3,240	1,110,442	19,505	59,163	144	3,292	-144	16,764	156,347
Off-Peak .044554				1,293,327		57,623					
Walmart #655	B	*	785	373,153	5,628	16,002			-22	2,595	24,203
Total Regular			4,025	2,776,922	25,133	132,788	144	3,292	-166	19,359	180,550
Greensburg	E2										
On-Peak .053279			4,510	972,309	27,150	51,804	144	3,292	-127	15,961	148,858
Off-Peak .044554				1,136,472		50,634					
McKinney Corner	E2										
On-Peak .053279			3,797	672,032	22,858	35,805	144	2,737	-87	11,574	107,943
Off-Peak .044554				783,582		34,912					
Mile Lane	E2										
On-Peak .053279			5,944	1,198,807	35,783	63,871	144	3,292	-155	19,805	184,706
Off-Peak .044554				1,390,796		61,966					
PHIL	E2										
On-Peak .053279			5,396	1,249,068	32,484	66,549	144	3,292	-160	19,872	185,336
Off-Peak .044554				1,417,497		63,155					
Summersville	E2										
On-Peak .053279			5,090	948,576	30,642	50,539	144	3,292	-124	16,136	150,494
Off-Peak .044554				1,119,213		49,865					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 11/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
October 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .053279			4,496	879,715	27,066	46,870	144	3,292	-114	14,712	137,210
Off-Peak .044554				1,015,387		45,240					
Walmart #569	B	*	650	346,693	4,661	14,867			-21	2,343	21,850
Total Regular			5,146	2,241,795	31,727	106,977	144	3,292	-135		159,060
CO-OP Totals			72,136	32,849,354	440,320	1,577,977	2,016	47,551	-1,971	248,114	2,314,007

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,314,007

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
October 31, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204,
related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
September 2011

Invoice Date 10/03/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .036293			12,000	108,092	21,000	3,923				2,903	32,565
Off-Peak .033082				131,342		4,345			394		
CO-OP Totals			12,000	239,434	21,000	8,268			394	2,903	32,565

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$32,565

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 10/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
September 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,395	797,646	26,458	42,498	144	3,292	-496	11,026	108,775
Off-Peak .044554				580,264		25,853					
Campbellsville	E2										
On-Peak .053279			6,619	1,288,943	39,846	68,674	144	5,310	-816	17,676	174,381
Off-Peak .044554				977,409		43,547					
Amazon.com	C	Jul **	3,035	1,943,396	21,761	83,337			-700	11,776	116,174
Total Regular			9,654	4,209,748	61,607	195,558	144	5,310	-1,516	29,452	290,555
Coburg	E2										
On-Peak .053279			6,983	1,170,593	42,038	62,368	144	3,292	-729	16,376	161,554
Off-Peak .044554				854,356		38,065					
Columbia	E2										
On-Peak .053279			6,440	1,546,918	38,769	82,418	144	3,292	-1,001	20,145	198,733
Off-Peak .044554				1,233,697		54,966					
Creston	E2										
On-Peak .053279			5,642	1,101,704	33,965	58,698	144	3,292	-684	14,773	145,738
Off-Peak .044554				797,916		35,550					
East Campbellsville	E2										
On-Peak .053279			6,440	1,150,370	38,769	61,291	144	3,292	-700	15,588	153,783
Off-Peak .044554				794,511		35,399					
Murakami Mfg. USA	B		856	490,128	6,295	21,018			-176	3,061	30,198
Total Regular			7,296	2,435,009	45,064	117,708	144	3,292	-876	18,649	183,981

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 10/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
September 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .053279			5,736	1,070,236	34,531	57,021	144	3,292	-649	14,326	141,332
Off-Peak .044554				733,192		32,667					
Green River Plaza	E2										
On-Peak .053279			7,367	1,558,581	44,349	83,040	144	3,292	-943	19,979	197,097
Off-Peak .044554				1,060,194		47,236					
Walmart #655	B		824	408,286	6,017	17,508			-147	2,637	26,015
Total Regular			8,191	3,027,061	50,366	147,784	144	3,292	-1,090	22,616	223,112
Greensburg	E2										
On-Peak .053279			6,320	1,158,518	38,046	61,725	144	3,292	-716	15,729	155,173
Off-Peak .044554				829,398		36,953					
McKinney Corner	E2										
On-Peak .053279			4,395	812,579	26,458	43,293	144	2,737	-497	10,997	108,489
Off-Peak .044554				569,126		25,357					
Mile Lane	E2										
On-Peak .053279			9,046	1,541,586	54,457	82,134	144	3,292	-942	21,094	208,099
Off-Peak .044554				1,075,553		47,920					
PHIL	E2										
On-Peak .053279			5,655	1,360,385	34,043	72,480	144	3,292	-888	17,860	176,196
Off-Peak .044554				1,105,727		49,265					
Summersville	E2										
On-Peak .053279			6,460	1,139,259	38,889	60,699	144	3,292	-698	15,557	153,471
Off-Peak .044554				798,762		35,588					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 10/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
September 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .053279			5,459	1,064,773	32,863	56,730	144	3,292	-653	14,188	139,970
Off-Peak .044554				749,794		33,406					
Walmart #569	B	*	650	330,123	4,661	14,156			-119	2,109	20,807
Total Regular			6,109	2,144,690	37,524	104,292	144	3,292	-772		160,777
CO-OP Totals			92,322	32,093,923	562,215	1,570,860	2,016	47,551	-11,554	244,897	2,415,985

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,415,985

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
September 30, 2011

Total

Facility Charge 293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice \$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
August 2011

Invoice Date 09/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .045419			12,000	137,123	21,000	6,228				3,481	36,181
Off-Peak .035724				141,305		5,048			424		
CO-OP Totals			12,000	278,428	21,000	11,276			424	3,481	36,181

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$36,181

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 09/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
August 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,458	1,202,803	26,837	64,084	144	3,292	717	16,813	144,668
Off-Peak .044554				735,767		32,781					
Campbellsville	E2										
On-Peak .053279		PF*	5,983	1,922,982	36,018	102,455	144	5,310	1,193	26,947	231,867
Off-Peak .044554				1,301,647		57,994					
.87 Power Factor Penalty 300 kw @ \$6.02 =					1,806						
Amazon.com	C	Sep **	3,056	2,190,388	21,912	93,928			810	15,339	131,989
Total Regular			9,039	5,415,017	59,736	254,377	144	5,310	2,003	42,286	363,856
Coburg	E2										
On-Peak .053279			6,453	1,737,726	38,847	92,584	144	3,292	1,036	24,096	207,337
Off-Peak .044554				1,062,485		47,338					
Columbia	E2										
On-Peak .053279			6,522	2,097,263	39,262	111,740	144	3,292	1,326	29,185	251,121
Off-Peak .044554				1,485,217		66,172					
Creston	E2										
On-Peak .053279			5,797	1,619,173	34,898	86,268	144	3,292	951	22,085	190,033
Off-Peak .044554				951,537		42,395					
East Campbellsville	E2										
On-Peak .053279			6,359	1,755,932	38,281	93,554	144	3,292	1,034	24,008	206,580
Off-Peak .044554				1,038,456		46,267					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 09/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
August 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Murakami Mfg. USA	B		947	556,838	7,203	23,878			206	4,114	35,401
Total Regular			7,306	3,351,226	45,484	163,699	144	3,292	1,240	28,122	241,981
Garlin	E2										
On-Peak .053279			5,851	1,599,506	35,223	85,220	144	3,292	936	21,857	188,069
Off-Peak .044554				929,135		41,397					
Green River Plaza	E2										
On-Peak .053279			7,264	2,136,883	43,729	113,851	144	3,292	1,277	29,040	249,876
Off-Peak .044554				1,313,987		58,543					
Walmart #655	B		806	477,813	5,838	20,490			177	3,485	29,990
Total Regular			8,070	3,928,683	49,567	192,884	144	3,292	1,454	32,525	279,866
Greensburg	E2										
On-Peak .053279			6,299	1,771,589	37,920	94,388	144	3,292	1,063	24,437	210,267
Off-Peak .044554				1,100,305		49,023					
McKinney Corner	E2										
On-Peak .053279			4,413	1,231,940	26,566	65,637	144	2,737	729	16,924	145,626
Off-Peak .044554				738,182		32,889					
Mile Lane	E2										
On-Peak .053279			9,037	2,424,967	54,403	129,200	144	3,292	1,420	33,063	284,494
Off-Peak .044554				1,413,381		62,972					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
August 2011

Invoice Date 09/01/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
PHIL	E2										
On-Peak .053279		PF*	6,363	1,952,101	38,305	104,006	144	3,292	1,211	27,125	233,401
Off-Peak .044554				1,321,794		58,891					
.89 Power Factor Penalty 71 kw @ \$6.02 =					427						
Summersville	E2										
On-Peak .053279			6,479	1,771,744	39,004	94,397	144	3,292	1,039	24,195	208,187
Off-Peak .044554				1,035,055		46,116					
West Columbia	E2										
On-Peak .053279			5,511	1,559,532	33,176	83,090	144	3,292	925	21,376	183,931
Off-Peak .044554				941,062		41,928					
Walmart #569	B	*	650	375,527	4,661	16,103			139	2,749	23,652
Total Regular			6,161	2,876,121	37,837	141,121	144	3,292	1,064		207,583
CO-OP Totals			92,248	43,752,717	564,316	2,159,579	2,016	47,551	16,189	366,838	3,156,489

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$3,156,489

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

**East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391**

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
August 31, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.

Invoice Date 08/01/11

TAYLOR COUNTY-SALOMA
 P O BOX 100
 CAMPBELLSVILLE KY 42718

P.O. Box 707 Winchester, Kentucky 40391

Wholesale Power Invoice
 Substation Detail Charges
 July 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .058881			12,000	121,567	21,000	7,158				3,840	38,446
Off-Peak .038287				156,163		5,979			469		
CO-OP Totals			12,000	277,730	21,000	13,137			469	3,840	38,446

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$38,446

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 08/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
July 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,648	1,325,447	27,981	70,618	144	3,292	-2,939	19,073	155,405
Off-Peak .044554				835,745		37,236					
Campbellsville	E2										
On-Peak .053279			7,103	2,029,387	42,760	108,124	144	5,310	-4,692	30,069	245,004
Off-Peak .044554				1,420,507		63,289					
Amazon.com	C	Sep **	3,056	2,226,069	21,912	95,458			-3,027	15,997	130,340
Total Regular			10,159	5,675,963	64,672	266,871	144	5,310	-7,719	46,066	375,344
Coburg	E2										
On-Peak .053279			6,713	1,986,883	40,412	105,859	144	3,292	-4,391	28,069	228,708
Off-Peak .044554				1,241,697		55,323					
Columbia	E2										
On-Peak .053279			6,576	2,070,529	39,588	110,316	144	3,292	-4,869	30,179	245,897
Off-Peak .044554				1,509,335		67,247					
Creston	E2										
On-Peak .053279			6,039	1,755,541	36,355	93,533	144	3,292	-3,825	24,706	201,307
Off-Peak .044554				1,057,197		47,102					
East Campbellsville	E2										
On-Peak .053279			6,670	1,964,772	40,153	104,681	144	3,292	-4,301	27,609	224,956
Off-Peak .044554				1,198,041		53,378					
Murakami Mfg. USA	B		869	486,028	6,425	20,842			-661	3,722	30,328
Total Regular			7,539	3,648,841	46,578	178,901	144	3,292	-4,962	31,331	255,284

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 08/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
July 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .053279			6,098	1,755,230	36,710	93,517	144	3,292	-3,821	24,735	201,537
Off-Peak .044554				1,053,993		46,960					
Green River Plaza	E2										
On-Peak .053279			7,680	2,293,508	46,234	122,196	144	3,292	-5,103	32,423	264,182
Off-Peak .044554				1,458,805		64,996					
Walmart #655	B		840	503,886	6,177	21,608			-685	3,791	30,891
Total Regular			8,520	4,256,199	52,411	208,800	144	3,292	-5,788	36,214	295,073
Greensburg	E2										
On-Peak .053279			6,415	1,934,156	38,618	103,050	144	3,292	-4,321	27,446	223,626
Off-Peak .044554				1,243,378		55,397					
McKinney Corner	E2										
On-Peak .053279			4,779	1,373,608	28,770	73,184	144	2,737	-3,021	19,527	159,108
Off-Peak .044554				847,673		37,767					
Mile Lane	E2										
On-Peak .053279			9,824	2,724,069	59,140	145,136	144	3,292	-5,954	38,534	313,971
Off-Peak .044554				1,653,694		73,679					
PHIL	E2										
On-Peak .053279			6,350	1,970,188	38,227	104,970	144	3,292	-4,485	28,162	229,466
Off-Peak .044554				1,327,744		59,156					
Summersville	E2										
On-Peak .053279			7,325	2,040,262	44,097	108,703	144	3,292	-4,443	28,882	235,330
Off-Peak .044554				1,226,722		54,655					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 08/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
July 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .053279			5,839	1,710,185	35,151	91,117	144	3,292	-3,783	24,296	197,961
Off-Peak .044554				1,071,603		47,744					
Walmart #569	B	*	650	376,260	4,661	16,135			-512	2,838	23,122
Total Regular			6,489	3,158,048	39,812	154,996	144	3,292	-4,295		221,083
CO-OP Totals			97,474	47,672,142	593,371	2,352,976	2,016	47,551	-64,833	410,058	3,341,139

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$3,341,139

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
July 31, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
June 2011

TAYLOR COUNTY-SALOMA
 P O BOX 100
 CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .047986			12,000	127,558	21,000	6,121				3,921	37,361
Off-Peak .037878				165,820		6,281	-460		498		
CO-OP Totals			12,000	293,378	21,000	12,402	-460		498	3,921	37,361

CO-OP Amount Due \$37,361

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
June 2011

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .053279			4,216	1,065,472	25,380	56,767	144	3,292	-541	16,540	131,800
Off-Peak .044554				678,225		30,218					
Campbellsville	E2										
On-Peak .053279		PF*	5,794	1,679,911	34,880	89,504	144	5,310	-892	26,414	210,482
Off-Peak .044554				1,196,396		53,304					
.87 Power Factor Penalty 302 kw @ \$6.02 =					1,818						
Amazon.com	C	Sep **	3,056	2,148,149	21,912	92,117			-666	16,268	129,631
Total Regular			8,850	5,024,456	58,610	234,925	144	5,310	-1,558	42,682	340,113
Coburg	E2										
On-Peak .053279			5,848	1,560,780	35,205	83,157	144	3,292	-789	23,660	188,538
Off-Peak .044554				984,628		43,869					
Columbia	E2										
On-Peak .053279			6,716	1,860,244	40,430	99,112	144	3,292	-994	28,975	230,890
Off-Peak .044554				1,345,134		59,931					
Creston	E2										
On-Peak .053279			5,478	1,429,232	32,978	76,148	144	3,292	-715	21,658	172,583
Off-Peak .044554				877,090		39,078					
East Campbellsville	E2										
On-Peak .053279			5,937	1,581,045	35,741	84,236	144	3,292	-792	23,814	189,765
Off-Peak .044554				972,526		43,330					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
June 2011

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Murakami Mfg. USA Total Regular	B	*	800 6,737	449,670 3,003,241	5,736 41,477	19,283 146,849	144	3,292	-139 -931	3,570 27,384	28,450 218,215
Garlin On-Peak .053279 Off-Peak .044554	E2		5,410	1,431,302 856,100	32,568	76,258 38,143	144	3,292	-709	21,481	171,177
Green River Plaza On-Peak .053279 Off-Peak .044554	E2		7,144	1,975,250 1,228,142	43,007	105,239 54,719	144	3,292	-993	29,476	234,884
Walmart #655 Total Regular	B	*	785 7,929	452,306 3,655,698	5,628 48,635	19,396 179,354	144	3,292	-140 -1,133	3,571 33,047	28,455 263,339
Greensburg On-Peak .053279 Off-Peak .044554	E2		5,897	1,576,478 1,012,413	35,500	83,993 45,107	144	3,292	-803	23,998	191,231
McKinney Corner On-Peak .053279 Off-Peak .044554	E2		4,218	1,104,222 686,892	25,392	58,832 30,604	144	2,737	-555	16,812	133,966
Mile Lane On-Peak .053279 Off-Peak .044554	E2		8,545	2,161,063 1,294,976	51,441	115,139 57,696	144	3,292	-1,071	32,523	259,164
PHIL On-Peak .053279 Off-Peak .044554	E2		5,979	1,734,565 1,216,530	35,994	92,416 54,201	144	3,292	-915	26,566	211,698

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
June 2011

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Summersville	E2										
On-Peak .053279			6,101	1,609,167	36,728	85,735	144	3,292	-799	24,144	192,392
Off-Peak .044554				968,442		43,148					
West Columbia	E2										
On-Peak .053279			5,071	1,391,121	30,527	74,118	144	3,292	-702	20,991	167,268
Off-Peak .044554				873,056		38,898					
Walmart #569	B	*	650	324,716	4,661	13,924			-101	2,652	21,136
Total Regular			5,721	2,588,893	35,188	126,940	144	3,292	-803		188,404
CO-OP Totals			87,645	39,725,243	535,526	1,957,620	2,016	47,551	-12,316	363,113	2,893,510

CO-OP Amount Due \$2,893,510

* Consumer billed from a contract minimum
 ** Consumer billed from a prior demand
 Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
June 30, 2011

	Total
Facility Charge	293
Monthly Fixed Charge Per Contract dated September 21, 2000	
Total Invoice	\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204,
related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
May 2011

Invoice # 06/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .043436			12,000	106,318	21,000	4,618				3,344	34,584
Off-Peak .038293				136,161		5,214			408		
CO-OP Totals			12,000	242,479	21,000	9,832			408	3,344	34,584

CO-OP Amount Due \$34,584

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 06/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
May 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .059669			4,022	878,664	24,212	52,429	144	3,292	-18,067	12,072	108,187
Off-Peak .050944				669,461		34,105					
Campbellsville	E2										
On-Peak .059669		PF*	5,736	1,372,764	34,531	81,911	144	5,310	-28,820	18,929	169,640
Off-Peak .050944				1,096,830		55,877					
.87 Power Factor Penalty 292 kw @ \$6.02 =					1,758						
Amazon.com	C	Sep **	3,056	2,084,242	21,912	102,695			-24,323	12,596	112,880
Total Regular			8,792	4,553,836	58,201	240,483	144	5,310	-53,143	31,525	282,520
Coburg	E2										
On-Peak .059669			5,964	1,192,886	35,903	71,178	144	3,292	-24,408	16,565	148,452
Off-Peak .050944				898,603		45,778					
Columbia	E2										
On-Peak .059669			6,147	1,579,533	37,005	94,249	144	3,292	-33,048	20,780	186,222
Off-Peak .050944				1,252,355		63,800					
Creston	E2										
On-Peak .059669			5,361	1,185,525	32,273	70,739	144	3,292	-24,262	16,039	143,740
Off-Peak .050944				893,440		45,515					
East Campbellsville	E2										
On-Peak .059669			5,755	1,243,289	34,645	74,186	144	3,292	-24,780	16,620	148,943
Off-Peak .050944				880,094		44,836					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 06/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
May 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Murakami Mfg. USA	B	*	800	353,892	5,736	17,437			-4,130	2,392	21,435
Total Regular			6,555	2,477,275	40,381	136,459	144	3,292	-28,910	19,012	170,378
Garlin	E2										
On-Peak .059669			5,391	1,149,282	32,454	68,577	144	3,292	-23,072	15,520	139,083
Off-Peak .050944				827,726		42,168					
Green River Plaza	E2										
On-Peak .059669			6,922	1,634,015	41,670	97,500	144	3,292	-31,922	20,949	187,742
Off-Peak .050944				1,101,384		56,109					
Walmart #655	B	*	785	415,100	5,628	20,453			-4,844	2,667	23,904
Total Regular			7,707	3,150,499	47,298	174,062	144	3,292	-36,766	23,616	211,646
Greensburg	E2										
On-Peak .059669			5,815	1,258,772	35,006	75,110	144	3,292	-25,437	16,960	151,988
Off-Peak .050944				920,876		46,913					
McKinney Corner	E2										
On-Peak .059669			4,008	863,338	24,128	51,515	144	2,737	-17,453	11,716	104,996
Off-Peak .050944				632,243		32,209					
Mile Lane	E2										
On-Peak .059669			8,364	1,653,331	50,351	98,653	144	3,292	-32,758	22,414	200,871
Off-Peak .050944				1,153,721		58,775					
PHIL	E2										
On-Peak .059669			5,888	1,490,462	35,446	88,934	144	3,292	-31,600	19,874	178,104
Off-Peak .050944				1,217,296		62,014					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
May 2011

Invoice Date 06/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Summersville	E2										
On-Peak .059669			6,011	1,222,568	36,186	72,949	144	3,292	-24,636	16,730	149,929
Off-Peak .050944				888,508		45,264					
West Columbia	E2										
On-Peak .059669			5,028	1,132,647	30,269	67,584	144	3,292	-22,961	15,180	136,040
Off-Peak .050944				834,885		42,532					
Walmart #569	B	*	650	329,365	4,661	16,228			-3,844	2,141	19,186
Total Regular			5,678	2,296,897	34,930	126,344	144	3,292	-26,805		155,226
CO-OP Totals			85,703	34,307,097	523,774	1,898,222	2,016	47,551	-400,365	260,144	2,331,342

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,331,342

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

**East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391**

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
May 31, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204,
related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
April 2011

Invoice Date 05/04/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .038671			12,000	353,776	21,000	13,681		315		3,746	50,058
Off-Peak .034324				303,173		10,406			910		
CO-OP Totals			12,000	656,949	21,000	24,087		315	910	3,746	50,058

CO-OP Amount Due \$50,058

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.

Invoice Date: 05/03/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

P.O. Box 707 Winchester, Kentucky 40391

Wholesale Power Invoice
Substation Detail Charges
April 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .059669			3,931	654,231	23,665	39,037	144	3,292	-12,798	10,867	104,632
Off-Peak .050944				793,521		40,425					
Campbellsville	E2										
On-Peak .059669			7,085	1,021,182	42,652	60,933	144	5,310	-18,886	17,033	163,999
Off-Peak .050944				1,115,196		56,813					
Amazon.com	C	Sep **	3,056	1,945,169	21,912	95,842			-17,195	11,655	112,214
Total Regular			10,141	4,081,547	64,564	213,588	144	5,310	-36,081	28,688	276,213
Coburg	E2										
On-Peak .059669			5,793	870,710	34,874	51,954	144	3,292	-16,893	14,646	141,010
Off-Peak .050944				1,040,212		52,993					
Columbia	E2										
On-Peak .059669			6,052	1,125,053	36,433	67,131	144	3,292	-21,975	17,889	172,240
Off-Peak .050944				1,360,833		69,326					
Creston	E2										
On-Peak .059669			5,720	883,347	34,434	52,708	144	3,292	-17,354	14,862	143,092
Off-Peak .050944				1,079,731		55,006					
East Campbellsville	E2										
On-Peak .059669			5,141	877,975	30,949	52,388	144	3,292	-16,874	14,188	136,602
Off-Peak .050944				1,030,838		52,515					
Murakami Mfg. USA	B	*	800	340,727	5,736	16,788			-3,012	2,261	21,773
Total Regular			5,941	2,249,540	36,685	121,691	144	3,292	-19,886	16,449	158,375

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date: 05/03/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
April 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .059669			5,603	837,036	33,730	49,945	144	3,292	-16,071	14,026	135,041
Off-Peak .050944				980,977		49,975					
Green River Plaza	E2										
On-Peak .059669			4,344	1,110,501	26,151	66,262	144	3,292	-21,105	16,202	155,998
Off-Peak .050944				1,276,925		65,052					
Walmart #655	B	*	785	376,321	5,628	18,542			-3,327	2,416	23,259
Total Regular			5,129	2,763,747	31,779	149,856	144	3,292	-24,432	18,618	179,257
Greensburg	E2										
On-Peak .059669			5,590	911,017	33,652	54,359	144	3,292	-17,617	14,944	143,885
Off-Peak .050944				1,081,805		55,111					
McKinney Corner	E2										
On-Peak .059669			3,595	626,019	21,642	37,354	144	2,737	-12,024	10,113	97,370
Off-Peak .050944				734,215		37,404					
Mile Lane	E2										
On-Peak .059669			6,204	1,136,637	37,348	67,822	144	3,292	-21,689	17,849	171,850
Off-Peak .050944				1,316,820		67,084					
PHIL	E2										
On-Peak .059669			8,230	1,204,348	49,545	71,862	144	3,292	-22,715	19,897	191,574
Off-Peak .050944				1,365,204		69,549					
Summersville	E2										
On-Peak .059669			5,430	877,448	32,689	52,356	144	3,292	-16,968	14,441	139,040
Off-Peak .050944				1,042,044		53,086					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
April 2011

Invoice L 05/03/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .059669			5,153	840,464	31,021	50,150	144	3,292	-16,051	13,704	131,941
Off-Peak .050944				975,211		49,681					
Walmart #569	B		860	320,924	6,757	15,813			-2,837	2,287	22,020
Total Regular			6,013	2,136,599	37,778	115,644	144	3,292	-18,888		153,961
CO-OP Totals			83,372	31,152,641	508,818	1,695,266	2,016	47,551	-275,391	229,280	2,207,540

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,207,540

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

**East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391**

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
April 30, 2011

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice \$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
March 2011

Invoice # 04/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .039195			12,000	1,500,688	21,000	58,820	-466	115		5,143	143,339
Off-Peak .036777				1,485,067		54,616	-344		4,455		
CO-OP Totals			12,000	2,985,755	21,000	113,436	-810	115	4,455	5,143	143,339

CO-OP Amount Due \$143,339

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 04/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
March 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .059669			4,130	879,343	24,863	52,470	144	3,292	-18,727	7,542	124,474
Off-Peak .050944				1,077,457		54,890					
Campbellsville	E2										
On-Peak .059669			7,606	1,362,990	45,788	81,328	144	5,310	-27,764	11,814	194,980
Off-Peak .050944				1,538,152		78,360					
Amazon.com	C	Sep **	3,056	1,940,801	21,912	95,627			-18,573	6,383	105,349
Total Regular			10,662	4,841,943	67,700	255,315	144	5,310	-46,337	18,197	300,329
Coburg	E2										
On-Peak .059669			5,520	1,144,650	33,230	68,300	144	3,292	-24,269	9,777	161,353
Off-Peak .050944				1,391,320		70,879					
Columbia	E2										
On-Peak .059669			5,983	1,360,549	36,018	81,183	144	3,292	-28,796	11,340	187,158
Off-Peak .050944				1,648,417		83,977					
Creston	E2										
On-Peak .059669			6,074	1,215,807	36,565	72,546	144	3,292	-26,098	10,542	173,980
Off-Peak .050944				1,511,238		76,989					
East Campbellsville	E2										
On-Peak .059669			4,954	1,109,128	29,823	66,181	144	3,292	-23,387	9,291	153,339
Off-Peak .050944				1,334,704		67,995					
Murakami Mfg. USA	B		804	454,964	5,776	22,417			-4,354	1,538	25,377
Total Regular			5,758	2,898,796	35,599	156,593	144	3,292	-27,741	10,829	178,716

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
March 2011

Invoice Date 04/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .059669			5,939	1,148,728	35,753	68,543	144	3,292	-24,148	9,908	163,516
Off-Peak .050944				1,374,534		70,024					
Green River Plaza	E2										
On-Peak .059669			4,238	1,198,993	25,513	71,543	144	3,292	-24,739	9,440	155,804
Off-Peak .050944				1,386,055		70,611					
Walmart #655	B	*	785	365,660	5,628	18,017			-3,499	1,299	21,445
Total Regular			5,023	2,950,708	31,141	160,171	144	3,292	-28,238	10,739	177,249
Greensburg	E2										
On-Peak .059669			4,856	1,131,462	29,233	67,513	144	3,292	-23,737	9,363	154,526
Off-Peak .050944				1,348,902		68,718					
McKinney Corner	E2										
On-Peak .059669			3,816	824,203	22,972	49,179	144	2,737	-17,318	6,960	114,874
Off-Peak .050944				985,405		50,200					
Mile Lane	E2										
On-Peak .059669			6,627	1,434,972	39,895	85,623	144	3,292	-30,027	11,976	197,644
Off-Peak .050944				1,702,672		86,741					
PHIL	E2										
On-Peak .059669			7,970	1,520,639	47,979	90,735	144	3,292	-31,452	12,942	213,599
Off-Peak .050944				1,765,835		89,959					
Summersville	E2										
On-Peak .059669			5,419	1,151,809	32,622	68,727	144	3,292	-24,354	9,765	161,163
Off-Peak .050944				1,393,047		70,967					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 04/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
March 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .059669			5,081	1,117,929	30,588	66,706	144	3,292	-23,437	9,359	154,461
Off-Peak .050944				1,331,045		67,809					
Walmart #569	B		842	402,198	6,577	19,817			-3,849	1,454	23,999
Total Regular			5,923	2,851,172	37,165	154,332	144	3,292	-27,286		178,460
CO-OP Totals			83,700	39,553,608	510,735	2,154,574	2,016	47,551	-378,528	150,693	2,487,041

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,487,041

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
March 31, 2011

	Total
Facility Charge	293
Monthly Fixed Charge Per Contract dated September 21, 2000	
Total Invoice	\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
February 2011

Invoice Date 03/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .037141			12,000	103,901	21,000	3,859				1,687	31,627
Off-Peak .038684				121,884		4,715			366		
CO-OP Totals			12,000	225,785	21,000	8,574			366	1,687	31,627

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$31,627

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice L 03/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
February 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .059669			6,916	996,242	41,634	59,445	144	3,292	-15,821	9,758	160,580
Off-Peak .050944				1,219,536		62,128					
Campbellsville	E2										
On-Peak .059669			10,400	1,693,168	62,608	101,030	144	5,310	-26,530	15,890	261,487
Off-Peak .050944				2,022,515		103,035					
Amazon.com	C	Sep **	3,056	1,725,019	21,912	84,995			-12,317	6,120	100,710
Total Regular			13,456	5,440,702	84,520	289,060	144	5,310	-38,847	22,010	362,197
Coburg	E2										
On-Peak .059669			9,838	1,353,721	59,225	80,775	144	3,292	-21,550	13,372	220,055
Off-Peak .050944				1,664,506		84,797					
Columbia	E2										
On-Peak .059669			8,869	1,445,278	53,391	86,238	144	3,292	-23,014	13,628	224,255
Off-Peak .050944				1,777,946		90,576					
Creston	E2										
On-Peak .059669			9,681	1,381,788	58,280	82,450	144	3,292	-22,149	13,565	223,222
Off-Peak .050944				1,720,329		87,640					
East Campbellsville	E2										
On-Peak .059669			8,108	1,216,781	48,810	72,604	144	3,292	-19,284	11,722	192,890
Off-Peak .050944				1,484,018		75,602					
Murakami Mfg. USA	B	*	800	395,009	5,736	19,463			-2,820	1,448	23,827
Total Regular			8,908	3,095,808	54,546	167,669	144	3,292	-22,104	13,170	216,717

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 03/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
February 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .059669			9,762	1,335,408	58,767	79,682	144	3,292	-21,126	13,164	216,629
Off-Peak .050944				1,623,465		82,706					
Green River Plaza	E2										
On-Peak .059669			5,439	1,175,981	32,743	70,170	144	3,292	-18,093	10,186	167,626
Off-Peak .050944				1,358,031		69,184					
Walmart #655	B	*	785	323,604	5,628	15,945			-2,311	1,246	20,508
Total Regular			6,224	2,857,616	38,371	155,299	144	3,292	-20,404	11,432	188,134
Greensburg	E2										
On-Peak .059669			7,564	1,194,277	45,535	71,261	144	3,292	-18,893	11,342	186,642
Off-Peak .050944				1,451,812		73,961					
McKinney Corner	E2										
On-Peak .059669			6,090	940,205	36,662	56,101	144	2,737	-14,855	8,986	147,871
Off-Peak .050944				1,140,388		58,096					
Mile Lane	E2										
On-Peak .059669			10,644	1,609,725	64,077	96,051	144	3,292	-25,178	15,271	251,296
Off-Peak .050944				1,916,585		97,639					
PHIL	E2										
On-Peak .059669			11,785	1,621,150	70,946	96,732	144	3,292	-25,244	15,748	259,143
Off-Peak .050944				1,914,363		97,525					
Summersville	E2										
On-Peak .059669			8,551	1,295,658	51,477	77,311	144	3,292	-20,512	12,426	204,486
Off-Peak .050944				1,577,192		80,348					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date: 03/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
February 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .059669			8,200	1,245,343	49,364	74,308	144	3,292	-19,792	11,975	197,066
Off-Peak .050944				1,526,675		77,775					
Walmart #569	B		1,093	438,027	9,082	21,582			-3,128	1,782	29,318
Total Regular			9,293	3,210,045	58,446	173,665	144	3,292	-22,920		226,384
CO-OP Totals			127,581	43,783,745	775,877	2,387,155	2,016	47,551	-312,617	187,629	3,087,611

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$3,087,611

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

**East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391**

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
February 29, 2012

	Total
Facility Charge	293
Monthly Fixed Charge Per Contract dated September 21, 2000	
Total Invoice	\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 02/01/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
January 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .045262			12,000	111,352	21,000	5,040				4,079	36,846
Off-Peak .044314				142,167		6,300			427		
CO-OP Totals			12,000	253,519	21,000	11,340			427	4,079	36,846

CO-OP Amount Due \$36,846

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 02/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
January 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .056641			6,739	1,333,368	39,692	77,867	141	3,222	-15,784	27,571	214,998
Off-Peak .050944				1,650,399		82,289					
Campbellsville	E2										
On-Peak .056641			9,504	2,272,964	55,978	132,739	141	5,197	-26,599	44,841	349,672
Off-Peak .050944				2,755,216		137,375					
Amazon.com	C	** Sep **	3,056	1,879,683	21,450	90,645			-9,944	15,026	117,177
Total Regular			12,560	6,907,863	77,428	360,759	141	5,197	-36,543	59,867	466,849
Coburg	E2										
On-Peak .059669			9,789	1,829,643	57,657	106,850	141	3,222	-21,719	38,192	297,828
Off-Peak .048359				2,276,087		113,485					
Columbia	E2										
On-Peak .059669			8,552	1,839,134	50,371	107,404	141	3,222	-21,836	37,278	290,695
Off-Peak .050944				2,288,713		114,115					
Creston	E2										
On-Peak .056641			10,554	1,888,338	62,162	110,277	141	3,222	-22,559	39,969	311,683
Off-Peak .050944				2,376,071		118,471					
East Campbellsville	E2										
On-Peak .056641			7,804	1,609,096	45,966	93,969	141	3,222	-18,968	32,786	255,667
Off-Peak .048359				1,976,565		98,551					
Murakami Mfg. USA	B	*	800	411,064	5,615	19,823			-2,175	3,422	26,685
Total Regular			8,604	3,996,725	51,581	212,343	141	3,222	-21,143	36,208	282,352

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 02/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
January 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .056641			9,824	1,826,864	57,863	106,688	141	3,222	-21,635	38,115	297,223
Off-Peak .048359				2,262,939		112,829					
Green River Plaza	E2										
On-Peak .059669			5,016	1,424,615	29,544	83,196	141	3,222	-16,372	26,922	209,937
Off-Peak .050944				1,670,374		83,284					
Walmart #655	B	*	785	351,469	5,510	16,949			-1,859	3,030	23,630
Total Regular			5,801	3,446,458	35,054	183,429	141	3,222	-18,231	29,952	233,567
Greensburg	E2										
On-Peak .059669			7,495	1,565,939	44,146	91,449	141	3,222	-18,473	31,851	248,374
Off-Peak .050944				1,926,169		96,038					
McKinney Corner	E2										
On-Peak .056641			6,434	1,268,845	37,896	74,100	141	2,679	-15,005	26,179	204,149
Off-Peak .048359				1,567,566		78,159					
Mile Lane	E2										
On-Peak .059669			10,394	2,131,216	61,220	124,461	141	3,222	-24,905	43,044	335,659
Off-Peak .050944				2,576,733		128,476					
PHIL	E2										
On-Peak .056641			9,405	2,136,889	55,395	124,792	141	3,222	-24,887	42,171	328,852
Off-Peak .048359				2,567,555		128,018					
Summersville	E2										
On-Peak .059669			8,676	1,731,866	51,101	101,139	141	3,222	-20,432	35,510	276,912
Off-Peak .050944				2,130,581		106,231					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 02/02/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
January 2011

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .056641			8,354	1,699,271	49,205	99,236	141	3,222	-20,167	34,861	271,850
Off-Peak .048359				2,112,962		105,352					
Walmart #569	B		1,093	574,367	8,888	27,698			-3,038	4,935	38,483
Total Regular			9,447	4,386,600	58,093	232,286	141	3,222	-23,205		310,333
CO-OP Totals			124,274	57,912,561	739,659	3,091,955	1,974	46,540	-306,357	525,703	4,099,474

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$4,099,474

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
December 2010

Invoice Date 01/03/11

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .045710			12,000	147,056	21,000	6,722		1,598		4,591	41,880
Off-Peak .055822				135,467		7,562			407		
CO-OP Totals			12,000	282,523	21,000	14,284		1,598	407	4,591	41,880

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$41,880

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 01/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
December 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .056641			6,839	1,386,662	39,051	78,542	137	3,125	-21,528	28,891	211,170
Off-Peak .048359				1,715,332		82,952					
Campbellsville	E2										
On-Peak .056641			11,776	2,244,523	67,241	127,132	137	5,041	-34,349	46,917	342,923
Off-Peak .048359				2,704,863		130,804					
Amazon.com	C	Sep **	3,056	1,929,229	20,811	90,234			-13,389	15,478	113,134
Total Regular			14,832	6,878,615	88,052	348,170	137	5,041	-47,738	62,395	456,057
Coburg	E2										
On-Peak .056641			9,170	1,919,738	52,361	108,736	137	3,125	-29,876	39,597	289,422
Off-Peak .048359				2,385,112		115,342					
Columbia	E2										
On-Peak .056641			8,162	1,877,711	46,605	106,355	137	3,125	-29,327	38,111	278,559
Off-Peak .048359				2,348,126		113,553					
Creston	E2										
On-Peak .056641			9,595	1,945,236	54,787	110,180	137	3,125	-30,504	40,609	296,818
Off-Peak .048359				2,450,101		118,484					
East Campbellsville	E2										
On-Peak .056641			7,754	1,664,370	44,275	94,272	137	3,125	-25,734	34,063	248,970
Off-Peak .048359				2,043,711		98,832					
Murakami Mfg. USA	B	*	800	396,144	5,448	18,528			-2,749	3,364	24,591
Total Regular			8,554	4,104,225	49,723	211,632	137	3,125	-28,483	37,427	273,561

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
December 2010

Invoice Date 01/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .056641			9,282	1,894,461	53,000	107,304	137	3,125	-29,544	39,352	287,628
Off-Peak .048359				2,362,631		114,254					
Green River Plaza	E2										
On-Peak .056641			5,633	1,460,776	32,164	82,740	137	3,125	-21,989	28,334	207,095
Off-Peak .048359				1,707,737		82,584					
Walmart #655	B	*	785	354,357	5,346	16,574			-2,459	3,085	22,546
Total Regular			6,418	3,522,870	37,510	181,898	137	3,125	-24,448	31,419	229,641
Greensburg	E2										
On-Peak .056641			7,288	1,651,861	41,614	93,563	137	3,125	-25,572	33,471	244,647
Off-Peak .048359				2,032,904		98,309					
McKinney Corner	E2										
On-Peak .056641			5,869	1,319,785	33,512	74,754	137	2,598	-20,448	26,820	196,032
Off-Peak .048359				1,626,563		78,659					
Mile Lane	E2										
On-Peak .056641			10,325	2,228,844	58,956	126,244	137	3,125	-34,128	45,070	329,425
Off-Peak .048359				2,688,664		130,021					
PHIL	E2										
On-Peak .056641			12,018	2,191,092	68,623	124,106	137	3,125	-33,571	46,027	336,419
Off-Peak .048359				2,646,291		127,972					
Summersville	E2										
On-Peak .056641			8,124	1,784,940	46,388	101,101	137	3,125	-27,604	36,324	265,500
Off-Peak .048359				2,192,541		106,029					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 01/04/11

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
December 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .056641			8,288	1,752,957	47,324	99,289	137	3,125	-27,394	36,232	264,825
Off-Peak .048359				2,194,255		106,112					
Walmart #569	B		1,030	589,017	8,026	27,550			-4,088	4,991	36,479
Total Regular			9,318	4,536,229	55,350	232,951	137	3,125	-31,482		301,304
CO-OP Totals			125,794	59,690,534	725,532	3,091,111	1,918	45,139	-414,253	546,736	3,996,183

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$3,996,183

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
December 31, 2010

Total

Facility Charge

293

Monthly Fixed Charge Per Contract dated September 21, 2000

Total Invoice

\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204,
related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/01/10

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .034100			12,000	119,004	21,000	4,058		51		3,571	36,784
Off-Peak .056463				136,283		7,695			409		
CO-OP Totals			12,000	255,287	21,000	11,753		51	409	3,571	36,784

CO-OP Amount Due \$36,784

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/02/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .056641			3,836	833,749	21,904	47,224	137	3,125	-20,790	12,196	111,591
Off-Peak .048359				988,337		47,795					
Campbellsville	E2										
On-Peak .056641			7,811	1,543,357	44,601	87,417	137	5,041	-37,509	22,580	206,607
Off-Peak .048359				1,744,031		84,340					
Amazon.com	C	Sep **	3,056	1,857,291	20,811	86,869			-21,192	10,612	97,100
Total Regular			10,867	5,144,679	65,412	258,626	137	5,041	-58,701	33,192	303,707
Coburg	E2										
On-Peak .056641			4,929	1,082,699	28,145	61,325	137	3,125	-26,802	15,603	142,768
Off-Peak .048359				1,266,254		61,235					
Columbia	E2										
On-Peak .056641			5,770	1,329,670	32,947	75,314	137	3,125	-33,332	19,038	174,200
Off-Peak .048359				1,591,651		76,971					
Creston	E2										
On-Peak .056641			5,625	1,129,534	32,119	63,978	137	3,125	-28,422	16,782	153,556
Off-Peak .048359				1,361,428		65,837					
East Campbellsville	E2										
On-Peak .056641			4,651	1,026,291	26,557	58,130	137	3,125	-25,399	14,794	135,363
Off-Peak .048359				1,199,746		58,019					
Murakami Mfg. USA	B	*	800	441,582	5,448	20,654			-5,038	2,585	23,649
Total Regular			5,451	2,667,619	32,005	136,803	137	3,125	-30,437	17,379	159,012

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice # 12/02/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .056641			5,301	1,054,163	30,269	59,709	137	3,125	-26,057	15,539	142,183
Off-Peak .048359				1,229,573		59,461					
Green River Plaza	E2										
On-Peak .056641			4,113	1,134,944	23,485	64,284	137	3,125	-27,651	15,422	141,112
Off-Peak .048359				1,288,496		62,310					
Walmart #655	B	*	785	364,446	5,346	17,046			-4,158	2,237	20,471
Total Regular			4,898	2,787,886	28,831	143,640	137	3,125	-31,809	17,659	161,583
Greensburg	E2										
On-Peak .056641			4,592	1,033,061	26,220	58,514	137	3,125	-25,602	14,840	135,787
Off-Peak .048359				1,210,800		58,553					
McKinney Corner	E2										
On-Peak .056641			3,844	806,858	21,949	45,701	137	2,598	-19,889	11,751	107,525
Off-Peak .048359				936,281		45,278					
Mile Lane	E2										
On-Peak .056641			6,039	1,352,624	34,483	76,614	137	3,125	-32,968	19,105	174,812
Off-Peak .048359				1,536,762		74,316					
PHIL	E2										
On-Peak .056641			8,212	1,418,639	46,891	80,353	137	3,125	-34,642	21,360	195,441
Off-Peak .048359				1,617,432		78,217					
Summersville	E2										
On-Peak .056641			4,919	1,101,846	28,087	62,410	137	3,125	-27,210	15,778	144,368
Off-Peak .048359				1,282,922		62,041					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 12/02/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
November 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .056641			4,831	1,009,711	27,585	57,191	137	3,125	-25,008	14,748	134,940
Off-Peak .048359				1,182,029		57,162					
Walmart #569	B		672	383,832	4,635	17,953			-4,380	2,234	20,442
Total Regular			5,503	2,575,572	32,220	132,306	137	3,125	-29,388		155,382
CO-OP Totals			79,786	37,340,039	461,482	1,932,221	1,918	45,139	-426,049	247,204	2,261,915

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$2,261,915

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

East Kentucky Power Cooperative
P. O. Box 707, Winchester, Kentucky 40391

Taylor County Recc
P O Box 100
Campbellsville Kentucky 42718

Facility Charges
Tennessee Gas Pipeline
November 30, 2010

	Total
Facility Charge	293
Monthly Fixed Charge Per Contract dated September 21, 2000	
Total Invoice	\$ 293.00

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
October 2010

Invoice Date 11/01/10

TAYLOR COUNTY-SALOMA
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Dump Energy Credit	Excess Energy Charge	Energy Adder	Surcharge	Total Charges
Saloma	H										
On-Peak .032312			12,000	103,738	21,000	3,352				2,750	34,929
Off-Peak .056158				132,305		7,430			397		
CO-OP Totals			12,000	236,043	21,000	10,782			397	2,750	34,929

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.
 Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

CO-OP Amount Due \$34,929

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 11/01/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
October 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Bass	E2										
On-Peak .056641			3,702	652,705	21,138	36,970	137	3,125	-16,084	7,928	91,033
Off-Peak .048359				782,057		37,819					
Campbellsville	E2										
On-Peak .056641			4,855	1,240,820	27,722	70,281	137	5,041	-29,386	13,409	153,968
Off-Peak .048359				1,380,583		66,764					
Amazon.com	C	Sep **	3,056	1,925,109	20,811	90,041			-21,580	8,517	97,789
Total Regular			7,911	4,546,512	48,533	227,086	137	5,041	-50,966	21,926	251,757
Coburg	E2										
On-Peak .056641			4,548	864,019	25,969	48,939	137	3,125	-20,976	10,103	116,001
Off-Peak .048359				1,007,137		48,704					
Columbia	E2										
On-Peak .056641			5,446	1,253,901	31,097	71,022	137	3,125	-30,877	14,030	161,096
Off-Peak .048359				1,500,484		72,562					
Creston	E2										
On-Peak .056641			4,955	883,471	28,293	50,041	137	3,125	-21,883	10,627	122,016
Off-Peak .048359				1,068,591		51,676					
East Campbellsville	E2										
On-Peak .056641			4,089	858,308	23,348	48,615	137	3,125	-20,865	9,813	112,675
Off-Peak .048359				1,002,949		48,502					
Murakami Mfg. USA	B	*	800	481,828	5,448	22,536			-5,401	2,154	24,737
Total Regular			4,889	2,343,085	28,796	119,653	137	3,125	-26,266	11,967	137,412

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391
Wholesale Power Invoice
Substation Detail Charges
October 2010

Invoice Date 11/01/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
Garlin	E2										
On-Peak .056641			4,160	808,610	23,754	45,800	137	3,125	-19,418	9,355	107,417
Off-Peak .048359				923,584		44,664					
Green River Plaza	E2										
On-Peak .056641			3,438	1,112,303	19,631	63,002	137	3,125	-27,015	11,604	133,234
Off-Peak .048359				1,297,582		62,750					
Walmart #655	B	*	785	389,301	5,346	18,208			-4,364	1,831	21,021
Total Regular			4,223	2,799,186	24,977	143,960	137	3,125	-31,379	13,435	154,255
Greensburg	E2										
On-Peak .056641			4,052	864,907	23,137	48,989	137	3,125	-21,024	9,848	113,081
Off-Peak .048359				1,010,541		48,869					
McKinney Corner	E2										
On-Peak .056641			3,352	625,428	19,140	35,425	137	2,598	-15,008	7,326	84,117
Off-Peak .048359				713,388		34,499					
Mile Lane	E2										
On-Peak .056641			4,899	1,114,443	27,973	63,123	137	3,125	-26,651	12,286	141,071
Off-Peak .048359				1,263,013		61,078					
PHIL	E2										
On-Peak .056641			4,951	1,211,158	28,270	68,601	137	3,125	-29,125	13,173	151,253
Off-Peak .048359				1,386,959		67,072					
Summersville	E2										
On-Peak .056641			4,524	872,448	25,832	49,416	137	3,125	-21,156	10,153	116,583
Off-Peak .048359				1,014,826		49,076					

EAST KENTUCKY POWER COOPERATIVE INC.
P.O. Box 707 Winchester, Kentucky 40391

Invoice Date 11/01/10

TAYLOR COUNTY RECC
P O BOX 100
CAMPBELLSVILLE KY 42718

Wholesale Power Invoice
Substation Detail Charges
October 2010

Substation	Rate Sch	Billing Notes	Billing Demand	KWH	Demand Charge	Energy Charge	Metering Point	Sub/Wheeling Charge	Fuel Adjustment	Surcharge	Total Charges
West Columbia	E2										
On-Peak .056641			3,887	785,876	22,195	44,513	137	3,125	-18,906	9,027	103,645
Off-Peak .048359				900,636		43,554					
Walmart #569	B		713	324,611	5,024	15,183			-3,639	1,581	18,149
Total Regular			4,600	2,011,123	27,219	103,250	137	3,125	-22,545		121,794
CO-OP Totals			66,212	31,521,576	384,128	1,628,294	1,918	45,139	-353,358	162,765	1,868,886

* Consumer billed from a contract minimum

** Consumer billed from a prior demand

CO-OP Amount Due \$1,868,886

Normally due in usable funds by the 21st of the month, subject to the provisions in EKPC Board Policy No. 204, related to weekends and holidays.

Questions Regarding this invoice should be directed to Laura Wilson (859) 745-9752 or ext 752.

Taylor County Rural Electric Cooperative
Case No. 2012-00023
Commission Staff's Second Request for Information

48. Provide a copy of the monthly bills that were issued to TGP for the period of the test year. **Response:** Copies are attached.

Witness: John Patterson

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

November 1-30, 2010 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 2446.08
METERED KVA 2464.73
METERED KWH 249,557

<u>ENERGY CHARGE</u>	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
On Peak	119,004	0.0341	\$4,058.04	
Off Peak	136,283	0.056463	<u>7,694.95</u>	
Total Energy Charge				\$11,752.98
<u>OFF PEAK ENERGY ADDER</u>	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
	136.283	3.00	408.85	408.85
<u>TRANSMISSION CHARGE</u>	<u>KW</u>			
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			51.00	
Off Peak			0.00	
Total Excess Energy Charge				51.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,571.00
<u>SCHOOL TAX</u>				1,452.80
<u>SALES TAX</u>				2,992.78
<u>TOTAL AMOUNT DUE</u>				<u><u>\$52,872.41</u></u>

November, 2010 billing due on or before December 21, 2010

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESSEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

December 1-31, 2010 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 6706.56
METERED KVA 6730.44
METERED KWH 290,039

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	147,056	0.04571	\$6,721.93	
Off Peak	135,467	0.055822	<u>7,562.04</u>	
Total Energy Charge				\$14,283.97
<u>OFF PEAK ENERGY ADDER</u>	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
	135.467	3.00	406.40	406.40
<u>TRANSMISSION CHARGE</u>	<u>KW</u>			
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			1,598.00	
Off Peak			0.00	
Total Excess Energy Charge				1,598.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				4,591.00
<u>SCHOOL TAX</u>				1,605.67
<u>SALES TAX</u>				3,307.68
<u>TOTAL AMOUNT DUE</u>				<u><u>\$58,435.72</u></u>

December, 2010 billing due on or before January 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA) TGP-721855.L0096
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

January 1-31, 2010 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 383.04
METERED KVA 450.26
METERED KWH 247,272

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	111,352	0.045262	\$5,040.01	
Off Peak	142,167	0.044314	<u>6,299.99</u>	
Total Energy Charge				\$11,340.00
<u>OFF PEAK ENERGY ADDER</u>	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
	142.167	3.00	426.50	426.50
<u>TRANSMISSION CHARGE</u>	<u>KW</u>			
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				4,079.00
<u>SCHOOL TAX</u>				1,454.66
<u>SALES TAX</u>				2,996.59
<u>TOTAL AMOUNT DUE</u>				<u><u>\$52,939.75</u></u>

January, 2011 billing due on or before February 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

February 1-28, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 443.52
METERED KVA 539.13
METERED KWH 220,281

<u>ENERGY CHARGE</u>	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
On Peak	103,901	0.037141	\$3,858.99	
Off Peak	121,884	0.038684	<u>4,714.96</u>	
Total Energy Charge				\$8,573.95
<u>OFF PEAK ENERGY ADDER</u>	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
	121.884	3.00	365.65	365.65
<u>TRANSMISSION CHARGE</u>	<u>KW</u>			
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				1,687.00
<u>SCHOOL TAX</u>				1,298.09
<u>SALES TAX</u>				2,674.06
<u>TOTAL AMOUNT DUE</u>				<u><u>\$47,241.75</u></u>

February, 2011 billing due on or before March 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

March 1 - 31, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 6931.68
METERED KVA 6940.57
METERED KWH 2,881,569

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	1,500,688	0.039195	\$58,819.47	
Off Peak	1,485,067	0.036777	<u>54,616.31</u>	
Total Energy Charge				\$113,435.78
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	1,485.067	3.00	4,455.20	4,455.20
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			(466.00)	
Off Peak			<u>(344.00)</u>	
Total Dump Energy Credit				(810.00)
<u>EXCESS ENERGY CHARGE</u>				
On Peak			115.00	
Off Peak			0.00	
Total Excess Energy Charge				115.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				5,143.00
<u>SCHOOL TAX</u>				4,649.46
<u>SALES TAX</u>				9,577.89
<u>TOTAL AMOUNT DUE</u>				<u><u>\$169,209.33</u></u>

March, 2011 billing due on or before April 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

April 1 - 30, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 6797.28
METERED KVA 6820.04
METERED KWH 644,017

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	353,776	0.038671	\$13,680.87	
Off Peak	303,173	0.034324	<u>10,406.11</u>	
Total Energy Charge				\$24,086.98
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	303.173	3.00	909.52	909.52
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			315.00	
Off Peak			0.00	
Total Excess Energy Charge				315.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,746.00
<u>SCHOOL TAX</u>				1,851.02
<u>SALES TAX</u>				3,813.09
<u>TOTAL AMOUNT DUE</u>				<u><u>\$67,364.61</u></u>

April, 2011 billing due on or before May 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESSEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

May 1 - 31, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 393.12
METERED KVA 474.53
METERED KWH 236,594

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	106,318	0.043436	\$4,618.03	
Off Peak	136,161	0.038293	<u>5,214.01</u>	
Total Energy Charge				\$9,832.04
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	136.161	3.00	408.48	408.48
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,344.00
<u>SCHOOL TAX</u>				1,386.83
<u>SALES TAX</u>				2,856.86
<u>TOTAL AMOUNT DUE</u>				<u><u>\$50,471.21</u></u>

May, 2011 billing due on or before June 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA) TGP-721855.L0096
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

June 1 - 30, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 5638.08
METERED KVA 5664.93
METERED KWH 267,812

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	127,558	0.047986	\$6,121.00	
Off Peak	165,820	0.037878	<u>6,280.93</u>	
Total Energy Charge				\$12,401.93
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	165.820	3.00	497.46	497.46
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>(460.00)</u>	
Total Dump Energy Credit				(460.00)
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,921.00
<u>SCHOOL TAX</u>				1,470.10
<u>SALES TAX</u>				3,028.41
<u>TOTAL AMOUNT DUE</u>				<u><u>\$53,501.90</u></u>

June, 2011 billing due on or before July 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA) TGP-721855.L0096
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

July 1 - 31, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 487.2
METERED KVA 592.18
METERED KWH 270,954

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	121,567	0.058881	\$7,157.99	
Off Peak	156,163	0.038287	5,979.01	
Total Energy Charge				\$13,137.00
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	156.163	3.00	468.49	468.49
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,840.00
<u>SCHOOL TAX</u>				1,502.65
<u>SALES TAX</u>				3,095.47
<u>TOTAL AMOUNT DUE</u>				<u>\$54,686.61</u>

July, 2011 billing due on or before August 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA)
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

TGP-721855.L0096

August 1 - 31, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 477.12
METERED KVA 575.63
METERED KWH 271,629

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	137,123	0.045419	\$6,227.99	
Off Peak	141,305	0.035724	<u>5,047.98</u>	
Total Energy Charge				\$11,275.97
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	141.305	3.00	423.92	423.92
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,481.00
<u>SCHOOL TAX</u>				1,434.72
<u>SALES TAX</u>				2,955.52
<u>TOTAL AMOUNT DUE</u>				<u><u>\$52,214.13</u></u>

August, 2011 billing due on or before September 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESEE GAS PIPELINE
RM1826D (SALOMA) TGP-721855.L0096
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

September 1-30, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 473.76
METERED KVA 585.11
METERED KWH 233,590

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	108,092	0.045419	\$4,909.43	
Off Peak	131,342	0.035724	<u>4,692.06</u>	
Total Energy Charge				\$9,601.49
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	131.342	3.00	394.03	394.03
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				2,903.00
<u>SCHOOL TAX</u>				1,366.25
<u>SALES TAX</u>				2,814.47
<u>TOTAL AMOUNT DUE</u>				<u><u>\$49,722.24</u></u>

September, 2011 billing due on or before October 21, 2011

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
P O BOX 100
CAMPBELLSVILLE, KENTUCKY 42719
PHONE 270-465-4101

TENNESSEE GAS PIPELINE
RM1826D (SALOMA) TGP-721855.L0096
1380 HOBSON ROAD
CAMPBELLSVILLE KY 42718

October 1-31, 2011 SPECIAL INDUSTRIAL POWER AGREEMENT

METER # 82277314 ACCOUNT NUMBER 3032901
LOCATION - SALOMA

METERED KW 430.08
METERED KVA 539.62
METERED KWH 187,477

	<u>KWH</u>	<u>PRICE</u>	<u>TOTAL</u>	<u>AMOUNT DUE</u>
<u>ENERGY CHARGE</u>				
On Peak	79,465	0.03584	\$2,848.03	
Off Peak	112,696	0.036425	<u>4,104.95</u>	
Total Energy Charge				\$6,952.98
	<u>MW</u>	<u>PRICE</u>	<u>TOTAL</u>	
<u>OFF PEAK ENERGY ADDER</u>	112.696	3.00	338.09	338.09
	<u>KW</u>			
<u>TRANSMISSION CHARGE</u>				
Billing Demand	12000	1.75	21,000.00	
Total Transmission Charge				21,000.00
<u>DUMP ENERGY CREDIT</u>				
On Peak			0.00	
Off Peak			<u>0.00</u>	
Total Dump Energy Credit				0.00
<u>EXCESS ENERGY CHARGE</u>				
On Peak			0.00	
Off Peak			0.00	
Total Excess Energy Charge				0.00
<u>FACILITIES CHARGE</u>				293.00
<u>CUSTOMER CHARGE</u>				11,350.00
<u>ENVIRONMENTAL SURCHARGE</u>				3,056.00
<u>SCHOOL TAX</u>				1,289.70
<u>SALES TAX</u>				2,656.79
<u>TOTAL AMOUNT DUE</u>				<u><u>\$46,936.56</u></u>

October, 2011 billing due on or before November 21, 2011

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49. Refer to Exhibit 21 of the application, which contains Taylor County's depreciation study

a. Refer to the section titled Scope, second paragraph on page 1.

(1) Mr. Adkins states that the study used the technique of creating Simulated Plant Records ("SPR") on the vintage basis. Using SPRs, Mr. Adkins assigned Iowa Type Survivor Curves to determine the average service life for each distribution asset account group. He also created SPRs in the depreciation studies he recently prepared for South Kentucky in Case No. 2011-00096⁴ and Blue Grass Energy Cooperative Corporation ("Blue Grass") in Case No. 2008-00015⁵ and for Clark Energy Cooperative, Inc. ("Clark Energy") in Case No. 2009-00314.⁶ The average service lives assigned to each distribution asset account group of South Kentucky, Blue Grass, and Clark Energy are shown in Table 1.

Also listed in Table 1 are the estimated average service lives assigned to the electric distribution assets of investor owned utilities ("IOU's") Kentucky Utilities Company, Louisville Gas and Electric Company, and Duke Energy Kentucky, Inc. in depreciation studies submitted to the Commission in Case Nos. 2007-00565,⁷ 2007-00564,⁸ and 2006-00172,⁹ respectively. Each study was prepared by John Spanos of Gannet Flemming. In these studies, Mr. Spanos used the retirement rate method to assign survivor curves to each plant account group. The retirement rate method includes a combination of actual plant retirement data and statistically aged plant data."

For comparative purposes, the lives assigned by the four rural electric cooperative corporations ("RECC's") to each asset account group were averaged and shown in Table 1, along with the averaged lives assigned by the three IOU's. The averaged lives assigned to RECC distribution assets are significantly shorter than those assigned by IOU's. Discuss the reasons that Mr. Adkins' application of the SPR method results in such a significantly shorter life for the majority of distribution plant account groups when compared to Mr. Spanos' life assignments using the Retirement Rate Method. **Response:** The use of the SPR method opposed to the Retirement Rate Method, in and of itself, should not result in significant differences. However, the fact that RECC's lives of assets is shorter is a result of the service territories, consumer makeup, and demographics. The RECC's operate in rural areas where any growth causes lines to be upgraded and poles to be sturdier and longer. Growth in rural areas tends to be more in pockets than an overall system wide growth. Rural consumers' have been using more electricity as more electrical appliances and uses has increased significantly over the past several years. The rural territory served by RECC's results in more outages and right-of-way issues that lead to more replacement of poles and conductor.

(2) Explain how the absence of actual plant retirement data by vintage may result in the assignment of shorter lives by the RECC's than the lives assigned by the IOU's who have this retirement data. **Response:** Around 2005, the RECC's considered implementing vintage accounting for plant assets. One reason this was not implemented was the enormous cost for programming. Another reason was that vintage accounting records do not really reflect the retirement of plant, for instance, when meters and

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transformers are retired, even though there are specific numbers on them, the actual date of installation for each unit can not be accurately identified. The same is true for construction of poles, conductor, lights, and other distribution plant items. The result is that retirements would be accounted for using the first-in, first-out approach. This is not true vintage accounting as the actual date of installation is not used as the cost for the retirement. It is my assumption that this is the case with the IOU's.

(3) Explain how the judgment required when developing the Iowa Type Survivor Curve analysis impacts the lives assigned to each asset group, and how the physical make-up of the RECC's distribution plant is different than that of the IOU's resulting in shorter average service lives. **Response:** Part of the judgment in developing the Iowa Curve is in smoothing out major changes in plant record accounting, i.e., changing from construction unit CPR's to record unit CPR's. This had the effect of changing some costs from one account to another. As described in (2) above, there are physical differences in plant.

(4) Identify and describe the factors that cause equipment of RECC's, to have a shorter economic life than similar equipment of IOU's. **Response:** The RECC's follow strict guidelines established by RUS to construct and maintain physical plant. RUS performs an annual Operations and Maintenance survey where the Field Representative rides around the service territory and inspects the lines. RUS constantly monitors lines around the country and makes recommendations for upgrading physical plant. Among these recommendations are removing idle services and replacing copper conductor.

Table1

b. Refer to the section titled Scope, third paragraph on page 2.

(1) Describe how the SPR method is used to analyze data to fit the data to the "best curve." **Response:**

(2) Is the SPR method used in Exhibit 21 recognized by the Society of Depreciation Professionals as an acceptable method?

c. Refer to the section titled Scope, the second full paragraph on page 2. It states that, "[t]he most likely retirement patterns and average service lives were developed based on the SPR analysis." State specifically how the retirement patterns and average service lives were developed using the SPR analysis. Include in the response, discussion of the degree of professional judgment required when developing the retirement patterns and average service lives.

d. Refer to the section titled Scope, the second full paragraph on page 2. It states that the SPR analysis was "analyzed for appropriateness and a curve and service life were selected for each account."

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(1) State specifically the type of analysis performed. Include in the response, discussion of the degree of professional judgment required in this analysis.

(2) State what is meant by appropriateness. Include in the response, discussion of the degree of professional judgment required when determining the appropriateness.

(3) State specifically how a curve and service life was selected for each asset account group. Include in the response, discussion of the degree of professional judgment required when making these selections.

e. Refer to the section titled Scope, the third full paragraph on page 2. Taylor County states that net salvage was allocated to the primary account on a percentage basis. Provide the calculation of the allocations and explain why the allocations are appropriate. **Response:** Refer to the schedules listed as "Adjust Rates with Net Salvage" and "Calculation of Net Salvage Percent". These calculations and allocations are similar to other electric cooperatives and are consistent with other depreciation studies performed.

f. Refer to the section titled Scope, the first line of the last paragraph on page 2. This line reads, "When utilizing the whole life method . . ." Is this accurate or is this sentence actually referring to the remaining life method?

g. The third full paragraph on the second page of the "SCOPE" section of the depreciation study indicates that the percentages for net salvage were based on a review of Taylor County's salvage and cost of removal accounts for a five- year period. Explain why a five-year period was chosen as opposed to a shorter or longer period.

h. The fourth full paragraph on the second page of the "SCOPE" section of the depreciation study discusses the development of a calculated depreciation reserve for each plant account. Clarify whether the steps described in the last sentence of the paragraph produce a reserve for each plant account as a portion of (1) the total actual per books depreciation reserve as of the date of the study or (2) a "theoretical" reserve based on the SPR method and resulting simulated retirements. **Response:** The reserve would be an allocation for the actual per books depreciation reserve.

i. Refer to the chart that compares the current, proposed and RUS low and high depreciation rates at the bottom of the third page of the "SCOPE" section of the depreciation study. Aside from the AMI meters, which have been discussed, there are four accounts, 362 - station equipment, 367 - underground conductors and devices, 371 - installations on consumer premises, and 373 - street lights, for which the proposed rate is significantly above the high end of the RUS range of depreciation rates. For each of these four accounts, provide a general description of the factors that have resulted in the level of the proposed depreciation rates.

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4 Case No. 2011-00096, The Application of South Kentucky Rural Electric Cooperative for an Adjustment in its Electric Rates (Ky. PSC May 11, 2012). See Application, Exhibit 20, Service Life and Net Salvage Study, Scope, Pages 1 and 2, Paragraphs 3, 4 and 5.

5 Case No. 2008-00011, The Application of Blue Grass Energy Cooperative Corporation for an Adjustment in its Electric Rates. (Ky. PSC Aug. 28, 2008) See Application, Exhibit 3, Service Life and Net Salvage Study, Scope, First Page, Paragraphs 2 and 3.

6 Case No. 2009-00314, Application of Clark Energy Cooperative, Inc. for an Adjustment of Rates (Ky. PSC Apr. 16, 2010). See Application, Exhibit 3, Service Life and Salvage Study and Recommended Depreciation Accrual Rates, Scope, First Page, Paragraphs 2 and 3.

7 Case No. 2007-00565, Application of Kentucky Utilities Company to File a Depreciation Study. (Ky. PSC Feb. 5, 2009).

8 Case No. 2007-00564, Application of Louisville Gas and Electric Company to file Depreciation Study (Ky. PSC Feb. 5, 2009).

9 Case No. 2006-00172, An Adjustment of the Electric Rates of the Union Light, Heat and Power Company D/B/A Duke Energy Kentucky, Inc. (Ky. PSC Dec. 21, 2006).

10 Case No. 2007-00565, Application, Part 1, Direct Testimony of John Spanos, Depreciation Study, Part II, Page 11-10; Case No. 2007-00564, Application, Part 1, Direct Testimony of John Spanos, Depreciation Study, Part II, Page 11-10; and Application of Duke Energy, Volume 8, Depreciation Study filed to satisfy 807 KAR 5:001, Section 10(9)(s), Part II, Page 11-10.

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50. Provide a detailed explanation why there are such strong similarities between the Taylor County and South Kentucky depreciation studies. **Response:** Most rural cooperatives were started approximately the same years, use materials and guidelines established by RUS, and have the same rural/urban group of consumers. By this very nature, most cooperatives should have very similar characteristics. In addition, South Kentucky and Taylor County service territories border each other in four (4) counties. This would result in similar service territory and demographics.

Witness: Jim Adkins

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2012-0023
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Witness: John F. Patterson

51. Refer to the Exhibit 20, Scope, third page, second paragraph. Mr. Adkins states, “[starting in 2010 and through 2012, Taylor County is changing its existing meters with new Advanced Metering Infrastructure (“AMI”).”

a. Explain when the meter replacement was completed from the older mechanical existing to the new AMI meters.

Response: Taylor County completed the conversion to AMR in April 2009, AMR meters were read April 30, 2009 and bills mailed around May 7, 2009

b. Provide any documents to show the current status of Taylor County metering systems.

Response: Taylor County has all AMR meters except for the accounts on the B and C rates and Tennessee Gas special contract, East Kentucky Power meters are being used on these accounts.