



SALT RIVER ELECTRIC

ORIGINAL

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RECEIVED

OCT 16 2013

**PUBLIC SERVICE
COMMISSION**

October 15, 2013

Mr. Jeff Derouen
Executive Director
KY Public Service Commission
PO Box 615
Frankfort KY 40602-0615

Re: Case No. 2013-00324
An Examination by the Public Service Commission
of the Environmental Surcharge Mechanism of
East Kentucky Power Cooperative Inc for the
Two-Year Billing Period Ending June 30, 2013,
and the Pass-Through Mechanism for the Sixteen
Member Distribution Cooperatives

Dear Mr. Derouen:

Enclosed are the original and six copies of Salt River Electric Cooperative Corporation's Responses to Commission Staff's Request for Information to East Kentucky Power Cooperative Corporation dated September 18, 2013, in the above-named case.

If you have any questions about these responses, please contact this office.

Sincerely,

Larry Hicks
President and CEO

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF EAST)	
KENTUCKY POWER COOPERATIVE INC FOR)	CASE NO.
THE TWO-YEAR BILLING PERIOD ENDING)	2013-00324
JUNE 30, 2013, AND THE PASS-THROUGH)	
MECHANISM FOR ITS SIXTEEN MEMBER)	
DISTRIBUTION COOPERATIVES)	

SALT RIVER ELECTRIC COOPERATIVE CORPORATION
RESPONSES TO DATA REQUEST OF COMMISSION STAFF
DATED SEPTEMBER 18, 2013,
TO EAST KENTUCKY POWER COOPERATIVE, INC.,
SPECIFICALLY REQUEST NO. 8 OF APPENDIX B

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Case No. 2013-00324

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE ENVIRONMENTAL)
SURCHARGE MECHANISM OF EAST KENTUCKY)
POWER COOPERATIVE INC FOR THE TWO-YEAR) CASE NO.
BILLING PERIOD ENDING JUNE 30, 2013, AND THE) 2013-00324
PASS-THROUGH MECHANISM FOR ITS SIXTEEN)
MEMBER DISTRIBUTION COOPERATIVES)

SALT RIVER ELECTRIC COOPERATIVE CORPORATION
RESPONSES TO DATA REQUEST OF COMMISSION STAFF
DATED SEPTEMBER 18, 2013,
TO EAST KENTUCKY POWER COOPERATIVE, INC.,
SPECIFICALLY REQUEST NO. 8 OF APPENDIX B

COOPERATIVE PRESIDENT'S AFFIDAVIT OF PREPARATION

Larry Hicks, President and CEO of Salt River Electric Cooperative Corporation, being duly sworn, states that by order of the Commission dated September 18, 2013, Salt River Electric Cooperative Corporation hereby files the requested information in Case No. 2013-00324.

That he supervised the preparation of the responses contained herein, that the witness prepared to answer questions concerning each request is Salt River Electric's Vice President of Finance J. Edward Boone, and that the matters and items set forth are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

SALT RIVER ELECTRIC COOPERATIVE CORP.



Larry Hicks, President and CEO

STATE OF KENTUCKY
COUNTY OF NELSON

Subscribed and sworn to before me this 15th day of October, 2013, by Larry Hicks, President and CEO of Salt River Electric Cooperative Corporation.


Notary Public KY State at Large

My Commission Expires December 16, 2014

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE ENVIRONMENTAL)
SURCHARGE MECHANISM OF EAST)
KENTUCKY POWER COOPERATIVE INC FOR) CASE NO.
THE TWO-YEAR BILLING PERIOD ENDING) 2013-00324
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MECHANISM FOR ITS SIXTEEN MEMBER)
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SALT RIVER ELECTRIC COOPERATIVE CORPORATION
RESPONSES TO DATA REQUEST OF COMMISSION STAFF
DATED SEPTEMBER 18, 2013,
TO EAST KENTUCKY POWER COOPERATIVE, INC.,
SPECIFICALLY REQUEST NO. 8 OF APPENDIX B

Responsible witness for all responses: J. Edward Boone, Vice-President of Finance

Request No. 8
(Appendix B): This question is addressed to each of the 16 member distribution cooperatives. For your particular distribution cooperative, provide the actual average residential customer's monthly usage. Based on this usage amount, provide the dollar impact any over- or under-recovery will have on the average residential customer's monthly bill for the requested recovery period. Provide all supporting calculations.

Response: The average residential customer's monthly usage is 1,315 kwh (see Pg. 1 of Schedule A). Salt River Electric's total over recovery for the period is (\$163,599), spreading (\$27,266) monthly (see Pg. 2 of Schedule A);. The dollar impact of Salt River's over recovery on the average residential customer's monthly bill would be a (\$0.41) credit (see Pg. 1 of Schedule A) based on the supporting calculations shown in Schedule A attached.

			Actual	6 month Recovery	
12-month Average Residential kwh			1315		1315
Residential Rate:					
Customer Charge	8.84		8.84		8.84
Kwh Charge	0.07952		\$104.57		\$104.57
FAC Charge	0.00098		\$1.29	0.00098	\$1.29
Subtotal			\$114.70		\$114.70
Surcharge June 2013	(1)	13.62%	\$15.62	(2)	13.26%
Total			\$130.32		\$129.91
Impact					(\$0.41)

(1) See Schedule A Page 3 of 4

(2) See Schedule A Page 4 of 4

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



Salt River RECC - Calculation of (Over)/Under

	EKPC Invoice Month recorded Member's Books	Billed to Retail Consumer & recorded on Member's Books	Monthly (Over) or Under	Cumulative (Over) or Under
Mo/Yr	(1)	(2)	(3)	(4)
Jan-13	\$ 992,980	\$ 1,331,363	\$ (338,383)	\$ (338,383)
Feb-13	\$ 838,638	\$ 983,020	\$ (144,382)	\$ (482,765)
Mar-13	\$ 794,292	\$ 815,757	\$ (21,465)	\$ (504,230)
Apr-13	\$ 707,371	\$ 647,526	\$ 59,845	\$ (444,384)
May-13	\$ 786,461	\$ 741,107	\$ 45,354	\$ (399,030)
Jun-13	\$ 1,124,715	\$ 889,283	\$ 235,432	\$ (163,599)
Jul-13	\$ 1,073,045	\$ 1,207,070	\$ (134,025)	\$ (297,624)
Aug-13	\$ 1,017,925	\$ 1,120,703	\$ (102,778)	\$ (400,402)

Cumulative 6-months (Over)/Under Recovery	\$ (163,599)
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Monthly Recovery (per month for six months)	\$ (27,266)
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For the Month Ending June 2013

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)*	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Salt River	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Salt River	EKPC 12-months Ended Average Monthly Revenue from Sales to Salt River	Salt River Revenue Requirement	Amortization of (Over)/Under Recovery	Salt River Net Revenue Requirement	Salt River Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Salt River Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Salt River Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col (11) - Col. (12)		Col (10) / Col (14)
Jul-11	13.15%	0.00%	13.15%	\$ 7,351,113		\$ 7,351,113	\$ 5,708,890	\$ 750,719	\$ 156,448	\$ 907,167	\$ 8,776,608		\$ 8,776,608	\$ 7,356,069	12.49%
Aug-11	11.28%	0.00%	11.28%	\$ 6,895,872		\$ 6,895,872	\$ 5,734,130	\$ 646,810	\$ 156,448	\$ 803,258	\$ 8,624,296		\$ 8,624,296	\$ 7,380,423	10.92%
Sep-11	12.01%	0.00%	12.01%	\$ 5,340,813		\$ 5,340,813	\$ 5,744,822	\$ 689,953	\$ 156,448	\$ 846,401	\$ 6,435,573		\$ 6,435,573	\$ 7,350,871	11.47%
Oct-11	14.85%	0.00%	14.85%	\$ 4,628,814		\$ 4,628,814	\$ 5,818,622	\$ 864,065	\$ 156,448	\$ 1,020,513	\$ 5,721,061		\$ 5,721,061	\$ 7,408,861	13.88%
Nov-11	15.11%	0.00%	15.11%	\$ 5,233,064		\$ 5,233,064	\$ 5,896,327	\$ 890,935	\$ 156,448	\$ 1,047,383	\$ 6,882,109		\$ 6,882,109	\$ 7,455,222	14.14%
Dec-11	14.21%	0.00%	14.21%	\$ 6,208,031		\$ 6,208,031	\$ 5,818,210	\$ 826,768	\$ 156,448	\$ 983,216	\$ 7,627,812		\$ 7,627,812	\$ 7,319,324	13.19%
Jan-12	12.09%	0.00%	12.09%	\$ 6,662,452		\$ 6,662,452	\$ 5,760,475	\$ 696,441	\$ -	\$ 696,441	\$ 8,123,903		\$ 8,123,903	\$ 7,209,150	9.52%
Feb-12	10.78%	0.00%	10.78%	\$ 5,812,780		\$ 5,812,780	\$ 5,743,004	\$ 619,096	\$ -	\$ 619,096	\$ 7,338,504		\$ 7,338,504	\$ 7,228,791	8.59%
Mar-12	12.92%	0.00%	12.92%	\$ 4,897,611		\$ 4,897,611	\$ 5,725,610	\$ 739,749	\$ -	\$ 739,749	\$ 6,089,243		\$ 6,089,243	\$ 7,191,237	10.23%
Apr-12	14.94%	0.00%	14.94%	\$ 4,122,934		\$ 4,122,934	\$ 5,704,411	\$ 852,239	\$ -	\$ 852,239	\$ 5,690,014		\$ 5,690,014	\$ 7,147,722	11.85%
May-12	16.90%	0.00%	16.90%	\$ 5,513,452		\$ 5,513,452	\$ 5,742,572	\$ 970,495	\$ -	\$ 970,495	\$ 6,636,921		\$ 6,636,921	\$ 7,173,673	13.58%
Jun-12	15.55%	0.00%	15.55%	\$ 6,043,338		\$ 6,043,338	\$ 5,725,856	\$ 890,371	\$ -	\$ 890,371	\$ 7,795,215		\$ 7,795,215	\$ 7,145,105	12.41%
Jul-12	14.51%	0.00%	14.51%	\$ 7,177,531		\$ 7,177,531	\$ 5,711,391	\$ 828,723	\$ -	\$ 828,723	\$ 8,766,217		\$ 8,766,217	\$ 7,144,239	11.60%
Aug-12	14.13%	0.00%	14.13%	\$ 6,390,370		\$ 6,390,370	\$ 5,669,266	\$ 801,067	\$ -	\$ 801,067	\$ 7,941,875		\$ 7,941,875	\$ 7,087,371	11.21%
Sep-12	16.23%	0.00%	16.23%	\$ 5,401,591		\$ 5,401,591	\$ 5,674,331	\$ 920,944	\$ -	\$ 920,944	\$ 6,788,493		\$ 6,788,493	\$ 7,116,780	12.99%
Oct-12	17.57%	0.00%	17.57%	\$ 4,765,334		\$ 4,765,334	\$ 5,685,707	\$ 998,979	\$ -	\$ 998,979	\$ 6,160,026		\$ 6,160,026	\$ 7,153,361	14.04%
Nov-12	18.23%	0.00%	18.23%	\$ 5,790,654		\$ 5,790,654	\$ 5,732,173	\$ 1,044,975	\$ -	\$ 1,044,975	\$ 7,284,644		\$ 7,284,644	\$ 7,186,905	14.61%
Dec-12	14.61%	0.00%	14.61%	\$ 6,425,783		\$ 6,425,783	\$ 5,750,319	\$ 840,122	\$ -	\$ 840,122	\$ 8,213,530		\$ 8,213,530	\$ 7,235,715	11.69%
Jan-13	13.49%	0.00%	13.49%	\$ 6,796,553		\$ 6,796,553	\$ 5,761,494	\$ 777,226	\$ -	\$ 777,226	\$ 8,444,115		\$ 8,444,115	\$ 7,262,400	10.74%
Feb-13	12.61%	0.00%	12.61%	\$ 6,216,733		\$ 6,216,733	\$ 5,795,157	\$ 730,769	\$ -	\$ 730,769	\$ 7,939,235		\$ 7,939,235	\$ 7,312,461	10.06%
Mar-13	14.37%	0.00%	14.37%	\$ 6,298,928		\$ 6,298,928	\$ 5,911,933	\$ 849,545	\$ -	\$ 849,545	\$ 7,667,285		\$ 7,667,285	\$ 7,443,964	11.62%
Apr-13	14.27%	0.00%	14.27%	\$ 4,922,555		\$ 4,922,555	\$ 5,978,569	\$ 853,142	\$ -	\$ 853,142	\$ 6,537,436		\$ 6,537,436	\$ 7,514,583	11.46%
May-13	17.97%	0.00%	17.97%	\$ 5,511,296		\$ 5,511,296	\$ 5,978,389	\$ 1,074,316	\$ -	\$ 1,074,316	\$ 6,756,241		\$ 6,756,241	\$ 7,524,526	14.30%
Jun-13	17.09%	0.00%	17.09%	\$ 6,258,838		\$ 6,258,838	\$ 5,996,347	\$ 1,024,776	\$ -	\$ 1,024,776					13.62%

Notes:
 Salt River Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
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Mar-13	14.37%	0.00%	14.37%	\$ 6,298,928		\$ 6,298,928	\$ 5,911,933	\$ 849,545	\$ (27,266)	\$ 822,279	\$ 7,667,285		\$ 7,667,285	\$ 7,443,964	11.24%
Apr-13	14.27%	0.00%	14.27%	\$ 4,922,555		\$ 4,922,555	\$ 5,978,569	\$ 853,142	\$ (27,266)	\$ 825,876	\$ 6,537,436		\$ 6,537,436	\$ 7,514,583	11.09%
May-13	17.97%	0.00%	17.97%	\$ 5,511,296		\$ 5,511,296	\$ 5,978,389	\$ 1,074,316	\$ (27,266)	\$ 1,047,050	\$ 6,756,241		\$ 6,756,241	\$ 7,524,526	13.93%
Jun-13	17.09%	0.00%	17.09%	\$ 6,258,838		\$ 6,258,838	\$ 5,996,347	\$ 1,024,776	\$ (27,266)	\$ 997,510					13.26%

Notes:

Salt River Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
 Revenues reported in Columns (4), (5), (7), (11), (13), and (14) are net of Green Power Revenues.

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