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PUBLIC SERVICE
COMMISSION

July 8, 2014

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

Re: Case No. 2014-00051

Dear Mr. Derouen:

Please find enclosed for filing in the above referenced case an original and five (5) copies of the responses of Clark Energy Cooperative, Inc. requested in the commission staff's second request for information dated July 1, 2014.

Please be advised that Ms. Holly S. Eades, Vice President of Finance for Clark Energy, is the witness responsible for Clark Energy's response.

Sincerely,

Paul G. Embs
President & CEO

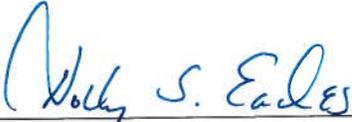
Enclosures

CERTIFICATION

Comes now Holly S. Eades, Vice President of Finance for Clark Energy Cooperative, Inc., and being duly sworn states as follows with regards to the Responses filed by Clark Energy Cooperative, Inc. in Case No. 2014-00051, now pending before the Public Service Commission of the Commonwealth of Kentucky:

1. That she is the person supervising the preparation of the Responses on behalf of Clark Energy Cooperative, Inc.
2. That the responses are true and accurate to the best of my personal knowledge, information and belief formed after a reasonable inquiry.

Witness my hand as of this 8th day of July, 2014.



Holly S. Eades

COMMONWEALTH OF KENTUCKY
COUNTY OF CLARK

The foregoing Certification was subscribed, sworn to and acknowledged before me by Holly S. Eades, Vice President of Finance for Clark Energy Cooperative, Inc., this the 8th day of July, 2014.



NOTARY PUBLIC, STATE AT LARGE, KY

My Commission Expires 6/18/2016

CLARK ENERGY COOPERATIVE, INC.
PSC CASE NO. 2014-00051
RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

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

Response:

East Kentucky's (EKPC) power bill is recorded in Clark Energy's books in the month of receipt which closely matches Clark's customer's usage. Clark Energy's purchased power bill, which includes the environmental surcharge, is recorded as:

DR 555.00	Purchased Power
CR 232.10	Accounts Payable

Revenue, which includes the environmental surcharge, is recorded as:

DR 142.00	Customer accounts receivable
CR 440.00	Revenue

Witness: Holly Eades

CLARK ENERGY COOPERATIVE, INC.
PSC CASE NO. 2014-00051
RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

1. This question is addressed to each of the member distribution cooperatives. Refer to the responses to the Commission Staff's First Request for information, Item 2.a. for your cooperative.
 - a. Using the month of July 2013 as an example, for the amount shown in the column titled "EKPC invoice Month recorded on Member's Books," for your cooperative, provide the month in which the expenses are incurred by EKPC and when this amount was billed to the member cooperative.

Response: EKPC incurred the expense in May 2013 and Clark Energy was invoiced June 2013 on the invoice dated July 2, 2013.

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

Response: The environmental surcharge, for EKPC's expense month of May 2013, was billed to Clark Energy on the purchase power invoice dated July 2, 2013; the environmental surcharge was \$410,507.00.

Clark Energy's July 2013 revenue was \$3,540,993.29 with a pass-through factor of 11.98% which resulted in environmental surcharge billing to Clark Energy's customers in the amount of \$424,184.38.

Witness: Holly Eades