



Cumberland Valley Electric

A Touchstone Energy Cooperative 

September 29, 2015

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2015-00281

Dear Mr. Derouen:

Enclosed are the original and seven copies of the response of Cumberland Valley Electric as requested in Case No. 2015-00281. Each response includes the name of the witness and a signed certification of the person supervising the preparation.

If you have any questions about this filing, please feel free to contact me.

Sincerely,



Robert Tolliver
Office Manager

Enclosures

RECEIVED
OCT 1 2015
PUBLIC SERVICE
COMMISSION

MAIN OFFICE:

P.O. Box 440 • Gray, KY 40734

Phone: 606-528-2677 • Fax: 606-523-2698

DISTRICT OFFICE:

P.O. Box C • Cumberland, KY 40823

Phone: 606-589-4421 • Fax: 606-589-5297

Request 8.

This question is addressed to each of the 16 member cooperatives.
For your particular distribution cooperative, provide the actual average residential customer's monthly usage for the 12 months ending May 31, 2015. Based on this usage amount, provide the dollar impact of 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 over- or under-recovery used to determine the impact on the average residential customer's monthly bill has been determined using the traditional methodology used in previous surcharge reviews. However, Cumberland Valley Electric continues to believe that the methodology used to determine the over- or under-recovery needs revision and is working with the other EKPC Members to reach a consensus solution. Cumberland Valley Electric also supports the proposal that a future informal conference with the Commission Staff be held to discuss this issue.

No Recovery

Average Monthly Residential Usage 1,209
12 Months Ending May 31, 2015

<u>Energy@</u>	0.08563	\$103.53
Customer Charge		\$8.73
Fuel @	-0.0072086	(\$8.72)
Environmental Surcharge @	8.28%	\$8.57
Local School Tax @	3.00%	<u>\$3.36</u>
TOTAL BILL AMOUNT		\$115.47

*See Exhibit A Page 2 of 3

Six-Month Recovery

Average Monthly Residential Usage 1,209
12 Months Ending May 31, 2015

<u>Energy@</u>	0.08563	\$103.53
Customer Charge		\$8.73
Fuel @	-0.0072086	(\$8.72)
Environmental Surcharge @	8.73%	\$9.04
Local School Tax @	3.00%	<u>\$3.38</u>
TOTAL BILL AMOUNT		\$115.96

*See Exhibit A Page 3 of 3

The Dollar Impact \$0.49

The billing period of May 2015 was used for calculation.

Witness: Robert Tolliver

Cumberland Valley Electric - 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)
Jul-13	\$ 416,024	\$ 436,855	\$ (20,831)	\$ (20,831)
Aug-13	\$ 382,917	\$ 416,273	\$ (33,356)	\$ (54,187)
Sep-13	\$ 329,986	\$ 275,954	\$ 54,032	\$ (155)
Oct-13	\$ 308,426	\$ 262,679	\$ 45,747	\$ 45,592
Nov-13	\$ 449,675	\$ 297,199	\$ 152,476	\$ 198,068
Dec-13	\$ 544,950	\$ 435,317	\$ 109,633	\$ 307,701
Jan-14	\$ 583,838	\$ 572,762	\$ 11,076	\$ 11,076
Feb-14	\$ 341,990	\$ 398,088	\$ (56,098)	\$ (45,022)
Mar-14	\$ 162,486	\$ 346,350	\$ (183,864)	\$ (228,885)
Apr-14	\$ 257,534	\$ 122,937	\$ 134,597	\$ (94,288)
May-14	\$ 296,071	\$ 246,158	\$ 49,913	\$ (44,374)
Jun-14	\$ 398,627	\$ 304,584	\$ 94,043	\$ 49,668
Jul-14	\$ 398,785	\$ 385,668	\$ 13,117	\$ 62,786
Aug-14	\$ 370,812	\$ 382,890	\$ (12,078)	\$ 50,708
Sep-14	\$ 273,764	\$ 304,453	\$ (30,689)	\$ 20,018
Oct-14	\$ 268,772	\$ 263,072	\$ 5,700	\$ 25,718
Nov-14	\$ 447,791	\$ 398,982	\$ 48,809	\$ 74,527
Dec-14	\$ 497,563	\$ 433,241	\$ 64,322	\$ 138,849
Jan-15	\$ 475,960	\$ 573,966	\$ (98,006)	\$ 40,844
Feb-15	\$ 491,188	\$ 507,602	\$ (16,414)	\$ 24,430
Mar-15	\$ 308,949	\$ 350,488	\$ (41,539)	\$ (17,109)
Apr-15	\$ 196,416	\$ 246,898	\$ (50,482)	\$ (67,591)
May-15	\$ 266,592	\$ 211,970	\$ 54,622	\$ (12,969)
Jun-15	\$ 425,357	\$ 317,456	\$ 107,901	\$ 94,932
Jul-15	\$ 456,601	\$ 466,439	\$ (9,838)	\$ 85,094
Aug-15	\$ 363,713	\$ 430,749	\$ (67,036)	\$ 18,058

Cumulative 18-months (Over)/Under Recovery	\$ 94,932
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Monthly Recovery (per month for six months)	\$ 15,822
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Total Net (Over)/Under Recovery for 2-Year Period	\$ 402,633
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East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Cumberland Valley Electric

For the Month Ending August 2015

	(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 Cumberland Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Cumberland Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Cumberland Valley	Cumberland Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Cumberland Valley Net Revenue Requirement	Cumberland Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Cumberland Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cumberland Valley 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)
Sep-13	14.93%	0.00%	14.93%	2,130,317		2,130,317	2,623,929	391,753	(72,539)	319,214	2,896,035		2,896,035	3,394,643	9.43%
Oct-13	16.69%	0.00%	16.69%	2,065,805		2,065,805	2,600,860	434,083	(72,539)	361,544	2,683,025		2,683,025	3,377,090	10.65%
Nov-13	17.43%	0.00%	17.43%	2,694,276		2,694,276	2,579,407	449,591	(72,539)	377,052	3,151,601		3,151,601	3,329,319	11.16%
Dec-13	14.54%	0.00%	14.54%	3,126,509		3,126,509	2,584,027	375,717	(72,539)	303,178	4,087,434		4,087,434	3,370,349	9.11%
Jan-14	10.92%	0.00%	10.92%	4,015,375		4,015,375	2,649,775	289,355	14,092	303,447	5,132,308		5,132,308	3,411,188	9.00%
Feb-14	5.44%	0.00%	5.44%	3,131,762		3,131,762	2,667,737	145,125	-	145,125	4,369,862		4,369,862	3,450,867	4.25%
Mar-14	11.62%	0.00%	11.62%	2,986,840		2,986,840	2,661,301	309,243	(19,814)	289,429	3,828,196		3,828,196	3,455,683	8.39%
Apr-14	13.47%	0.00%	13.47%	2,216,294		2,216,294	2,658,432	358,091	(19,814)	338,277	2,887,592		2,887,592	3,439,172	9.79%
May-14	15.84%	0.00%	15.84%	2,198,009		2,198,009	2,655,006	420,553	(19,814)	400,739	2,941,166		2,941,166	3,450,908	11.65%
Jun-14	15.67%	0.00%	15.67%	2,516,965		2,516,965	2,662,049	417,143	(19,814)	397,329	3,104,725		3,104,725	3,447,025	11.51%
Jul-14	14.38%	0.00%	14.38%	2,544,514		2,544,514	2,671,233	384,123	(19,814)	364,309	3,310,342		3,310,342	3,460,813	10.57%
Aug-14	12.62%	0.00%	12.62%	2,578,655		2,578,655	2,683,777	338,693	(19,814)	318,879	3,327,005		3,327,005	3,476,608	9.21%
Sep-14	13.53%	0.00%	13.53%	2,169,281		2,169,281	2,687,024	363,554	-	363,554	2,880,761		2,880,761	3,475,335	10.46%
Oct-14	15.57%	0.00%	15.57%	1,986,486		1,986,486	2,680,414	417,340	-	417,340	2,856,333		2,856,333	3,489,777	12.01%
Nov-14	16.95%	0.00%	16.95%	2,875,985		2,875,985	2,695,556	456,897	-	456,897	3,814,308		3,814,308	3,545,003	13.09%
Dec-14	13.88%	0.00%	13.88%	2,935,469		2,935,469	2,679,636	371,934	-	371,934	3,607,210		3,607,210	3,504,984	10.49%
Jan-15	13.67%	0.00%	13.67%	3,429,110		3,429,110	2,630,781	359,628	-	359,628	4,385,055		4,385,055	3,442,713	10.26%
Feb-15	11.49%	0.00%	11.49%	3,593,190		3,593,190	2,669,233	306,695	-	306,695	4,838,912		4,838,912	3,481,800	8.91%
Mar-15	10.90%	0.00%	10.90%	2,688,858		2,688,858	2,644,401	288,240	-	288,240	3,417,243		3,417,243	3,447,554	8.28%
Apr-15	14.44%	0.00%	14.44%	1,801,957		1,801,957	2,609,873	376,866	-	376,866	2,768,696		2,768,696	3,437,646	10.93%
May-15	18.09%	0.00%	18.09%	1,846,198		1,846,198	2,580,556	466,823	-	466,823	2,560,102		2,560,102	3,405,891	13.58%
Jun-15	18.44%	0.00%	18.44%	2,351,355		2,351,355	2,566,755	473,310	-	473,310	2,904,423		2,904,423	3,389,199	13.90%
Jul-15	15.91%	0.00%	15.91%	2,476,143		2,476,143	2,561,057	407,464	-	407,464	3,434,852		3,434,852	3,399,575	12.02%
Aug-15	16.25%	0.00%	16.25%	2,286,077		2,286,077	2,536,676	412,210	51,284	463,494	3,098,157		3,098,157	3,380,504	13.63%

Notes:
Cumberland Valley Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

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