



Meade County RECC

P.O. Box 489
Brandenburg, KY 40108-0489
(270) 422-2162
Fax: (270) 422-4705

June 1, 2007

RECEIVED

JUN 04 2007

PUBLIC SERVICE
COMMISSION

Beth A. O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602

Dear Ms. O'Donnell:

Attached is a copy of Meade County's response to the Attorney General's Request for Supplemental Data in Case No 2006-00500.

If you need further information, please contact me at 270-422-2162 ext. 3127.

Sincerely,

Burns E. Mercer
President and CEO

Enclosures



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PUBLIC SERVICE
COMMISSION

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

CASE NO. 2006-00500

RESPONSE TO

ATTORNEY GENERAL'S SUPPLEMENT DATA REQUESTS

Meade County Rural Electric
PSC Case No. 2006-00500
Attorney General's Supplemental Data Request

Q. 1 Please refer to MCRECC's response to AG 1-11. Please provide details regarding Work Order Nos. 068005B, 065000B, 065001H, 065005H, including the nature and location of the work, expected duration, and the reason(s) for the work.

A.	<u>Work order No.</u>	<u>Location</u>	<u>Completion Date</u>	<u>Reason for Work</u>
	068005B	Meade County - Garrett Substation	Jul-07	Equipment required in station for AMR reporting of meters.
	065000B	Meade County - Knob Road	Apr-07	Upgrade from copper wire to aluminum wire.
	065001H	Ohio Count - Fordsville Hwy 261	May-07	Upgrade from copper wire to aluminum wire.
	065005H	Breckinridge County - Freedom Church Road	May-07	Upgrade from copper wire to aluminum wire.

WITNESS: Karen Brown

Meade County Rural Electric
PSC Case No. 2006-00500
Attorney General's Supplemental Data Request

- Q. 2 Please refer to MCRECC's response to PSC 1-15 (e). Identify the employee, and provide the rationale for why the \$525 expense should be included in rate base.
- A. MCRECC's Marketing and Economic Development Representative attended the NRECA Annual Meeting to be informed and educated on issues affecting rural electric cooperatives therefore, the \$525.00 should be included in the rate base.

WITNESS: Burns E. Mercer

Meade County Rural Electric
PSC Case No. 2006-00500
Attorney General's Supplemental Data Request

Q. 3 Please refer to MCRECC's response to PSC 1-19. Provide a figure for the amount of the current PSC assessment, and an adjustment to normalize the PSC assessment.

A. Calculation of PSC assessment adjustment.

For the year ended December 31, 2005

Gross intrastate revenues		27,757,054
Less: one-half purchase power costs	15,965,623	
	50%	<u>7,982,812</u>
Assessable revenues		19,774,243
PSC assessment paid		<u>32,489</u>
Rate		0.1643%
Proposed increase		<u>1,953,112</u>
Proposed PSC adjustment		<u><u>3,209</u></u>

Witness: Jim Adkins

Meade County Rural Electric
PSC Case No. 2006-00500
Attorney General's Supplemental Data Request

Q. 4 Refer to application exhibit 21, and MCRECC's response to PSC 1-18. For purposes of this request, the word "Wintercare" refers to either the entity which MCRECC identified in its response to PSC 1-18 as Wintercare, or to whatever other agency has been or will be chosen to administer the funds referenced on this tariff page.

A. **MCRECC would like to clarify its intention to have the "HELPING HAND FUND" administered by the "Central Kentucky Community Action Council, Inc." (CKCAC) not "Wintercare". Therefore, the answers to the following questions that reference "Wintercare" will actually pertain to CKCAC. The references to "Wintercare" in the original filing were incorrect.**

a. Please provide a revised tariff sheet indicating precisely what MCRECC intends to do with the voluntary contributions referenced therein.

A. MCRECC will provide a revised tariff sheet if this tariff is approved that will show 100% of the voluntary contribution going to a 501c 3 non-profit organization for payment of MCRECC electric bills and weatherization projects.

b. Provide details about Wintercare, including but not limited to:

1. its full name, address, telephone number, and web site (if applicable);

A. Central Kentucky Community Action Council, Inc. (CKCAC)
P. O. Box 380
322 Hood Avenue
Lebanon, KY 40033
Telephone: 270-692-2136

There is no web site for CKCAC

2. contact person(s) with appropriate contact information;

A. Lynne Roby, telephone: 270-692-2136

3. the nature of the work in which Wintercare is engaged:

A. CKCAC is a non-profit 501 c 3 corporation engaged in community service.

4. whether Wintercare has ever previously administered funds

derived from utility customers:

A. CKCAC currently administers plans for the following organizations:

Warm Hearts for Warren RECC, Bowling Green, KY

Winter Help for LG&E, Louisville, KY

Wintercare for the Kentucky Association for Community Action, Inc.

5. whether Wintercare is a non-profit entity:

A. Yes, CKCAC is a 501 c 3 non-profit corporation.

6. identify any and all other agencies with which Wintercare is

affiliated:

A. See response to item 4 above.

7. Any promotional materials from Wintercare describing the nature

of the work it performs.

A. See pages 4 and 5 of this item.

c. Explain in detail what Wintercare will do with the contributions, and whether

it will charge any type or sort of administrative fee for administering such funds.

A. CKCAC does not charge an administrative fee to administer these programs. CKCAC accepts funds and distributes the funds based upon criteria of the contributing organization.

d. Would Wintercare have any financial incentives?

A. No, not to our knowledge.

e. Would Wintercare be obligated to using all of the funds it receives from MCRECC to assist MCRECC customers in need with paying their electric utility bills? Could Wintercare use such funds for any other purposes?

A. CKCAC would be obligated to use the funds as directed by MCRECC and could not use the funds for any other purpose.

f. Describe in detail the criteria Wintercare will use for determining eligibility for the benefits.

A. CKCAC's guidelines for payment of utility bills are established by the contributing organization. i.e., LG&E allows payment of bills for customers within 5 days of their due date if the customer is at 150% or less of the Federal Poverty level guidelines.

g. Provide a copy of any and all agreements between MCRECC and Wintercare. if no such agreement currently exists, does MCRECC agree to supplement its response as necessary to provide the Commission and the Attorney General with a copy of the contract with the entity that will administer such voluntary funds?

A. MCRECC does not currently have a contract with any agency to administer the Helping Hand Fund. However, once approved by PSC MCRECC will contract with CKCAC and provide the Commission and the Attorney General with a copy of the contract.

h. Explain why MCRECC did not file a separate application with the PSC pursuant to KRS 278.285 seeking permission to institute a DSM program.

A. MCRECC does not have any costs associated with the voluntary contribution for Helping Hand. Therefore, we did not seek permission to institute a DSM program pursuant to KRS 278.285.

i. Identify any and all entities in the MCRECC service territory such as Wintercare that could administer such contributions. If more than one such agency exists, explain how and why Wintercare was chosen as the entity to administer the funds.

A. To MCRECC's knowledge CKCAC is the only non-profit organization in its service territory that will administer this fund at no cost.

j. Would MCRECC ever seek to recover its administrative costs associated with collection of the voluntary contributions identified in the tariff?

A. No.

k. How would MCRECC account for the voluntary contributions it receives?

A. Funds will be accumulated in a G/L account and distributed to CKCAC on a monthly basis from the same G/L account.

l. How would Wintercare account for the contributions it distributes?

A. CKCAC is capable of reporting the distribution of contributions on a daily, weekly, monthly or annual basis.

m. Would Wintercare be limited to distributing the contributions solely to members of MCRECC's residential class?

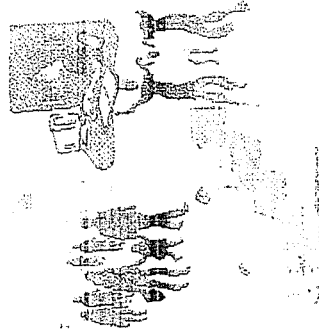
A. Yes.

WITNESS: Burns E. Mercer

**CENTRAL KENTUCKY
COMMUNITY ACTION
COUNCIL, INC.**

332 Hood Avenue
PO Box 830
Lebanon, KY 40033
Phone: 270/692-2136
Fax: 270/692-1846

*"Helping People Help
Themselves"*



**COMMUNITY SERVICES
LOCATION OFFICES BY COUNTY**

BRECKINRIDGE—108 S. Third Street
Hardinsburg, KY 40143
Phone: 270/756-6813
Fax: 270/756-9210

GRAYSON—125 E. Market St. -
Suite 30B
Leitchfield, KY 42754
Phone: 270/259-3500
Fax: 270/259-4324

HARDIN - 1111 North Dixie Highway
(in the covr by Peodler's Mall)
Suite 5 Box 11
Elizabethtown, KY 42701
Phone: 270/769-1927
Fax: 270/769-6687

LARUE - 120 Greensburg Street
Hodgenville, KY 42748
Phone: 270/358-3937
Fax: 270/358-0080

MARION - 334 Hood Avenue
Lebanon, KY 40033
Phone: 270/692-6411
Fax: 270/692-4530

MEADE - 496 East Broadway
Brandenburg, KY 40108
Phone: 270/422/2545
Fax: 270/422-3347

MELSON - 864 West Stephen Foster
Bardolow, KY 40004
Phone: 502/340-5596
Fax: 502/340-5976

WASHINGTON - 226 West Main St.
Springfield, KY 40069
Phone: 859/336-7766
Fax: 859/336-7011

**ASSISTANCE
THROUGH THE
COMMUNITY SERVICES
PROGRAM**

Education: assistance with transportation or costs of obtaining GED or other educational goals.

Youth Enrichment: Assistance to low income children to participate in Summer Youth Camps, 4-H Camp, Swimming Lessons, Nutritional Day Camps or to purchase items of clothing or consumable supplies for school—Computer to Kids Program

Clothing Banks: Available used clothing to low income at no cost.

Christmas Program: Assistance with food baskets, toys (new and used) and limited clothing to low-income clients in coordination with other local agencies.

Scholarship Program: Provided to low-income graduates pursuing an education in Agriculture, Business, Education, Medicine or Social Services. Limited scholarships for full time students.

Supportive Housing Program: HUD Grant that assists homeless families with rental/utility deposits, case management to help stabilize the home.

This project is funded, in part, under a contract with CHR with funds from CSBG Act of the U. S. Department of Health and Human Services.

**ASSISTANCE
THROUGH THE
COMMUNITY SERVICES
PROGRAM**

The Community Services Program provides direct assistance with federal, state and local funds. Programs operated by Community Services is as follows.

Emergency Assistance: Payment for rent, utility bills, medicine, medical transportation, etc.

Low Income Heating/Energy Assistance Program (LHEAP) - payment for heating cost in a subsidized and onsis situation.

WinterCase Assistance: payment for heating costs in crisis situation.

Emergency Food and Shelter Program: (EFSP) payment for rent, utility bills, food (grocery or food bank) or temporary lodging in a motel or one's month rent.

Nutrition Program: Food Banks in most County Offices, garden program.

Homeless Prevention Program: HUD Grant that assists families with rental/utility assistance in special circumstances.

Each Community Services Coordinator is aware of the resources available in their county and this enables them to make "good" referrals. After counseling with the clients, the Community Services Coordinator often acts as an advocate by assisting clients with paperwork or setting up appointments.

The staff feels comfortable in the role of being a friend to clients in being able to patiently listen and help determine what action needs to be taken to help them solve their problems, through either direct service or referral to other agencies.

ADMINISTRATIVE STAFF:

Lynne Robey
Community Services Director
Ellen Leake
Database Coordinator

COUNTY COORDINATORS:

Wendy Moore
Breckinridge County
Tracy Deminon
Grayson County
Cheryl Freeman
Hardin County
Faith Miller
Larue County
Rose Mary Edlin
Marion County
Gina Moorman
Meade County
Lysa Drake
Nelson County
Emma Carroll
Washington County

extended into the four western counties of the Lincoln Trail Area Development District. These counties were Breckinridge, Grayson, Hardin and Meade. These counties were previously served under limited conditions.

Central Kentucky CAC operations people-orientated programs. The agency prides itself on being in tune with the area and the people it serves. The programs administered by the agency have all started as innovative approaches to meet the needs determined on the local level by the involvement of the low income groups, elected officials and the general public. Over the years, the structure of the agency has challenged various changes but the mission of the agency still remains to be "helping people to help themselves".

WHAT IS COMMUNITY SERVICES?

Community Services is the core program behind Community Action. The eight County Community Services Coordinators serve as a safety net for the low income population.

When low income families are confronted with problems they find too hard to solve whether they be of a financial or other nature, the Community Services Coordinator counsels with the client in order to explore ways that we can help them and ways that they can help themselves.

This mission is to assist families become more independent — not dependent.

Since 1966, Central Kentucky CAC has administered federal, state, local and private funds. The agency now administers programs such as Day Care, Head Start, Weatherization, Retired Senior and Volunteer Program, Senior Companion Program, Housing, Transportation, Family Day Care, Family Preservation/Reunification and Community Services.

In April 1974 the agency experienced a major realignment in which Taylor County became a part of the Lake Cumberland Community Services Organization.

In the summer of 1981, Congress repealed the Economic Opportunity Act. The agency that authorized that act, the Office of Economic Opportunity and its renamed successor, the Community Services Administration, (CSA) closed its doors on September 30, 1981. So sank what some have called the "Flagship of the War on Poverty".

Some of the functions and funding for the CSA's program were retained under the Community Services Block Grant (CSBG) to be administered in Kentucky by the Cabinet for Families and Children with the local cooperation of the Community Action agencies.

Under this legislation, Central Kentucky CAC's services were

AGENCY HISTORY

Central Kentucky Community Action Council, Inc. was established on January 3, 1967. This non-profit organization was the inception of a group of concerned citizens in the Larue, Marion, Nelson, Taylor and Washington County who worked hard to organize the agency. Many concerned citizens became involved on the grassroots level of the organizational effort. This effort has grown into a support system to help local government provide human service needs.

The Economic Opportunity Act of 1964 made the creations of the local agency pledged to the needs of the low income possible. That Act created the Community Action Program (CAP) as a vehicle for the war on poverty to draw federal, state and local efforts together and mold them into an integrated assault on the problems, causes and roots of poverty.

Community Action was designed not only to promote the organization of services for the needy but also to develop and implement those programs in an innovative fashion. In these endeavors it was to be flexible and was to ensure maximum feasible participation by the target group.

The philosophy of Community Action has always been self-help for the low income and disadvantaged by addressing the causes and conditions of poverty.