

**LICKING VALLEY**  
RURAL ELECTRIC COOPERATIVE CORPORATION  
P. O. Box 605 • 271 Main Street  
West Liberty, KY 41472-0605  
(606) 743-3179



**KERRY K. HOWARD**  
General Manager/CEO

June 27, 2007

Ms. Beth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
Post Office Box 615  
Frankfort, Kentucky 40602-0615

RE: Case Number 2006-00520  
Fuel Adjustment Clause  
November 01, 2004 through October 31, 2006

Dear Ms. O'Donnell:

Per your letter dated June 13, 2007, please find enclosed one original and three copies of Case Number 2006-00520 Supplemental Data Request and Affidavit of Compliance. If additional information is needed or required, please let us know.

Sincerely,

Kerry K. Howard  
General Manager/CEO

KKH:slv

Enclosures

**RECEIVED**  
JUL 2 2007  
PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

FUEL ADJUSTMENT  
CASE NUMBER 2006-00520

Supplemental Data Request

JUNE 27, 2007

I N D E X

- Exhibit 4. Schedule showing the calculation of the increase or decrease in base rule cost per KWH as proposed by East Kentucky Power Cooperative adjusted for Licking Valley's 12 month average line loss for November 2004 through October 2006.
- Exhibit 5. Updated discussion of the present and proposed rates.
- Exhibit 6. Updated discussion of Tariff Sheets.
- Exhibit 7. Affidavit attesting to its compliance with the requirements of 807 KAR 5:056.
- Exhibit 9. Information concerning testimony of witnesses.



LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

KENTUCKY 56 MORGAN

CALCULATION OF INCREASE OR DECREASE IN BASE FUEL PER KWH

ADJUSTED FOR 12 MONTH AVERAGE LINE LOSS

NOVEMBER 2004 - OCTOBER 2006

	(A) KWH PURCHASED	(B) KWH SOLD	(C) OFFICE USE	(D) KWH LOSSES
LINE LOSS FOR 12 MONTHS NOVEMBER 2004 - OCTOBER 2005	277,141,126	257,840,454	185,901	19,114,771
LINE LOSS FOR 12 MONTHS NOVEMBER 2005 - OCTOBER 2006	<u>275,612,938</u>	<u>277,771,004</u>	<u>185,513</u>	<u>-2,343,579</u>
TOTAL	552,754,064	535,611,458	371,414	16,771,192

(D) 16,771,192 divided by (A) = .03034

1.0000

LESS 12 MONTH AVERAGE LOSS -.0303

.9697

EAST KENTUCKY POWER COOPERATIVE PROPOSED BASE UNIT  
FUEL COST INCREASE \$.00613 PER KWH

\$.00613 divided by 0.9697 = \$.00632

**Maudie**

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**From:** "Kerry K. Howard" <kkhoward@lvrecc.com>  
**To:** <maudie@lvrecc.com>; "Sandra N. Bradley" <snjohnson@lvrecc.com>  
**Sent:** Friday, January 05, 2007 3:17 PM  
**Subject:** {SPAMFILTER} FW: Two-Year FAC Case--FAC Basing Point Change

Subject: Two-Year FAC Case--FAC Basing Point Change

EKPC has reviewed the months in the 24-month period ending October 31, 2006, and selected March 2006 as the month most representative for the basing point change. The overall fuel cost for March 2006 was \$.02638/kwh, compared to our current basing point of \$.02025/kwh. If approved by the Commission, EKPC's energy rates will increase by \$.00613/kwh.

Please call me if you have any questions. Thank you,  
Ann Wood

Ann Wood  
Manager, Accounting and Materials Management Process  
East Kentucky Power Cooperative, Inc.  
P.O. Box 707  
Winchester, Kentucky 40392-0707  
(859) 745-9670 phone  
(859) 744-6008 fax



LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

KENTUCKY 56 MORGAN

PRESENT AND PROPOSED RATE SCHEDULES

	RATES	
	PRESENT	PROPOSED
SCHEDULE A		
Customer Charge	\$ 7.17	\$7.17
Energy Charge	.067066	.073386
SCHEDULE B		
Customer Charge	\$14.86	\$14.86
Energy Charge	.066999	.073319
SCHEDULE LP		
Customer Charge	\$46.12	\$46.12
Demand Charge	6.67	6.67
Energy Charge	.052020	.055834
SCHEDULE LPR		
Customer Charge	\$92.24	\$92.24
Demand Charge	6.25	6.25
Energy Charge	.044372	.050692
SCHEDULE SL - SECURITY LIGHT		
175 Watt Mercury Vapor (Based on 70 KWH per month consumption)	\$ 7.11	\$ 7.11



Licking Valley Rural Electric  
Cooperative Corporation

For All Territory Served  
P.S.C. KY NO.  
Thirteenth Revised Sheet No. 1  
Canceling P.S.C. KY No.  
Twelfth Revised Sheet No. 1

CLASSIFICATION OF SERVICE

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SCHEDULE A – Residential, Farm, Small Community Hall & Church Service	RATE PER UNIT
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APPLICABLE:

All consumers in the territory served (Breathitt, Lee, Magoffin,  
Menifee, Morgan, and Wolfe Counties, Kentucky).

AVAILABILITY OF SERVICE:

Available to members of the Cooperative for all residential and farm use, subject  
to its established rules and regulations. Available to members of the Cooperative  
for all community halls and churches with a transformer size of 25 KVA or less.

TYPE OF SERVICE:

Single-phase, 60 cycle 120/240 volts.

MONTHLY RATE:

Customer charge per delivery point	\$7.17
Energy charge per KWH	\$0.067066 (I)
	.073386

DELAYED PAYMENT CHARGE:

The above rates are net, the gross being five percent (5%) higher. In the  
event the current monthly bill is not paid by the Tenth (10<sup>th</sup>) of the  
following month from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

Limited to individual motors up to ten horsepower (10 H.P.)

FUEL ADJUSTMENT CLAUSE:

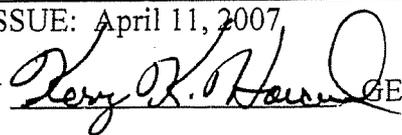
“All rates are applicable to the Fuel Adjustment Clause and may be increased or  
decreased by an amount per KWH equal to the fuel adjustment amount per KWH  
as billed by the Wholesale Power Supplier, plus an allowance for line losses. The  
allowance for the line losses will not exceed ten percent (10%) and is based on a  
twelve month moving average of such losses. This Fuel Adjustment Clause  
is subject to all other applicable provisions as set out in 807 KAR 5:056.”

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DATE OF ISSUE: April 11, 2007

DATE EFFECTIVE: April 1, 2007

ISSUED BY



GENERAL MANAGER/CEO West Liberty Ky

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00483 Dated April 1, 2007

Licking Valley Rural Electric  
Cooperative Corporation

For All Territory Served  
P.S.C. KY NO. ,  
Thirteenth Revised Sheet No. 2  
Canceling P.S.C. KY No.  
Twelfth Revised Sheet No. 2

CLASSIFICATION OF SERVICE

SCHEDULE B – Commercial and Small Power Service

RATE  
PER UNIT

APPLICABLE:

All consumers in the territory served (Breathitt, Lee, Magoffin,  
Menifee, Morgan, and Wolfe Counties, Kentucky).

AVAILABILITY OF SERVICE:

Available to commercial consumer, small schools, small industrial consumer,  
and three-phase farm consumers for all uses including lighting, appliances,  
cooking, heating, and motors of 25 KVA or less, all subject to established  
rules and regulations of the Cooperative covering this service.

TYPE OF SERVICE:

Single-phase and three-phase where available, 60 cycle 120/240 volts.

MONTHLY RATE:

Customer charge per delivery point	\$14.86
Energy charge per KWH	\$0. <del>066999</del> (I) .073319

MINIMUM MONTHLY ENERGY CHARGES:

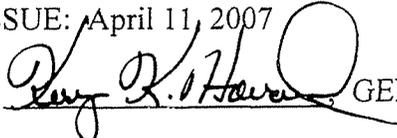
For consumers requiring more than 10 KVA of transformer capacity, the  
minimum monthly charge shall be increased at the rate of 75 cents for each  
additional KVA or fraction thereof required.

DELAYED PAYMENT CHARGE:

The above rates are net, the gross being five percent (5%) higher. In the  
event the current monthly bills are not paid by the Tenth (10th) of the  
following month from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: April 11, 2007

DATE EFFECTIVE: April 1, 2007

ISSUED BY  GENERAL MANAGER/CEO West Liberty Ky

Issued by authority of an Order of the Public Service Commission of Kentucky in  
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Licking Valley Rural Electric  
Cooperative Corporation

For All Territory Served  
P.S.C. KY NO.  
Thirteenth Revised Sheet No. 3  
Canceling P.S.C. KY No.  
Twelfth Revised Sheet No. 3

CLASSIFICATION OF SERVICE

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SCHEDULE FOR LARGE POWER SERVICE – LP RATE  
PER UNIT

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APPLICABLE:

All consumers in the territory served (Breathitt, Lee, Magoffin,  
Menifee, Morgan, and Wolfe Counties, Kentucky)

AVAILABILITY OF SERVICE:

Available to consumers located on or near the Cooperative's three-phase  
lines for all types of usage including churches and community halls in  
excess of 25 KVA subject to the established rules and regulation of seller.

MONTHLY RATE:

Customer charge per delivery point	\$46.12
Energy charge per KWH	\$0. <del>052020</del> (I)
	<b>.05834</b>
A demand charge of \$ per KW	\$6.67

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established  
by the consumer for any period of fifteen (15) consecutive minutes  
during the month for which the bill is rendered, as indicated or recorded  
by a demand meter and adjusted for power factor as following:

POWER FACTOR ADJUSTMENT:

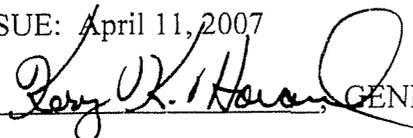
The consumer agrees to maintain unity power factor as nearly as  
practicable. Power factor may be measured at any time. Should  
such measurements indicate that the power factor at the time of the  
maximum demand is less than 90%, the demand for billing purposes  
shall be the demand as indicated or recorded by the demand meter  
multiplied by 90%, and then divided by the actual power factor percent.

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Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00483 Dated April 1, 2007

Licking Valley Rural Electric  
Cooperative Corporation

For All Territory Served  
P.S.C. KY NO. ,  
Thirteenth Revised Sheet No. 4  
Canceling P.S.C. KY No.  
Twelfth Revised Sheet No. 4

CLASSIFICATION OF SERVICE

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SCHEDULE FOR LARGE POWER RATE – LPR

RATE  
PER UNIT

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APPLICABLE:

All consumers in the territory served (Breathitt, Lee, Magoffin,  
Menifee, Morgan, and Wolfe Counties, Kentucky)

AVAILABILITY OF SERVICE:

Available to all industrial users on or near the Cooperative's  
lines whose kilowatt demand shall exceed 300 KW for lighting,  
heating, and/or power. With the following exceptions: rock quarries,  
sawmills, mines and any other service of a fluctuating nature due to  
their poor load factor and temporary nature. This schedule and all  
of its conditions must be agreed and entered into before the initial  
connection.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the  
consumer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 cycle,  
alternating current at available nominal voltage.

MONTHLY RATE:

Customer charge per delivery point	\$92.24
Energy charge per KWH	\$0.044372 (I) <u>,050692</u>
Demand charge of \$ per KW	\$6.25

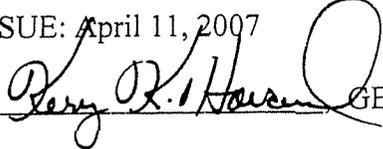
DETERMINATION OF BILLING DEMAND:

The billing demand shall be the *maximum* kilowatt demand  
established by the consumer for any period of (15) consecutive

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DATE OF ISSUE: April 11, 2007

DATE EFFECTIVE: April 1, 2007

ISSUED BY  GENERAL MANAGER/CEO West Liberty Ky

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00483 Dated April 1, 2007

Licking Valley Rural Electric  
Cooperative Corporation

For All Territory Served  
P.S.C. KY NO.  
Thirteenth Revised Sheet No. 5  
Canceling P.S.C. KY No.  
Twelfth Revised Sheet No. 5

CLASSIFICATION OF SERVICE

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SCHEDULE SL (Security Lights and/or Rural Lighting)	RATE PER UNIT
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APPLICABLE:

All consumers in the territory served (Breathitt, Lee, Magoffin, Menifee, Morgan, and Wolfe Counties, Kentucky)

AVAILABILITY OF SERVICE:

The Cooperative will furnish and install a mercury vapor type on a twenty-five (25) foot pole or an existing Cooperative owned pole at a location suitable to both parties. Location, however, shall be a reasonable distance from an existing Cooperative owned secondary line.

MONTHLY RATE:

Service for the unit will be unmetered and will be a 175 Watt Mercury Vapor type @ \$7.11 each, per month.

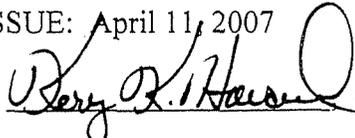
FUEL ADJUSTMENT CLAUSE:

“All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH as billed by the Wholesale Power Supplier, plus an allowance for line losses. The allowance for the line losses will not exceed ten percent (10%) and is based on a twelve month moving average of such losses. This Fuel Adjustment Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.”

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

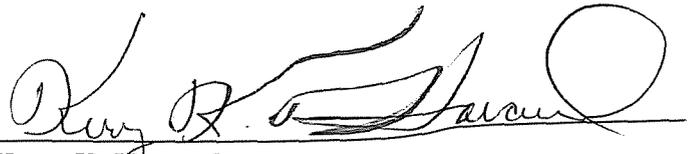
AN EXAMINATION BY THE PUBLIC )  
SERVICE COMMISSION OF THE )  
APPLICATION OF THE FUEL ADJUST- )  
MENT CLAUSE OF LICKING VALLEY ) CASE NUMBER 2006-005 20  
RURAL ELECTRIC COOPERATIVE )  
CORPORATION FROM NOVEMBER )  
01, 2004 THROUGH OCTOBER 31, 2006. )

SUPPLEMENTAL DATA REQUEST

AFFIDAVIT

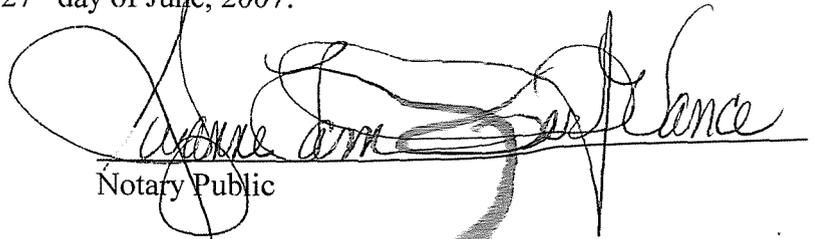
The affiant, Kerry K. Howard, General Manager/CEO of Licking Valley Rural Electric Cooperative Corporation, West Liberty, Kentucky, states that, Licking Valley Rural Electric Cooperative Corporation's response to the Supplemental Data Request is true and accurate to the best of my knowledge.

Witness my hand this 27<sup>th</sup> day of June, 2007.



Kerry K. Howard  
General Manager/CEO

Subscribed and sworn before me this 27<sup>th</sup> day of June, 2007.



Notary Public

My Commission Expires: May 29, 2008.



TESTIMONY OF WITNESSES

Exhibit 4. Kerry Howard

Updated Exhibit 5. Kerry Howard

Updated Exhibit 6. Kerry Howard

Updated Exhibit 7. Kerry Howard

Exhibit 9. Kerry Howard