



**Big Sandy Rural Electric
Cooperative Corporation**

504 11th Street
Paintsville, Kentucky 41240-1422
(606) 789-4095 • Fax (606) 789-5454
Toll Free (888) 789-RECC (7322)

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FEB 14 2013

PUBLIC SERVICE
COMMISSION

February 11, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

RE: Public Service Commission Case No. 2012-00486

Dear Mr. Derouen:

Please find enclosed the original and 5 copies of Big Sandy Rural Electric Cooperative Corporation's responses as requested in Case No. 2012-00486, Commission Staff's Amended Second Request for Information to East Kentucky Power Cooperative, Inc.'s Sixteen Member Distribution Cooperatives dated January 24, 2013. Billy Frasure, CPA will be the witness responsible for responding to the questions related to the information provided.

If you should need any additional information, please do not hesitate to contact me.

Thank you,

A handwritten signature in black ink, appearing to read "David Estep", written over a horizontal line.

David Estep
President & General Manager

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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FEB 14 2013

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) CASE NO.
TWO-YEAR BILLING PERIOD ENDING) 2012-00486
JUNE 30, 2011 FOR THE SIX-MONTH BILLING)
PERIODS ENDING DECEMBER 31, 2011 AND)
JUNE 30, 2012, AND THE PASS-THROUGH)
MECHANISM FOR ITS SIXTEEN MEMBER)
DISTRIBUTION COOPERATIVES)

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION RESPONSES TO
COMMISSION STAFF'S AMENDED SECOND REQUEST FOR INFORMATION TO
EAST KENTUCKY POWER COOPERATIVE, INC.'S
SIXTEEN MEMBER DISTRIBUTION COOPERATIVES

1. Each member cooperative should refer to EKPC's responses to Commission Staff's First Request for Information, Item 2, and respond to the following:

a. Have you experienced any problems in administering the refund of any over-recovery or collection of any under-recovery of environmental surcharge costs?

Response: No.

b. Do you recommend any changes from the current method of refunding/collecting any over- or under-recovery of environmental surcharge costs over a six month time period?

If so, what is the time period you believe is appropriate?

**Response: No. Big Sandy prefers to continue the current
six-month time period.**

c. Describe the benefits, if any, of allowing the refund/collection of any over- or under-recovery of environmental surcharge costs to be spread over a time period different from the current six-month recovery period.

Response: Based on Big Sandy's actual average residential customer's kWh usage calculations, spread over the current six-month recovery period versus a twelve-month recovery period, no major benefit can be projected. Please see the response to Request 2.

d. Describe the negative effects, if any, of allowing the refund/collection of over- or under-recovery of environmental surcharge costs to be spread over a time period different from the current six-month period.

Response: None.

2. Provide the member cooperative's actual average residential customer's monthly kWh usage. Based on this usage amount, provide the dollar impact any over- or under-recovery will have on the average residential customer's bill for a recovery period of six months and a recovery period of 12 months.

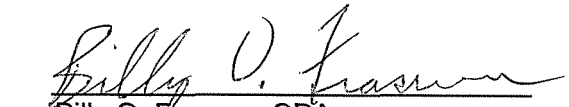
Response: Big Sandy's actual average residential customer's kWh usage on a rolling twelve-month average is 1,191 kWh/month.

Based on this usage amount, the dollar impact any over- or under- recovery will have on the average residential customer's bill for a recovery period of six months is \$13.21/month and for a recovery period of twelve months is \$11.95/month, for a difference of \$1.26/month.

CERTIFICATE

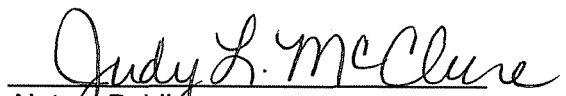
STATE OF KENTUCKY)
COUNTY OF JOHNSON)

Billy O. Frasure, CPA, being duly sworn, states that he has supervised the preparation of the responses of Big Sandy RECC to the Public Service Commission Staff's Amended Second Request for information in the above-referenced Case No. 2012-00486 dated January 24, 2013 and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Billy O. Frasure, CPA

Subscribed and sworn before me on this 11th day of February, 2013



Notary Public

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