



Allen Anderson, President & CEO

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JUN 11 2013

PUBLIC SERVICE  
COMMISSION

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[www.skrecc.com](http://www.skrecc.com)

June 10, 2013

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

Dear Mr. Derouen:

RE: PSC Case No. 2013-00140

Please find enclosed an original and five copies of the response to the Six Month Examination of Environmental Surcharge.

If additional information is needed, please advise.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jeffrey C. Greer', is written over the typed name and title.

Jeffrey C. Greer  
Regulatory Affairs Coordinator

JG: jb

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

AN EXAMINATION BY THE PUBLIC SERVICE	)	
COMMISSION OF THE ENVIROMENTAL	)	
SURCHARGE MECHANISM OF EAST KENTUCKY	)	
POWER COOPERATIVE, INC. FOR THE SIX	)	CASE NO.
MONTH BILLING PERIOD ENDING	)	2013-00140
DECEMBER 31, 2012 AND THE PASS THROUGH	)	
MECHANISM FOR ITS SIXTEEN MEMBER	)	
DISTRIBUTION COOPERATIVES	)	

RESPONSES TO COMMISSION STAFF'S FIRST DATA REQUEST  
INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC.'S SIXTEEN MEMBER  
DISTRIBUTIVE COOPERATIVES

MAY 14, 2013

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:


AN EXAMINATION BY THE PUBLIC SERVICE	)	
COMMISSION OF THE ENVIROMENTAL	)	
SURCHARGE MECHANISM OF EAST KENTUCKY	)	
POWER COOPERATIVE, INC. FOR THE SIX	)	CASE NO.
MONTH BILLING PERIOD ENDING	)	2013-00140
DECEMBER 31, 2012 AND THE PASS THROUGH	)	
MECHANISM FOR ITS SIXTEEN MEMBER	)	
DISTRIBUTION COOPERATIVES	)	

CERTIFICATE

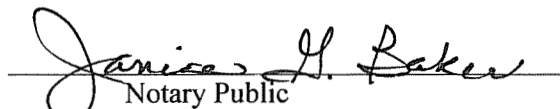
STATE OF KENTUCKY

COUNTY OF PULASKI

Jeff Greer, being duly sworn, states that he has supervised the preparation of the Responses of South Kentucky RECC to the Public Service Commission Staff's First Data Request for Information contained in the above-referenced case dated May 14, 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.

  
\_\_\_\_\_

Subscribed and sworn before me on the 10 day of June, 2013.

  
\_\_\_\_\_  
Notary Public

My commission expires 12-2-2013.

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE

PSC CASE NO. 2013-00140

ENVIRONMENTAL SURCHARGE MECHANISM

RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S FIRST DATA REQUEST FOR INFORMATION DATED MAY 14, 2013

**Request 1.** For your particular distribution cooperative, provide the actual average residential customer's monthly usage. Based on this usage amount, provide the dollar impact 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:** See attached Exhibit A

**South Kentucky RECC**  
 Impact of 6 Month Recovery  
 on Average Residential Customer's Bill

Average Residential Account:	<b>Actual</b>	
	<u>Rate</u>	<u>Bill Amount</u>
Consumer Charge	\$12.82	\$12.82
kWh Charge	\$0.08543	
kWh Average Monthly Usage	1,002	\$85.60
Fuel Adjustment	-\$0.00233	-\$2.33
		\$96.09
*Environmental Monthly Charge	<b>10.63%</b>	\$106.30
School Tax	3.00%	\$3.19
<b>Total Monthly Bill</b>		<b>\$109.49</b>

\*Based on page 3 of 5 Rate

Average Residential Account:	<b>6 Month Recovery</b>	
	<u>Rate</u>	<u>Bill Amount</u>
Consumer Charge	\$12.82	\$12.82
kWh Charge	\$0.08543	
kWh Average Monthly Usage	1,002	\$85.60
Fuel Adjustment	-\$0.00233	-\$2.33
		\$96.09
*Environmental Monthly Charge	<b>10.93%</b>	\$106.59
School Tax	3.00%	\$3.20
<b>Total Monthly Bill</b>		<b>\$109.79</b>
	<b>Impact</b>	<b>\$0.30</b>

\*Based on page 4 of 5 Rate  
 Recovery  $\$169,367/6 = \$28,228$

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
 Pass Through Mechanism Report for South Kentucky RECC

For the Month Ending April 2013

	(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 South Kentucky	On-peak Revenue Adjustment	EKPC Net Monthly Sales to South Kentucky	EKPC 12-months Ended Average Monthly Revenue from Sales to South Kentucky	South Kentucky Revenue Requirement	Amortization of (Over)/Under Recovery	South Kentucky Net Revenue Requirement	South Kentucky Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	South Kentucky Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	South Kentucky 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)
May-11	14.35%	0.00%	14.35%	\$ 5,532,809		\$ 5,532,809	\$ 6,836,514	\$ 981,040	\$ -	\$ 981,040	\$ 7,105,162		\$ 7,105,162	\$ 9,307,601	10.57%
Jun-11	13.99%	0.00%	13.99%	\$ 6,650,822		\$ 6,650,822	\$ 6,851,445	\$ 958,517	\$ -	\$ 958,517	\$ 8,193,889		\$ 8,193,889	\$ 9,391,061	10.30%
Jul-11	13.15%	0.00%	13.15%	\$ 7,521,390		\$ 7,521,390	\$ 6,882,902	\$ 905,102	\$ 260,165	\$ 1,165,267	\$ 7,879,013		\$ 7,879,013	\$ 9,330,094	12.41%
Aug-11	11.28%	0.00%	11.28%	\$ 7,355,117		\$ 7,355,117	\$ 6,899,642	\$ 778,280	\$ 260,165	\$ 1,038,445	\$ 10,270,581		\$ 10,270,581	\$ 9,368,585	11.13%
Sep-11	12.01%	0.00%	12.01%	\$ 5,845,122		\$ 5,845,122	\$ 6,915,662	\$ 830,571	\$ 260,165	\$ 1,090,736	\$ 9,536,854		\$ 9,536,854	\$ 9,352,003	11.64%
Oct-11	14.85%	0.00%	14.85%	\$ 5,673,946		\$ 5,673,946	\$ 7,006,173	\$ 1,040,417	\$ 260,165	\$ 1,300,582	\$ 7,318,628		\$ 7,318,628	\$ 9,351,070	13.91%
Nov-11	15.11%	0.00%	15.11%	\$ 6,632,354		\$ 6,632,354	\$ 7,099,874	\$ 1,072,791	\$ 260,165	\$ 1,332,956	\$ 8,039,947		\$ 8,039,947	\$ 9,404,788	14.25%
Dec-11	14.21%	0.00%	14.21%	\$ 7,829,382		\$ 7,829,382	\$ 6,933,485	\$ 985,248	\$ 260,165	\$ 1,245,413	\$ 9,438,041		\$ 9,438,041	\$ 9,402,480	13.24%
Jan-12	12.09%	0.00%	12.09%	\$ 8,445,069		\$ 8,445,069	\$ 6,786,606	\$ 820,501	\$ -	\$ 820,501	\$ 11,260,653		\$ 11,260,653	\$ 9,288,986	8.73%
Feb-12	10.78%	0.00%	10.78%	\$ 7,494,679		\$ 7,494,679	\$ 6,735,803	\$ 726,120	\$ -	\$ 726,120	\$ 10,885,650		\$ 10,885,650	\$ 9,064,730	7.82%
Mar-12	12.92%	0.00%	12.92%	\$ 5,833,422		\$ 5,833,422	\$ 6,683,282	\$ 863,480	\$ -	\$ 863,480	\$ 9,070,418		\$ 9,070,418	\$ 8,986,989	9.53%
Apr-12	14.94%	0.00%	14.94%	\$ 5,039,236		\$ 5,039,236	\$ 6,654,446	\$ 994,174	\$ -	\$ 994,174	\$ 7,707,437		\$ 7,707,437	\$ 8,892,189	11.06%
May-12	16.90%	0.00%	16.90%	\$ 5,774,776		\$ 5,774,776	\$ 6,674,610	\$ 1,128,009	\$ -	\$ 1,128,009	\$ 7,695,942		\$ 7,695,942	\$ 8,941,421	12.69%
Jun-12	15.55%	0.00%	15.55%	\$ 6,377,242		\$ 6,377,242	\$ 6,651,811	\$ 1,034,357	\$ -	\$ 1,034,357	\$ 8,221,562		\$ 8,221,562	\$ 8,943,727	11.57%
Jul-12	14.51%	0.00%	14.51%	\$ 7,269,717		\$ 7,269,717	\$ 6,630,839	\$ 962,135	\$ -	\$ 962,135	\$ 9,657,844		\$ 9,657,844	\$ 9,091,963	10.76%
Aug-12	14.13%	0.00%	14.13%	\$ 6,554,562		\$ 6,554,562	\$ 6,564,126	\$ 927,511	\$ -	\$ 927,511	\$ 9,929,869		\$ 9,929,869	\$ 9,063,570	10.20%
Sep-12	16.23%	0.00%	16.23%	\$ 5,681,667		\$ 5,681,667	\$ 6,550,504	\$ 1,063,147	\$ -	\$ 1,063,147	\$ 8,915,852		\$ 8,915,852	\$ 9,011,820	11.73%
Oct-12	17.57%	0.00%	17.57%	\$ 5,651,327		\$ 5,651,327	\$ 6,548,619	\$ 1,150,592	\$ -	\$ 1,150,592	\$ 7,396,071		\$ 7,396,071	\$ 9,018,274	12.77%
Nov-12	18.23%	0.00%	18.23%	\$ 7,240,850		\$ 7,240,850	\$ 6,599,327	\$ 1,203,057	\$ -	\$ 1,203,057	\$ 8,801,431		\$ 8,801,431	\$ 9,081,731	13.34%
Dec-12	14.61%	0.00%	14.61%	\$ 7,914,412		\$ 7,914,412	\$ 6,606,413	\$ 965,197	\$ -	\$ 965,197	\$ 9,605,115		\$ 9,605,115	\$ 9,095,654	10.63%
Jan-13	13.49%	0.00%	13.49%	\$ 8,687,605		\$ 8,687,605	\$ 6,626,625	\$ 893,932	\$ -	\$ 893,932	\$ 11,917,064		\$ 11,917,064	\$ 9,150,355	9.83%
Feb-13	12.61%	0.00%	12.61%	\$ 7,993,024		\$ 7,993,024	\$ 6,668,153	\$ 840,854	\$ -	\$ 840,854	\$ 12,507,964		\$ 12,507,964	\$ 9,285,547	9.19%
Mar-13	14.37%	0.00%	14.37%	\$ 8,229,515		\$ 8,229,515	\$ 6,867,828	\$ 986,907	\$ -	\$ 986,907	\$ 10,651,391		\$ 10,651,391	\$ 9,417,295	10.63%
Apr-13	14.27%	0.00%	14.27%	\$ 5,856,204		\$ 5,856,204	\$ 6,935,908	\$ 989,754	\$ -	\$ 989,754					10.51%

Notes:  
 South Kentucky 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.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
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For the Month Ending April 2013

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<b>South Kentucky RECC - Calculation of (Over)/Under</b>
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	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-12	\$ 1,130,920	\$ 1,225,637	\$ (94,717)	\$ (94,717)
Aug-12	\$ 951,065	\$ 1,148,986	\$ (197,921)	\$ (292,639)
Sep-12	\$ 802,819	\$ 959,478	\$ (156,659)	\$ (449,298)
Oct-12	\$ 917,209	\$ 754,425	\$ 162,784	\$ (286,514)
Nov-12	\$ 1,272,217	\$ 1,032,502	\$ 239,715	\$ (46,799)
Dec-12	\$ 1,442,801	\$ 1,226,635	\$ 216,166	\$ 169,367
Jan-13	\$ 1,269,258	\$ 1,589,913	\$ (320,655)	\$ (151,288)
Feb-13	\$ 1,078,259	\$ 1,329,661	\$ (251,402)	\$ (402,690)

Cumulative 6-months (Over)/Under Recovery	\$ 169,367
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Monthly Recovery (per month for six months)	\$ 28,228
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