

OWEN *Electric*

A Touchstone Energy Cooperative



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PUBLIC SERVICE
COMMISSION

**Case No.
2014-00051**

**INFORMATION REQUEST OF THE PUBLIC
SERVICE COMMISSION FROM THE INFORMAL
CONFERENCE HELD 9/4/14**

OWEN ELECTRIC COOPERATIVE, INC.

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Owenton, KY 40359

502-484-3471

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September 30, 2014

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

RE: PSC Case No. 2014-00051

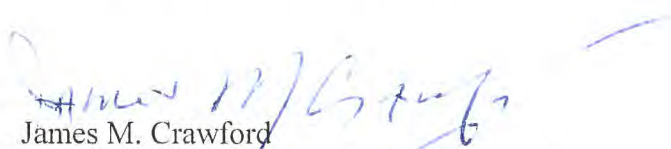
Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and five copies of the responses of Owen Electric Cooperative, Inc. to the Commission Staff's Information Request Based on Discussions from the September 4, 2014 Informal Conference of East Kentucky Power Cooperative, Inc. and its Sixteen Member Distribution Cooperatives.

Please contact me with any questions.

Respectfully yours,

CRAWFORD & BAXTER, P.S.C.


James M. Crawford
Attorney for Owen Electric Cooperative, Inc.

cc: Parties of Record

OWEN ELECTRIC COOPERATIVE, INC.

PSC CASE NO. 2014-00051

ENVIRONMENTAL SURCHARGE MECHANISM

RESPONSE TO INFORMATION REQUEST

**COMMISSION STAFF'S REQUEST FOR INFORMATION TO EAST KENTUCKY
POWER COOPERATIVE, INC. AND EACH OF ITS SIXTEEN MEMBER
COOPERATIVES BASED ON DISCUSSIONS FROM THE INFORMAL CONFERENCE
HELD ON 09/04/2014**

REQUEST 1

RESPONSIBLE PARTY: Ann F. Wood

Request 1: Based upon discussions held at the Informal Conference dated September 4, 2014, provide the alternative over/under calculation for the current review period.

Response 1: The alternative calculation of Owen Electric's total over-recovery (which removes the amortization from Case Nos. 2012-00486 and 2013-00140) is provided on page 2 of this response. Please note that in its response to Commission Staff's First Request for Information, filed April 4, 2014, Owen Electric requested that a twelve-month amortization be considered. However, Owen Electric supports a six-month amortization if the Commission approves the alternative calculation. Owen Electric reiterates its preference for the alternative calculation provided on page 2 and respectfully requests the Commission to approve this methodology in this case and in future cases.

Owen Electric Cooperative - Calculation of (Over)/Under - Gallatin

Gallatin Bill				
Mo/Yr	EKPC Invoice Month recorded on Member's Books (1)	Billed to Retail Consumer & recorded on Member's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)
Jul-13	\$ 594,450	\$ 594,450	\$ -	\$ -
Aug-13	\$ 582,148	\$ 582,148	\$ -	\$ -
Sep-13	\$ 480,526	\$ 480,526	\$ -	\$ -
Oct-13	\$ 433,252	\$ 433,252	\$ -	\$ -
Nov-13	\$ 569,315	\$ 569,315	\$ -	\$ -
Dec-13	\$ 609,310	\$ 609,310	\$ -	\$ -
Jan-14	\$ 484,733	\$ 484,733	\$ -	\$ -
Feb-14	\$ 340,150	\$ 340,150	\$ -	\$ -

Cumulative 6-months (Over)/Under Recovery \$ -

Monthly Recovery (per month for twelve months) \$ -

Owen Electric Cooperative - Calculation of (Over)/Under - Sch B

B				
Mo/Yr	EKPC Invoice Month recorded on Member's Books (1)	Billed to Retail Consumer & recorded on Member's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)
Jul-13	\$ 176,165	\$ 176,165	\$ -	\$ -
Aug-13	\$ 153,813	\$ 153,813	\$ -	\$ -
Sep-13	\$ 142,241	\$ 142,241	\$ -	\$ -
Oct-13	\$ 131,785	\$ 131,785	\$ -	\$ -
Nov-13	\$ 146,758	\$ 146,758	\$ -	\$ -
Dec-13	\$ 165,180	\$ 165,180	\$ -	\$ -
Jan-14	\$ 142,556	\$ 142,556	\$ -	\$ -
Feb-14	\$ 113,157	\$ 113,157	\$ -	\$ -

Cumulative 6-months (Over)/Under Recovery \$ -

Monthly Recovery (per month for twelve months) \$ -

Please see Owen's response to Request 2(b), which includes an explanation supporting the use of a 12-month amortization period for the over-recovery.

Owen Electric Cooperative - Calculation of (Over)/Under - All Others

E										Owen Total (Over)/Under
Mo/Yr	EKPC Invoice Month recorded on Member's Books (1)	Amortization of Previous (Over)/Under Recoveries		Net EKPC Invoice and Amortization of Previous (Over)/Under Recoveries (4)	Billed to Retail Consumer & recorded on Member's Books (5)	Monthly (Over) or Under (6)	Cumulative (Over) or Under (7)			
		CN 2012-00486 (2)	CN 2013-00140 (3)							
Jul-13	\$ 1,030,973			\$ 1,030,973	\$ 1,154,057	\$ (123,084)	\$ (123,084)		\$ (123,084)	\$ (123,084)
Aug-13	\$ 957,932			\$ 957,932	\$ 940,554	\$ 17,378	\$ (105,706)		\$ (105,706)	\$ (105,706)
Sep-13	\$ 818,365	\$ 402,898		\$ 1,221,263	\$ 1,311,869	\$ (90,606)	\$ (196,312)		\$ (196,312)	\$ (196,312)
Oct-13	\$ 657,050	\$ 402,898	\$ (8,623)	\$ 1,051,325	\$ 1,074,091	\$ (22,766)	\$ (219,079)		\$ (219,079)	\$ (219,079)
Nov-13	\$ 878,717	\$ 402,898	\$ (8,623)	\$ 1,272,992	\$ 1,132,304	\$ 140,688	\$ (78,391)		\$ (78,391)	\$ (78,391)
Dec-13	\$ 1,130,138	\$ 402,898	\$ (8,623)	\$ 1,524,413	\$ 1,615,099	\$ (90,686)	\$ (169,077)		\$ (169,077)	\$ (169,077)
Jan-14	\$ 1,146,577	\$ 402,898	\$ (8,623)	\$ 1,540,852	\$ 1,799,696	\$ (258,844)	\$ (427,920)		\$ (427,920)	\$ (427,920)
Feb-14	\$ 743,229	\$ 402,898	\$ (8,623)	\$ 1,137,504	\$ 1,566,615	\$ (429,111)	\$ (857,031)		\$ (857,031)	\$ (857,031)

Cumulative 6-months (Over)/Under Recovery \$ (169,077) \$ (169,077)

Monthly Recovery (per month for twelve months) \$ (14,090) \$ (14,090)

If 6 Months \$ (28,179) \$ (28,179)

Response to Staff's First Request, Request 2a:		
Cumulative 6-months (Over)/Under Recovery		(\$1,754,800)
Monthly Recovery (per month for twelve months)		(\$146,233)