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January 5, 2015

Mr. Jeff Derouen
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED

JAN 07 2015

PUBLIC SERVICE
COMMISSION

Re: Case No. 2014-00051

Dear Mr. Derouen:

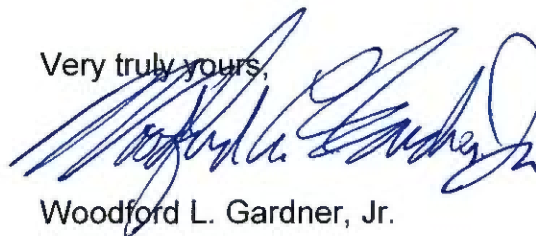
Enclosed for filing is the original and six (6) copies of the response to Commission Staff's Post-Hearing Request for Information, regarding the Examination of the Environmental Surcharge Mechanism of East Kentucky Power Cooperative, Inc. and the Pass Through Mechanism for its Sixteen Member Distribution Cooperative.

The applicant, Farmers Rural Electric Cooperative Corporation ("Farmers"), makes the following response as follows:

1. The witness who is prepared to answer questions concerning the request is William T. Prather.
2. William T. Prather, President & CEO of Farmers, is the person supervising the preparation of the responses on behalf of the applicant.
3. The responses and exhibit are attached hereto and incorporated by referenced herein.

Thank you for your assistance.

Very truly yours,



Woodford L. Gardner, Jr.
Attorney for Applicant

Enclosures

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

JAN 07 2015

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)
SIX-MONTH BILLING PERIOD ENDING DECEMBER 31, 2013)
AND THE PASS THROUGH MECHANISM FOR ITS)
SIXTEEN MEMBER DISTRIBUTION COOPERATIVES)

CASE NO.
2014-00051

CERTIFICATE

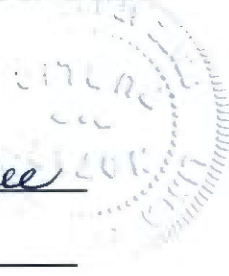
William T. Prather, being duly sworn, states that he has supervised the preparation of the response of Farmers Rural Electric Cooperative Corporation to the Public Service Commission Staff's Post-Hearing Request for Information in regards to East Kentucky Power Cooperative, Inc.'s Sixteen Member Distribution Cooperatives in the above-referenced case, 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.

William T. Prather

COMMONWEALTH OF KENTUCKY)
COUNTY OF BARREN)

Subscribed and sworn to before me by William T. Prather, President & CEO of Farmers Rural Electric Cooperative Corporation this 5th day of January, 2015.

Ainda Sue Loussee
Notary Public
ID: 446526



My Commission Expires: 07-30-2015

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2014-00051
RESPONSE TO COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION

Request 12.

This question is addressed to EKPC and all of the member distribution cooperatives. If the Commission approves the since inception methodology proposed by South Kentucky, does EKPC and each member distribution cooperative agree that the since inception methodology should be applied to calculate the over-/under-recovery amount for all of the member distribution cooperatives, for this proceeding only, and adopt the amortization exclusion methodology for future proceedings?

Response 12.

Farmers RECC agrees that the since inception methodology should be applied to calculate the over-/under-recovery amount for this proceeding only.

Also, Farmers supports adopting the amortization exclusion methodology for future proceedings.

Witness: William T. Prather

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2014-00051
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Request 13.

This question is for all of the member distribution cooperatives. Refer to South Kentucky's response to Staff's Fourth Request, Item 3.d., pages 6 – 13 of 17. Should the Commission elect to approve the since inception methodology in calculating the over/under balance at December 31, 2013, do the member distribution cooperatives agree with the information in Items 13.a. – 13.p. below? If not, provide the correct information along with supporting calculations in electronic format with all cells and formulas intact.

Request 13e.

Farmers Rural Electric Cooperative Corporation will have a net over recovery at December 31, 2013 of (\$199,796) [\$74,567 - \$274,363], with an average decrease in the residential bill of \$0.95 per month.

Response 13e.

The calculation for Farmers appears to be accurate, indicating that Farmers will have a net over recovery of (\$199,796) at December 31, 2013.

Witness: William T. Prather