



Shelby Energy
Cooperative

® A Touchstone Energy® Cooperative 

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SEP 30 2015

PUBLIC SERVICE
COMMISSION

September 29, 2015

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
P O Box 615
Frankfort, KY 40602-0615

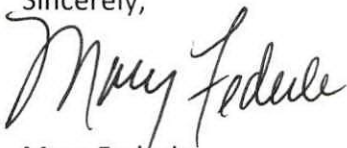
RE: Case No. 2015-00281

Dear Mr. Derouen:

Enclosed are an original and seven (7) copies of Shelby Energy Cooperative Inc.'s response to the commission staff's first request for information to East Kentucky Power Cooperative and each of its sixteen member cooperatives dated August 31, 2015. The information has been provided by email to all parties of record.

Should you have any questions or need further information, please let me know.

Sincerely,



Mary Federle
Billing Manager

Enclosures

www.shelbyenergy.com

620 Old Finchville Road • Shelbyville, Kentucky 40065-1714
Shelby Co. (502) 633-4420 • Fax: (502) 633-2387 • Trimble Co. (502) 255-3001 • 1-800-292-6585

This institution is an equal opportunity provider and employer.

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
CASE NO. 2015-00281

VERIFICATION

The undersigned, Mary E. Federle, Billing Manager of Shelby Energy Cooperative, Inc. certifies that the responses contained in this document are true and accurate to the best of her knowledge, information and belief formed after a reasonable inquiry.

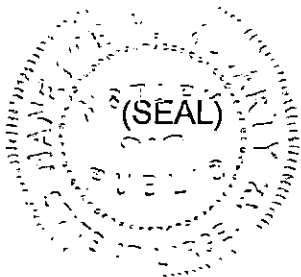


Mary E. Federle

COMMONWEALTH OF KENTUCKY

COUNTY OF SHELBY

Subscribed and sworn to before me by Mary E. Federle, Billing Manager of Shelby Energy Cooperative, Inc., to be her free act and deed this 29th day of September, 2015.





Notary Public STATE AT LARGE

My Commission Expires:

4/18/16

ID: 464181

Case No. 2015-00281

COMMONWEALTH OF KENTUCKY
BEFORE THE 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 PERIODS ENDING)	
JUNE 30, 2014 AND DECEMBER 31, 2014,)	
TWO-YEAR BILLING PERIOD ENDING)	CASE NO
JUNE 30, 2015, AND THE PASS THROUGH)	2015-00281
MECHANISM FOR ITS SIXTEEN MEMBER)	
DISTRIBUTION COOPERATIVES)	

RESPONSE OF SHELBY ENERGY COOPERATIVE, INC. TO COMMISSION
STAFF'S FIRST REQUEST FOR INFORMATION TO EAST KENTUCKY
POWER COOPERATIVE, INC. AND EACH OF ITS SIXTEEN
MEMBER COOPERATIVES

DATED: SEPTEMBER 29, 2015

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2015-00281**

Question:

8. This question is addressed to each of the 16 Member Cooperatives. For your particular distribution cooperative, provide the actual average residential customer's monthly usage for the 12 months ending May 31, 2015. 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:

8. Using billing data ending May 2015, the average monthly residential usage is 1423 kWh resulting in an average residential monthly bill of \$150.95 when no over-or under-recovery amount is included. When the over- or under-recovery is included in the calculation for the same period of time, \$151.09 is the monthly bill. This results in a dollar impact of \$.14 to the customer. Please refer to Exhibit A for supporting calculations and documentation.

The over- or under-recovery used to determine the impact on the average residential customer's monthly bill has been determined using the traditional methodology used in previous surcharge reviews. However, Shelby Energy Cooperative (Shelby Energy) continues to believe that the methodology used to determine the over- or under-recovery needs revision and is working with the other EKPC Members to reach a consensus solution. Shelby Energy also supports the

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2015-00281**

proposal that a future informal conference with the Commission Staff be held to discuss this issue.

Witness: Mary E. Federle

Shelby Energy Coop - Calculation of (Over)/Under

	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-13	\$ 407,660	\$ 450,714	\$ (43,054)	\$ (43,054)
Aug-13	\$ 387,875	\$ 384,038	\$ 3,837	\$ (39,218)
Sep-13	\$ 335,874	\$ 316,359	\$ 19,515	\$ (19,703)
Oct-13	\$ 302,599	\$ 300,133	\$ 2,466	\$ (17,237)
Nov-13	\$ 397,201	\$ 374,304	\$ 22,897	\$ 5,661
Dec-13	\$ 487,131	\$ 457,802	\$ 29,329	\$ 34,990
Jan-14	\$ 489,209	\$ 483,642	\$ 5,567	\$ 5,567
Feb-14	\$ 326,107	\$ 393,414	\$ (67,307)	\$ (61,740)
Mar-14	\$ 149,055	\$ 202,212	\$ (53,157)	\$ (114,897)
Apr-14	\$ 251,815	\$ 197,559	\$ 54,256	\$ (60,641)
May-14	\$ 303,504	\$ 267,493	\$ 36,011	\$ (24,630)
Jun-14	\$ 403,556	\$ 371,165	\$ 32,391	\$ 7,761
Jul-14	\$ 410,048	\$ 395,106	\$ 14,942	\$ 22,703
Aug-14	\$ 390,899	\$ 376,115	\$ 14,784	\$ 37,487
Sep-14	\$ 302,625	\$ 306,138	\$ (3,513)	\$ 33,973
Oct-14	\$ 289,564	\$ 277,566	\$ 11,998	\$ 45,971
Nov-14	\$ 394,974	\$ 373,271	\$ 21,703	\$ 67,675
Dec-14	\$ 445,702	\$ 453,549	\$ (7,847)	\$ 59,828
Jan-15	\$ 413,326	\$ 518,923	\$ (105,597)	\$ (45,770)
Feb-15	\$ 414,122	\$ 457,361	\$ (43,239)	\$ (89,008)
Mar-15	\$ 288,464	\$ 331,883	\$ (43,419)	\$ (132,427)
Apr-15	\$ 203,489	\$ 233,339	\$ (29,850)	\$ (162,277)
May-15	\$ 282,628	\$ 223,199	\$ 59,429	\$ (102,848)
Jun-15	\$ 452,096	\$ 329,518	\$ 122,578	\$ 19,730
Jul-15	\$ 482,457	\$ 420,423	\$ 62,034	\$ 81,764
Aug-15	\$ 393,278	\$ -	\$ 393,278	\$ 475,042

Cumulative 18-months (Over)/Under Recovery \$ 19,730

Monthly Recovery (per month for six months) \$ 3,288

Total Net (Over)/Under Recovery for 2-Year Period \$ 54,720

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Shelby Energy Cooperative

Exhibit A
Page 2 of 4

For the Month Ending June 2015

	(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 Shelby	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Shelby	EKPC 12-months Ended Average Monthly Revenue from Sales to Shelby	Shelby Revenue Requirement	Amortization of (Over)/Under Recovery	Shelby Net Revenue Requirement	Shelby Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Shelby Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Shelby 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)
Jul-13	15.77%	0.00%	15.77%	\$ 2,385,367		\$ 2,385,367	\$ 2,421,153	\$ 381,816	\$ (30,009)	\$ 351,807	\$ 3,082,318		\$ 3,082,318	\$ 3,177,423	11.08%
Aug-13	15.49%	0.00%	15.49%	\$ 2,459,555		\$ 2,459,555	\$ 2,418,552	\$ 374,634	\$ (18,324)	\$ 356,310	\$ 3,366,360		\$ 3,366,360	\$ 3,171,252	11.21%
Sep-13	14.93%	0.00%	14.93%	\$ 2,170,116		\$ 2,170,116	\$ 2,417,624	\$ 360,951	\$ (18,324)	\$ 342,627	\$ 3,263,531		\$ 3,263,531	\$ 3,167,139	10.80%
Oct-13	16.69%	0.00%	16.69%	\$ 2,026,771		\$ 2,026,771	\$ 2,411,854	\$ 402,538	\$ (18,324)	\$ 384,214	\$ 2,833,897		\$ 2,833,897	\$ 3,176,542	12.13%
Nov-13	17.43%	0.00%	17.43%	\$ 2,379,872		\$ 2,379,872	\$ 2,408,886	\$ 419,869	\$ (18,324)	\$ 401,545	\$ 2,747,463		\$ 2,747,463	\$ 3,181,200	12.64%
Dec-13	14.54%	0.00%	14.54%	\$ 2,794,783		\$ 2,794,783	\$ 2,421,792	\$ 352,129	\$ (18,324)	\$ 333,805	\$ 3,193,519		\$ 3,193,519	\$ 3,199,505	10.49%
Jan-14	10.92%	0.00%	10.92%	\$ 3,364,558		\$ 3,364,558	\$ 2,467,248	\$ 269,423	\$ 11,685	\$ 281,108	\$ 3,675,557		\$ 3,675,557	\$ 3,223,558	8.79%
Feb-14	5.44%	0.00%	5.44%	\$ 2,986,330		\$ 2,986,330	\$ 2,497,956	\$ 135,889	\$ -	\$ 135,889	\$ 4,282,470		\$ 4,282,470	\$ 3,256,604	4.22%
Mar-14	11.62%	0.00%	11.62%	\$ 2,739,976		\$ 2,739,976	\$ 2,506,661	\$ 291,274	\$ (11,605)	\$ 279,669	\$ 4,157,604		\$ 4,157,604	\$ 3,290,016	8.59%
Apr-14	13.47%	0.00%	13.47%	\$ 2,167,068		\$ 2,167,068	\$ 2,508,532	\$ 337,899	\$ (11,605)	\$ 326,294	\$ 3,401,885		\$ 3,401,885	\$ 3,293,843	9.92%
May-14	15.84%	0.00%	15.84%	\$ 2,253,181		\$ 2,253,181	\$ 2,511,055	\$ 397,751	\$ (11,605)	\$ 386,146	\$ 2,764,273		\$ 2,764,273	\$ 3,290,695	11.72%
Jun-14	15.67%	0.00%	15.67%	\$ 2,548,258		\$ 2,548,258	\$ 2,522,986	\$ 395,352	\$ (11,605)	\$ 383,747	\$ 2,808,862		\$ 2,808,862	\$ 3,298,145	11.66%
Jul-14	14.38%	0.00%	14.38%	\$ 2,616,203		\$ 2,616,203	\$ 2,542,223	\$ 365,572	\$ (11,605)	\$ 353,967	\$ 3,343,967		\$ 3,343,967	\$ 3,319,949	10.73%
Aug-14	12.62%	0.00%	12.62%	\$ 2,719,966		\$ 2,719,966	\$ 2,563,924	\$ 323,567	\$ (11,605)	\$ 311,962	\$ 3,384,596		\$ 3,384,596	\$ 3,321,469	9.40%
Sep-14	13.53%	0.00%	13.53%	\$ 2,397,957		\$ 2,397,957	\$ 2,582,910	\$ 349,468	\$ -	\$ 349,468	\$ 3,402,021		\$ 3,402,021	\$ 3,333,010	10.52%
Oct-14	15.57%	0.00%	15.57%	\$ 2,140,163		\$ 2,140,163	\$ 2,592,360	\$ 403,630	\$ -	\$ 403,630	\$ 3,095,973		\$ 3,095,973	\$ 3,354,849	12.11%
Nov-14	16.95%	0.00%	16.95%	\$ 2,536,778		\$ 2,536,778	\$ 2,605,435	\$ 441,621	\$ -	\$ 441,621	\$ 2,952,706		\$ 2,952,706	\$ 3,371,953	13.16%
Dec-14	13.88%	0.00%	13.88%	\$ 2,629,514		\$ 2,629,514	\$ 2,591,663	\$ 359,723	\$ -	\$ 359,723	\$ 3,548,100		\$ 3,548,100	\$ 3,401,501	10.67%
Jan-15	13.67%	0.00%	13.67%	\$ 2,977,849		\$ 2,977,849	\$ 2,559,437	\$ 349,875	\$ -	\$ 349,875	\$ 3,745,006		\$ 3,745,006	\$ 3,407,289	10.29%
Feb-15	11.49%	0.00%	11.49%	\$ 3,029,412		\$ 3,029,412	\$ 2,563,027	\$ 294,492	\$ -	\$ 294,492	\$ 3,943,011		\$ 3,943,011	\$ 3,379,000	8.64%
Mar-15	10.90%	0.00%	10.90%	\$ 2,510,563		\$ 2,510,563	\$ 2,543,909	\$ 277,286	\$ -	\$ 277,286	\$ 4,286,098		\$ 4,286,098	\$ 3,389,708	8.21%
Apr-15	14.44%	0.00%	14.44%	\$ 1,866,869		\$ 1,866,869	\$ 2,518,893	\$ 363,728	\$ -	\$ 363,728	\$ 3,225,113		\$ 3,225,113	\$ 3,374,977	10.73%
May-15	18.09%	0.00%	18.09%	\$ 1,957,255		\$ 1,957,255	\$ 2,494,232	\$ 451,207	\$ -	\$ 451,207	\$ 2,700,216		\$ 2,700,216	\$ 3,369,639	13.37%
Jun-15	18.44%	0.00%	18.44%	\$ 2,499,139		\$ 2,499,139	\$ 2,490,139	\$ 459,182	\$ -	\$ 459,182	\$ 2,718,292		\$ 2,718,292	\$ 3,362,091	13.63%

Notes:
Shelby 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
Pass Through Mechanism Report for Shelby Energy Cooperative

Exhibit A
Page 3 of 4

For the Month Ending June 2015

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Notes:

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Actual Average Residential Monthly Bill

Average Monthly Residential kWh:		1,423
Residential Rate:		
Facility Charge	\$10.14	\$10.14
kWh Charge	\$0.08861	126.09
Fuel Adjustment Factor	(\$0.00489)	(6.96)
Surcharge (May, 2015)	13.37%	17.28
<i>** Refer to Exhibit A - Page 2 of 4</i>		
County Tax	3.00%	<u>\$4.40</u>
		\$150.95

Actual Average Residential Monthly Bill with Recovery

Average Monthly Residential kWh:		1,423
Residential Rate:		
Facility Charge	\$10.14	\$10.14
kWh Charge	\$0.08861	126.09
Fuel Adjustment Factor	(\$0.00489)	(6.96)
Surcharge (May, 2015)	13.47%	17.41
<i>** Refer to Exhibit A - Page 3 of 4</i>		
County Tax	3.00%	<u>\$4.40</u>
		\$151.09

Dollar Impact:	\$0.14
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