

RECEIVED

MAY -5 2016

Public Service Commission

May 3, 2016

Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2016-00144

Dear Executive Director:

Enclosed are the original and seven copies of the response of Cumberland Valley Electric as requested in Case No. 2016-00144. Each response includes the name of the witness and a signed certification of the person supervising the preparation. Excel spreadsheets are included with formulas intact and unprotected.

If you have any questions about this filing, please feel free to contact me.

Sincerely,

Robert Tolliver Office Manager

Kobert Tollwer

Enclosures

Phone: 606-528-2677 Fax: 606-523-2698

Phone:606-589-4421 • Fax: 606-589-5297

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

-	7		Ξ	V	Έ	D
---	---	--	---	---	---	---

ר מו	he Matter Of:		MAY 0 5 2016
	ne Matter Of.		FUBLIC SERVICE
	AN EXAMINATION BY THE PUBLIC SERVICE)	COMMISSION
	COMMISSION OF THE ENVIRONMENTAL)	
	SURCHARGE MECHANISM OF EAST KENTUCKY)	
	POWER COOPERATIVE, INC. FOR THE)	
	SIX MONTH BILLING PERIOD ENDING)	CASE NO. 2016-00144
	DECEMBER 31, 2015 AND THE PASS THROUGH)	
	MECHANISM FOR ITS SIXTEEN MEMBER)	
	DISRIBUTION COOPERATIVES	}	e e

<u>AFFIDAVIT</u>

STATE OF KENTUCKY)
)
COUNTY OF KNOX)

Robert D. Tolliver, being duly sworn, states he has read the foregoing prepared testimony and that he would respond in the same manner to the questions if so asked upon taking the stand, and that the matters and things set forth therein are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn before me on this 3rd day of May 2016

My Commission Expires 2-13-19

PSC Case No. 2016-00144 Response to Commission Staff's First Request for Information

Request No. 2

This question is addressed to EKPC and the Member Cooperatives. For each of the 16 member distribution cooperatives, prepare a summary schedule showing the distribution cooperative's pass-through revenue requirement for the months corresponding with the six-month review utilizing the revised methodology approved in Case No. 2015-00281. Include the two months subsequent to the billing period included in the applicable review period. Include a calculation of any additional over- or under-recovery amount the distribution cooperative believes needs to be recognized for the six-month review. Provide all supporting calculations and documentation in Excel spreadsheet format with formulas intact and unprotected and all rows and columns fully accessible.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for Information dated April 14, 2016.

Witness: Robert Tolliver

CUMBERLAND VALLEY ELECTRIC
PSC CASE NO. 2016-00144
RESPONSE TO COMMISSION'S REQUEST 7

Request No. 7

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 November 30, 2015. Based on this usage amount, provide the dollar impact of any over- or under-recovery will have on the average residential customer's monthly bill for the requested recovery period. Provide all supporting calculations and documentation in Excel spreadsheet format with formulas intact and unprotected and all rows and columns fully accessible.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for information dated April14, 2016 for the calculation of the review period's over- or under-recovery. Also note the small monthly recovery amount of \$126 produces zero impact on the average residential bill. The environmental surcharge percentage did not change with this small amount.

1,146

\$0.00

No Recovery

Average Monthly Residential Usage

12 Months Ending November 30, 2015

Energy@	0.08563	\$98.13
Customer Charge		.\$8.73
Fuel @	-0.0047393	(\$5.43)
Environmental Surcharge @	15.35%	\$15.57
Local School Tax @	3.00%	\$3.51
TOTAL BILL AMOUNT		\$120.51
*See Exhibit A Page 1 of 2		
Six-Month Recovery	•	•
Average Monthly Residential	Usage	1,146
12 Months Ending November	30, 2015	
Energy@	0.08563	\$98.13
Customer Charge		\$8.73
Fuel @	-0.0047393	(\$5.43)
Environmental Surcharge @	15.35%	\$15.57
Local School Tax @	3.00%	<u>\$3.51</u>
TOTAL BILL AMOUNT		\$120.51
*See Exhibit A Page 2 of 2		

Witness: Robert Tolliver

The Dollar Impact

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives Pass Through Mechanism Report for Cumberland Valley Electric

For the Month Ending March 2016

Contract of	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
				EKPC	On-peak	EKPC Net	EKPC 12-months	Cumberland	Amortization	Cumberland	Cumberland	On-Peak	Cumberland	12-months	Cumberland
				Monthly	Revenue	Monthly	Ended Average	Valley	of	Valley	Valley	Retail	Valley	ended	Valley
Surcharge				Revenues from	Adjustment	Sales	Monthly Revenue	Revenue	(Over)/Under	Net Revenue	Total	Revenue	Net Monthly	Avg. Retail	Pass
Factor				Sales to		to	from Sales to	Requirement	Recovery	Revenue	Monthly Retail	Adjustment	Retail	Revenues,	Through
Expense	EKPC	EKPC	EKPC	Cumberland		Cumberland	Cumberland			Requirement	Revenues		Revenues	Net	Mechanism
Month	CESF %	BESF %	MESF %	Valley		Valley	Valley								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)
Apr-14	13.47%	0.00%	13.47%	2,216,294		2,216,294	2,658,432	358,091	(19,814)	338,277	2,887,592		2,887,592	3,439,172	9.79%
May-14	15.84%	0.00%	15.84%			2,198,009	2,655,006	420,553	(19,814)	400,739	2,941,166		2,941,166	3,450,908	11.65%
Jun-14	15.67%	0.00%	15.67%			2,516,965	2,662,049	417,143	(19,814)	397,329	3,104,725		3,104,725	3,447,025	11.51%
Jul-14	14.38%	0.00%	14.38%	2.544.514		2,544,514	2,671,233	384,123	(19,814)	364,309	3,310,342		3,310,342	3,460,813	10.57%
Aug-14	12.62%	0.00%	12.62%	2,578,655		2,578,655	2,683,777	338,693	(19,814)	318,879	3,327,005		3,327,005	3,476,608	9.21%
Sep-14	13.53%	0.00%	13.53%	2,169,281		2,169,281	2,687,024	363,554	-	363,554	2,880,761		2,880,761	3,475,335	10.46%
Oct-14	15.57%	0.00%	15.57%	1,986,486		1,986,486	2,680,414	417,340	-1	417,340	2,856,333		2,856,333	3,489,777	12.01%
Nov-14	16.95%	0.00%	16.95%	2,875,985		2,875,985	2,695,556	456,897	-	456,897	3,814,308		3,814,308	3,545,003	13.09%
Dec-14	13.88%	0.00%	13.88%	2,935,469		2,935,469	2,679,636	371,934		371,934	3,607,210		3,607,210	3,504,984	10.49%
Jan-15	13.67%	0.00%	13.67%	3,429,110		3,429,110	2,630,781	359,628	-	359,628	4,385,055		4,385,055	3,442,713	10.26%
Feb-15	11.49%	0.00%	11.49%	3,593,190		3,593,190	2,669,233	306,695	-	306,695	4,838,912		4,838,912	3,481,800	8.91%
Mar-15	10.90%	0.00%	10.90%	2,688,858		2,688,858	2,644,401	288,240	-	288,240	3,417,243		3,417,243	3,447,554	8.28%
Apr-15	14.44%	0.00%	14.44%	1,801,957		1,801,957	2,609,873	376,866	-	376,866	2,768,696		2,768,696	3,437,646	10.93%
May-15	18.09%	0.00%	18.09%	1,846,198		1,846,198	2,580,556	466,823		466,823	2,560,102		2,560,102	3,405,891	13.58%
Jun-15	18.44%	0.00%	18.44%	2,351,355		2,351,355	2,566,755	473,310	-	473,310	2,904,423		2,904,423	3,389,199	13.90%
Jul-15	15.91%	0.00%	15.91%	2,476,143		2,476,143	2,561,057	407,464		407,464	3,434,852		3,434,852	3,399,575	12.02%
Aug-15	16.25%	0.00%	16.25%	2,286,077		2,286,077	2,536,676	412,210	51,284	463,494	3,098,157		3,098,157	3,380,504	13.63%
Sep-15	17.07%	0.00%	17.07%	2,035,131		2,035,131	2,525,497	431,102	51,284	482,386	2,748,815		2,748,815	3,369,509	14.27%
Oct-15	18.51%	0.00%	18.51%	1,903,972		1,903,972	2,518,620	466,197	51,284	517,481	2,658,192		2,658,192	3,352,997	15.36%
Nov-15	18.81%	0.00%	18.81%	2,217,995		2,217,995	2,463,788	463,439	51,284	514,723	2,946,593		2,946,593	3,280,687	15.35%
Dec-15	18.40%	0.00%	18.40%	2,338,046		2,338,046	2,414,003	444,176	51,284	495,460	3,054,138		3,054,138	3,234,598	15.10%
Jan-16	16.00%	0.00%	16.00%	3,205,061		3,205,061	2,395,332	383,253	51,284	434,537	4,266,702		4,266,702	3,224,735	13.43%
Feb-16	10.92%	0.00%	10.92%	2,725,508		2,725,508	2,323,025	253,674		253,674	3,759,898		3,759,898	3,134,818	7.87%
Mar-16	14.30%	0.00%	14.30%	2,071,720		2,071,720	2,271,597	324,838	15,822	340,660	3,070,381		3,070,381	3,105,912	10.87%

Notes: Cumberland Valley 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 Cumberland Valley Electric

For the Month Ending March 2016

SECOND !	(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 Cumberland Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Cumberland Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Cumberland Valley	Cumberland Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Cumberland Valley Net Revenue Revenue Requirement	Cumberland Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Cumberland Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cumberland Valley 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)
								(-)	4				001.(11)-001.(12)		1 COI (10) / COI (14)
Apr-14	13.47%	0.00%	13.47%	2,216,294		2,216,294	2,658,432	358,091	(19,814)	338,277	2,887,592		2,887,592	3,439,172	9.79%
May-14	15.84%	0.00%	15.84%	2,198,009		2,198,009	2,655,006	420,553	(19,814)	400,739	2,941,166		2,941,166	3,450,908	11.65%
Jun-14	15.67%	0.00%	15.67%	2,516,965		2,516,965	2,662,049	417,143	(19,814)	397,329	3,104,725		3,104,725	3,447,025	11.51%
Jul-14	14.38%	0.00%	14.38%	2,544,514		2,544,514	2,671,233	384,123	(19,814)	364,309	3,310,342		3,310,342	3,460,813	10.57%
Aug-14	12.62%	0.00%	12.62%	2,578,655		2,578,655	2,683,777	338,693	(19,814)	318,879	3,327,005		3,327,005	3,476,608	9.21%
Sep-14	13.53%	0.00%	13.53%	2,169,281		2,169,281	2,687,024	363,554		363,554	2,880,761		2,880,761	3,475,335	10.46%
Oct-14	15.57%	0.00%	15.57%	1,986,486		1,986,486	2,680,414	417,340	-	417,340	2,856,333		2,856,333	3,489,777	12.01%
Nov-14	16.95%	0.00%	16.95%	2,875,985		2,875,985	2,695,556	456,897	-	456,897	3,814,308		3,814,308	3,545,003	13.09%
Dec-14	13.88%	0.00%	13.88%	2,935,469		2,935,469	2,679,636	371,934		371,934	3,607,210		3,607,210	3,504,984	10.49%
Jan-15	13.67%	0.00%	13.67%	3,429,110		3,429,110	2,630,781	359,628	-	359,628	4,385,055		4,385,055	3,442,713	10.26%
Feb-15	11.49%	0.00%	11.49%	3,593,190		3,593,190	2,669,233	306,695		306,695	4,838,912		4,838,912	3,481,800	8.91%
Mar-15	10.90%	0.00%	10.90%	2,688,858		2,688,858	2,644,401	288,240		288,240	3,417,243		3,417,243	3,447,554	8.28%
Apr-15	14.44%	0.00%	14.44%	1,801,957		1,801,957	2,609,873	376,866		376,866	2,768,696		2,768,696	3,437,646	10.93%
May-15	18.09%	0.00%	18.09%	1,846,198		1,846,198	2,580,556	466,823	-	466,823	2,560,102		2,560,102	3,405,891	13.58%
Jun-15	18.44%	0.00%	18.44%	2,351,355		2,351,355	2,566,755	473,310		473,310	2,904,423		2,904,423	3,389,199	13.90%
Jul-15	15.91%	0.00%	15.91%	2,476,143		2,476,143	2,561,057	407,464	-	407,464	3,434,852		3,434,852	3,399,575	12.02%
Aug-15	16.25%	0.00%	16.25%	2,286,077		2,286,077	2,536,676	412,210	51,284	463,494	3,098,157		3,098,157	3,380,504	13.63%
Sep-15	17.07%	0.00%	17.07%	2,035,131		2,035,131	2,525,497	431,102	51,284	482,386	2,748,815		2,748,815	3,369,509	14.27%
Oct-15	18.51%	0.00%	18.51%	1,903,972		1,903,972	2,518,620	466,197	51,284	517,481	2,658,192		2,658,192	3,352,997	15.36%
Nov-15	18.81%	0.00%	18.81%	2,217,995		2,217,995	2,463,788	463,439	51,410	514,849	2,946,593		2,946,593	3,280,687	15.35%
Dec-15	18.40%	0.00%	18.40%	2,338,046		2,338,046	2,414,003	444,176	51,284	495,460	3,054,138		3,054,138	3,234,598	15.10%
Jan-16	16.00%	0.00%	16.00%	3,205,061		3,205,061	2,395,332	383,253	51,284	434,537	4,266,702		4,266,702	3,224,735	13.43%
Feb-16	10.92%	0.00%	10.92%	2,725,508		2,725,508	2,323,025	253,674	-	253,674	3,759,898		3,759,898	3,134,818	7.87%
Mar-16	14.30%	0.00%	14.30%	2,071,720		2,071,720	2,271,597	324,838	15,822	340,660	3,070,381		3,070,381	3,105,912	10.87%

Notes:
Cumberland Valley 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.