



LICKING VALLEY
RURAL ELECTRIC COOPERATIVE CORPORATION
P. O. Box 605 • 271 Main Street
West Liberty, KY 41472-0605
(606) 743-3179



May 3, 2016

Executive Director
Kentucky Public Service Commission
PO Box 615
Frankfort KY 40602-0615

RE: Case No. 2016-00144
Environmental Surcharge

RECEIVED
MAY 05 2016
PUBLIC SERVICE
COMMISSION

To Whom It May Concern:

Enclosed are seven (7) copies of Licking Valley Rural Electric Cooperative Corporation's response to the above referenced case number in the Commission Staff's First Request for Information dated April 14, 2016 in the above referenced case.

Kerry K. Howard is witness to all responses.

Sincerely,

Kerry K. Howard
General Manager/CEO
kkhoward@lvrecc.com
Fax – 606-743-7775

LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

PSC CASE NO. 2016-00144

RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

Request 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 documents in Excel spreadsheet format with formats 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.

7. This question is addressed to each of the 16 member distribution cooperatives. For your particular distribution cooperative, provide the actual average residential customer's monthly usage for the 12 months ended November 30, 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 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 for the calculation of the review period's over- or under-recovery

Actual Average Residential Bill:

12-Month Average Residential KWH usage as of November 30, 2015 1200

Energy @ 0.09355	112.26
Customer Charge	9.32
Fuel Adjustment @(-.00578)	-6.94
Environmental Surcharge @ .1138	13.05
Total	127.69

Energy @ 0.09355	112.26
Customer Charge	9.32
Fuel Adjustment @(-.00578)	-6.94
Environmental Surcharge @ .1102	12.63
Total	127.28

Dollar Impact on Average Residential Bill -0.41

Licking Valley RECC
PSC Case No. 2016-00144

Month	Year	Consumers	KWH Sold
December	2014	17378	27,030,981
January	2015	17369	27,706,890
February	2015	17371	29,569,063
March	2015	17290	18,637,787
April	2015	17290	16,044,965
May	2015	17280	18,052,701
June	2015	17301	18,838,458
July	2015	17358	21,754,011
August	2015	17350	19,447,544
September	2015	17324	15,042,275
October	2015	17308	16,945,912
November	2015	17328	20,411,081
Totals		207947	249,481,668
Averages		17329	20,790,139
Average Usage			1,200

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

For the Month Ending March 2016

	(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 Licking Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Licking Valley Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)	Col. (1) - Col. (2)	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%	\$ 1,225,450		\$ 1,225,450	\$ 1,491,228	\$ 200,868	\$ (117)	\$ 200,751	\$ 1,742,410		\$ 1,742,410	\$ 2,219,335	9.05%
May-14	15.84%	0.00%	15.84%	\$ 1,226,026		\$ 1,226,026	\$ 1,490,791	\$ 236,141	\$ (117)	\$ 236,024	\$ 1,989,424		\$ 1,989,424	\$ 2,231,610	10.63%
Jun-14	15.67%	0.00%	15.67%	\$ 1,411,065		\$ 1,411,065	\$ 1,497,182	\$ 234,608	\$ (117)	\$ 234,491	\$ 2,083,999		\$ 2,083,999	\$ 2,233,773	10.51%
Jul-14	14.38%	0.00%	14.38%	\$ 1,417,738		\$ 1,417,738	\$ 1,497,374	\$ 215,322	\$ (117)	\$ 215,205	\$ 2,129,194		\$ 2,129,194	\$ 2,225,327	9.63%
Aug-14	12.62%	0.00%	12.62%	\$ 1,419,203		\$ 1,419,203	\$ 1,503,441	\$ 189,734	\$ (117)	\$ 189,617	\$ 2,030,887		\$ 2,030,887	\$ 2,233,038	8.52%
Sep-14	13.53%	0.00%	13.53%	\$ 1,214,961		\$ 1,214,961	\$ 1,506,739	\$ 203,862	\$ -	\$ 203,862	\$ 1,668,566		\$ 1,668,566	\$ 2,237,314	9.13%
Oct-14	15.57%	0.00%	15.57%	\$ 1,104,948		\$ 1,104,948	\$ 1,503,149	\$ 234,040	\$ -	\$ 234,040	\$ 1,987,835		\$ 1,987,835	\$ 2,239,948	10.46%
Nov-14	16.95%	0.00%	16.95%	\$ 1,582,443		\$ 1,582,443	\$ 1,507,988	\$ 255,604	\$ -	\$ 255,604	\$ 2,551,853		\$ 2,551,853	\$ 2,250,852	11.41%
Dec-14	13.88%	0.00%	13.88%	\$ 1,631,248		\$ 1,631,248	\$ 1,497,394	\$ 207,838	\$ -	\$ 207,838	\$ 2,794,099		\$ 2,794,099	\$ 2,244,364	9.23%
Jan-15	13.67%	0.00%	13.67%	\$ 1,879,903		\$ 1,879,903	\$ 1,468,123	\$ 200,692	\$ -	\$ 200,692	\$ 2,748,085		\$ 2,748,085	\$ 2,197,651	8.94%
Feb-15	11.49%	0.00%	11.49%	\$ 1,994,259		\$ 1,994,259	\$ 1,483,176	\$ 170,417	\$ -	\$ 170,417	\$ 2,719,528		\$ 2,719,528	\$ 2,220,714	7.75%
Mar-15	10.90%	0.00%	10.90%	\$ 1,480,069		\$ 1,480,069	\$ 1,465,609	\$ 159,751	\$ -	\$ 159,751	\$ 1,896,768		\$ 1,896,768	\$ 2,195,221	7.19%
Apr-15	14.44%	0.00%	14.44%	\$ 998,760		\$ 998,760	\$ 1,446,719	\$ 208,906	\$ -	\$ 208,906	\$ 1,636,504		\$ 1,636,504	\$ 2,186,395	9.52%
May-15	18.09%	0.00%	18.09%	\$ 1,041,644		\$ 1,041,644	\$ 1,431,353	\$ 258,932	\$ -	\$ 258,932	\$ 1,733,361		\$ 1,733,361	\$ 2,165,057	11.84%
Jun-15	18.44%	0.00%	18.44%	\$ 1,260,035		\$ 1,260,035	\$ 1,418,768	\$ 261,621	\$ -	\$ 261,621	\$ 1,781,594		\$ 1,781,594	\$ 2,139,856	12.08%
Jul-15	15.91%	0.00%	15.91%	\$ 1,376,996		\$ 1,376,996	\$ 1,415,372	\$ 225,186	\$ -	\$ 225,186	\$ 2,180,772		\$ 2,180,772	\$ 2,144,154	10.52%
Aug-15	16.25%	0.00%	16.25%	\$ 1,280,555		\$ 1,280,555	\$ 1,403,818	\$ 228,120	\$ (15,564)	\$ 212,556	\$ 1,963,598		\$ 1,963,598	\$ 2,138,547	9.91%
Sep-15	17.07%	0.00%	17.07%	\$ 1,132,023		\$ 1,132,023	\$ 1,396,907	\$ 238,452	\$ (15,564)	\$ 222,888	\$ 1,554,710		\$ 1,554,710	\$ 2,129,059	10.42%
Oct-15	18.51%	0.00%	18.51%	\$ 1,054,697		\$ 1,054,697	\$ 1,392,719	\$ 257,792	\$ (23,182)	\$ 234,610	\$ 1,719,870		\$ 1,719,870	\$ 2,106,729	11.02%
Nov-15	18.81%	0.00%	18.81%	\$ 1,239,847		\$ 1,239,847	\$ 1,364,170	\$ 256,600	\$ (15,564)	\$ 241,036	\$ 1,996,306		\$ 1,996,306	\$ 2,060,433	11.44%
Dec-15	18.40%	0.00%	18.40%	\$ 1,324,005		\$ 1,324,005	\$ 1,338,566	\$ 246,296	\$ (15,564)	\$ 230,732	\$ 2,213,722		\$ 2,213,722	\$ 2,012,068	11.20%
Jan-16	16.00%	0.00%	16.00%	\$ 1,789,024		\$ 1,789,024	\$ 1,330,993	\$ 212,959	\$ (15,564)	\$ 197,395	\$ 2,869,722		\$ 2,869,722	\$ 2,022,205	9.81%
Feb-16	10.92%	0.00%	10.92%	\$ 1,508,313		\$ 1,508,313	\$ 1,290,497	\$ 140,922	\$ -	\$ 140,922	\$ 2,148,491		\$ 2,148,491	\$ 1,974,618	6.97%
Mar-16	14.30%	0.00%	14.30%	\$ 1,155,318		\$ 1,155,318	\$ 1,263,435	\$ 180,671	\$ (951)	\$ 179,720					9.10%

Notes:
 Licking 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 Licking Valley RECC

For the Month Ending March 2016

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Notes:
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Licking Valley RECC - Calculation of (Over)/Under Recovery					
Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2014-00051 (Over)/Under-Recovery				(\$93,387)
1b	From Case No. 2015-00281 (Over)/Under-Recovery				(\$5,705)
1c	Total Previous (Over)/Under-Recovery				(\$99,092)
2	Jul-15	\$253,917	\$263,461	(\$9,544)	(\$108,636)
3	Aug-15	\$203,736	\$206,505	(\$2,769)	(\$111,405)
4	Sep-15	\$183,954	\$154,111	\$29,843	(\$81,562)
5	Oct-15	\$180,036	\$179,214	\$822	(\$80,740)
6	Nov-15	\$229,495	\$227,187	\$2,308	(\$78,432)
7	Dec-15	\$249,046	\$253,157	(\$4,111)	(\$82,543)
Post Review	Jan-16	\$329,181	\$321,407	\$7,774	(\$74,769)
	Feb-16	\$241,331	\$210,758	\$30,573	(\$44,196)
Less/Adjustment for Order amounts remaining to be amortized at end of review period December 2015					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2014-00051 Recovery		\$93,387	(\$62,256)	\$31,131
8b	Case No. 2015-00281 Recovery		\$5,705	\$0	\$5,705
8c	Total Order amounts remaining - Over/(Under):				\$36,836
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations - Lines 7 & 8]				(\$45,707)
10	Monthly recovery (per month for six months)				(\$7,618)
Reconciliation:					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$99,092)
12	Previous Over/(Under)-Recovery Remaining to be Amortized, ending of Review Period				\$36,836
13	Total Amortization during Review Period				(\$62,256)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$45,707)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$16,549
16	Difference				(\$62,256)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2014-00051	Case No. 2015-00281
Jul-15	\$0	\$0
Aug-15	\$0	\$0
Sep-15	(\$15,564)	\$0
Oct-15	(\$15,564)	\$0
Nov-15	(\$15,564)	\$0
Dec-15	(\$15,564)	\$0
Totals	(\$62,256)	\$0