




Cumberland Valley Electric

A Touchstone Energy Cooperative 

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Public Service
Commission

December 12, 2016

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

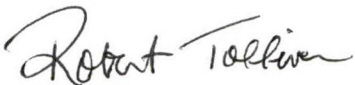
Re: PSC Case No. 2016-00335

Dear Executive Director:

Enclosed are the original and eight copies of the data response of Cumberland Valley Electric as requested in Commission Staff's Second Request For Information in Case No. 2016-00335. Each response includes the name of the witness and a signed certification of the person supervising the preparation.

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

Sincerely,



Robert Tolliver
Office Manager

Enclosures

MAIN OFFICE:

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DISTRICT OFFICE:

P.O. Box C • Cumberland, KY 40823

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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) CASE NO.
SIX-MONTH BILLING PERIOD ENDING JUNE 30, 2016) 2016-00335
AND THE PASS THROUGH MECHANISM FOR ITS)
SIXTEEN MEMBER DISTRIBUTION COOPERATIVES)

CERTIFICATE

Robert Tolliver, being duly sworn, states that he has supervised the preparation of the response of Cumberland Valley Electric, Inc. to the Public Service Commission Staff's Second Request for Information 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.



Robert Tolliver

COMMONWEALTH OF KENTUCKY)
COUNTY OF KNOX)

Subscribed and sworn to before me by Robert Tolliver, Office Manager of Cumberland Valley Electric, Inc. this 12 day of December, 2016.



Notary Public

ID: 505044

My Commission Expires: 4-11-2018

Cumberland Valley Electric
PSC Case No. 2016-00335
Response to Commission Staff's
Second Request for Information

Request No. 3

This item is addressed to each of the 16 Member Cooperatives.

- a. Provide the accounting methodology (i.e., cash or accrual) utilized by your particular Member Cooperative.

Response:

Cumberland Valley Electric's accounting methodology is accrual.

- b. Explain whether the accounting methodology utilized by your particular Member Cooperative could exacerbate the possible impact to cash flow and margins caused by volatility in the environmental surcharge.

Response:

Cumberland Valley Electric does not believe the accrual accounting method exacerbates cash flow or margins.

Witness: Robert Tolliver

Cumberland Valley Electric
PSC Case No. 2016-00335
Response to Commission Staff's
Second Request for Information

Request No. 4

This item is addressed to each of the 16 Member Cooperatives. For your particular Member Cooperative, provide the following information as it relates to the environmental surcharge calculated for EKPC's December 2015 expense month, as billed to the member Cooperatives in February 2016 for January 2016 usage:

- a. The month in which the Member Cooperative records the amount billed in February 2016 as an expense;

Response:

The bill received in February 2016 for the January 2016 usage is recorded as an expense in the month of January 2016.

- b. The month in which the retail customer's usage will be subject to the Member Cooperative's pass-through factor calculated from EKPC's December 2015 expense month;

Response:

The month would be February 2016.

- c. The month in which the Member Cooperative bills its retail customers the pass-through factor calculated from EKPC's December 2015 expense month;

Witness: Robert Tolliver

Cumberland Valley Electric
PSC Case No. 2016-00335
Response to Commission Staff's
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Response:

Cumberland Valley would bill in March 2016.

- d. The month in which the Member Cooperative records as revenue the amounts billed in the month indicated in part c above.

Response:

Revenue would be recorded in the month of February 2016.

Witness: Robert Tolliver