

APR 17 2017 PUBLIC SERVICE COMMISSION

April 13, 2017

Talina R. Matthews Executive Director Kentucky Public Service Commission P. O. Box 615 Frankfort, KY 40602

RE: Case No. 2017-0012 - Second Request for Information

Dear Ms. Matthews:

Enclosed is the original and seven copies of our responses to the Commission Staff's Second Request for Information.

Please let us know if you need further information.

Sincerely,

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Jennifer L. McRoberts Office Manager

Enclosures

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF FLEMING-MASON ENERGY COOPERATIVE, INC.) FROM NOVEMBER 1, 2014 THROUGH OCTOBER 31, 2016

CASE NO. 2017-00012

FLEMING-MASON ENERGY COOPERATIVE, INC.'S RESPONSE TO:

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO FLEMING-MASON ENERGY COOPERATIVE, INC.

The affiant, Joni K. Hazelrigg, President & CEO for Fleming-Mason Energy Cooperative, Inc., states that the responses presented in this filing are true and correct to the best of her knowledge and belief.

Jou K Hazelrigg

Subscribed and sworn to before me by the affiant, Joni K. Hazelrigg, this 13^{+1} day of <u>April</u>, 2017.

Immend McRobertz

Notary Public, State of Kentucky at Large

My Commission expires ____ 12/22/2018

State At Large, Kentucky Notary Public Jennifer L. McRoberts My Commission Expires 12/22/2018

REQUEST 1:

Refer to Fleming-Mason's response to Commission Staff's February 6, 2017 Request for Information, Item 5, page 43 of 43.

a. Confirm that International Paper is billed for electric service at East Kentucky Power Cooperative, Inc.'s ("EKPC") Rate Schedule G. If this cannot be confirmed, state the EKPC rate under which International Paper is billed.

RESPONSE: Fleming-Mason Energy confirms that electric service for International Paper is billed under EKPC's Rate Schedule G.

b. If the Commission requires a change in EKPC's base fuel rate, EKPC is proposing a Schedule G energy rate of \$.038467. Fleming-Mason is proposing an energy rate to International Paper of \$.04047, a difference of \$.002003 from the EKPC rate. State whether this difference represents the retail mark-up billed by Fleming-Mason which is added to the EKPC rate. If not, explain the difference.

RESPONSE: This difference does represent the retail mark-up billed by Fleming-Mason.

c. If the Commission requires a change in EKPC's base fuel rate, EKPC is proposing an International Paper steam energy rate of \$4.318/MMBtu. Fleming-Mason is proposing an International Paper steam energy rate of \$4.554/MMBtu. Explain the difference between Fleming-Mason's and EKPC's proposed steam energy rate.

RESPONSE: This was an error on Fleming-Mason's response in Item 5, page 43 of 43. International Paper steam energy rate should be \$4.318/MMBtu, the same as EKPC. Attached is a corrected Item 5, page 43 of 43.

FLEMING-MASON ENERGY COOPERATIVE, INC.

CHARGES UNDER SPECIAL CONTRACTS

International Paper - Electric

| Customer Charge | \$5,454.00 | |
|-----------------------|------------|-----|
| Demand Charge per KW | \$6.98 | |
| Energy Charge per kWh | \$0.04047 | (D) |

International Paper - Steam

| Demand Charge per MMBTU | \$577.15 | |
|-------------------------|----------|-----|
| Energy Charge per MMBTU | \$4.318 | (D) |

DATE OF ISSUE <u>June 16,2011</u> DATE EFFECTIVE <u>Service rendered on and after 6/1/11</u> ISSUED BY

President & Chief Executive Officer

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. <u>2010-00501</u> dated <u>May 31,2011</u>.