



RECEIVED

MAR 28 2017

Public Service
Commission

March 24, 2017

MS TALINA MATTHEWS
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
PO BOX 615
FRANKFORT KY 40602

RE: PSC CASE NO. 2017-00071

Dear Ms. Matthews:

Please find enclosed an original and eight (8) copies of Nolin RECC's responses in the above referenced case. Please return a file-stamped copy of this filing to our office. The information has been provided to all parties of record by e-mail.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Michael L. Miller". The signature is written in a cursive style.

Michael L. Miller
President & CEO

afc

Enclosures

Commonwealth of Kentucky
Before the Public Service Commission
Case No. 2017-00071

VERIFICATION

I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.

Cheryl G. Thomas

Cheryl G. Thomas, Vice President Office Services

State of Kentucky

County of Hardin

The foregoing was signed, acknowledged and sworn to before me by Cheryl Thomas, this 24th day of March, 2017.

Deborah J. Coffey
Notary Public

My Commission Expires:

August 29, 2020

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2017-00071
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 Member Cooperative's pass-through revenue requirement for the months corresponding with the six-month review. 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 the schedule and all supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for Information dated February 21, 2017.

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2017-00071
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

Request 6.

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, 2016. 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.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for Information dated February 21, 2017 for the calculation of the review period's over-or under- recovery. The impact on the average residential customer's monthly bill has been determined using the methodology used in previous surcharge reviews.

Actual Average Residential Bill:

<u>12-Month Average Residential KWH usage as of November 30, 2016</u>		1,202
Energy @	0.08598	\$ 103.35
Customer Charge		\$ 9.04
Fuel Adjustment @	(\$0.006742)	\$ (8.10)
Environmental Surcharge @	14.47%	\$ 15.09
Total		\$ 119.37

Recovery Period of Six Months

<u>12-Month Average Residential KWH usage as of November 30, 2016</u>		
Energy @	0.08598	\$ 103.35
Customer Charge		\$ 9.04
Fuel Adjustment @	(\$0.006742)	\$ (8.10)
Environmental Surcharge @	14.50%	\$ 15.12
Total		\$ 119.40
Dollar Impact on Average Residential Bill		\$ 0.03

Nolin Rural Electric Cooperative Corporation
PSC Case No. 2017-00071

<u>MONTH</u>	<u>YEAR</u>	<u>CONSUMERS</u>	<u>KWH SOLD</u>
December	2015	32,734	42,713,010
January	2016	32,868	59,422,576
February	2016	32,987	45,330,659
March	2016	32,862	33,557,411
April	2016	32,901	29,310,305
May	2016	32,977	31,713,479
June	2016	32,916	41,281,853
July	2016	32,978	45,028,379
August	2016	32,936	43,769,830
September	2016	32,958	35,815,331
October	2016	32,977	28,985,441
November	2016	<u>32,948</u>	<u>37,909,875</u>
Totals		395,042	474,838,149
Averages		32,920	39,569,846
Average Usage			1,202

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

For the Month Ending January 2017

	(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 Nolin	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Nolin	EKPC 12-months Ended Average Monthly Revenue from Sales to Nolin	Nolin Revenue Requirement	Amortization of (Over)/Under Recovery	Nolin Net Revenue Requirement	Nolin Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Nolin Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Nolin 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)
Feb-15	11.49%	0.00%	11.49%	\$ 5,240,879		\$ 5,240,879	\$ 4,224,645	\$ 485,412	\$ -	\$ 485,412	\$ 6,932,693		\$ 6,932,693	\$ 5,574,819	8.76%
Mar-15	10.90%	0.00%	10.90%	\$ 4,210,329		\$ 4,210,329	\$ 4,194,743	\$ 457,227	\$ -	\$ 457,227	\$ 4,977,851		\$ 4,977,851	\$ 5,529,316	8.20%
Apr-15	14.44%	0.00%	14.44%	\$ 2,830,770		\$ 2,830,770	\$ 4,143,202	\$ 598,278	\$ -	\$ 598,278	\$ 4,104,985		\$ 4,104,985	\$ 5,498,217	10.82%
May-15	18.09%	0.00%	18.09%	\$ 3,027,301		\$ 3,027,301	\$ 4,088,791	\$ 739,662	\$ -	\$ 739,662	\$ 4,269,280		\$ 4,269,280	\$ 5,448,396	13.45%
Jun-15	18.44%	0.00%	18.44%	\$ 3,846,754		\$ 3,846,754	\$ 4,063,290	\$ 749,271	\$ -	\$ 749,271	\$ 4,833,547		\$ 4,833,547	\$ 5,390,654	13.75%
Jul-15	15.91%	0.00%	15.91%	\$ 4,192,404		\$ 4,192,404	\$ 4,059,315	\$ 645,837	\$ -	\$ 645,837	\$ 5,593,002		\$ 5,593,002	\$ 5,402,524	11.98%
Aug-15	16.25%	0.00%	16.25%	\$ 3,903,725		\$ 3,903,725	\$ 4,018,650	\$ 653,031	\$ (82,842)	\$ 570,189	\$ 5,354,786		\$ 5,354,786	\$ 5,365,894	10.55%
Sep-15	17.07%	0.00%	17.07%	\$ 3,574,886		\$ 3,574,886	\$ 3,999,530	\$ 682,720	\$ (82,842)	\$ 599,878	\$ 4,482,080		\$ 4,482,080	\$ 5,345,418	11.18%
Oct-15	18.51%	0.00%	18.51%	\$ 2,993,116		\$ 2,993,116	\$ 3,977,204	\$ 736,181	\$ (82,842)	\$ 653,339	\$ 4,231,250		\$ 4,231,250	\$ 5,307,566	12.22%
Nov-15	18.81%	0.00%	18.81%	\$ 3,449,363		\$ 3,449,363	\$ 3,910,844	\$ 735,630	\$ (82,842)	\$ 652,788	\$ 4,657,579		\$ 4,657,579	\$ 5,206,598	12.30%
Dec-15	18.40%	0.00%	18.40%	\$ 3,785,816		\$ 3,785,816	\$ 3,857,369	\$ 709,756	\$ (82,842)	\$ 626,914	\$ 5,293,216		\$ 5,293,216	\$ 5,127,381	12.04%
Jan-16	16.00%	0.00%	16.00%	\$ 4,963,972		\$ 4,963,972	\$ 3,834,943	\$ 613,591	\$ (82,842)	\$ 530,749	\$ 6,851,123		\$ 6,851,123	\$ 5,131,783	10.35%
Feb-16	10.92%	0.00%	10.92%	\$ 4,330,294		\$ 4,330,294	\$ 3,759,061	\$ 410,489	\$ -	\$ 410,489	\$ 5,491,866		\$ 5,491,866	\$ 5,011,714	8.00%
Mar-16	14.30%	0.00%	14.30%	\$ 3,385,894		\$ 3,385,894	\$ 3,690,358	\$ 527,721	\$ (24,806)	\$ 502,915	\$ 4,611,700		\$ 4,611,700	\$ 4,981,201	10.03%
Apr-16	17.59%	0.00%	17.59%	\$ 2,938,732		\$ 2,938,732	\$ 3,699,355	\$ 650,717	\$ (24,806)	\$ 625,911	\$ 4,022,544		\$ 4,022,544	\$ 4,974,331	12.57%
May-16	18.99%	0.00%	18.99%	\$ 3,079,506		\$ 3,079,506	\$ 3,703,705	\$ 703,334	\$ (24,806)	\$ 678,528	\$ 4,248,853		\$ 4,248,853	\$ 4,972,629	13.64%
Jun-16	19.60%	0.00%	19.60%	\$ 3,728,515		\$ 3,728,515	\$ 3,693,852	\$ 723,995	\$ (24,806)	\$ 699,189	\$ 5,087,510		\$ 5,087,510	\$ 4,993,792	14.06%
Jul-16	16.50%	0.00%	16.50%	\$ 4,136,077		\$ 4,136,077	\$ 3,689,158	\$ 608,711	\$ (24,806)	\$ 583,905	\$ 5,520,486		\$ 5,520,486	\$ 4,987,749	11.69%
Aug-16	14.29%	0.00%	14.29%	\$ 4,197,256		\$ 4,197,256	\$ 3,713,619	\$ 530,676	\$ (36,340)	\$ 494,336	\$ 5,628,864		\$ 5,628,864	\$ 5,010,589	9.91%
Sep-16	14.76%	0.00%	14.76%	\$ 3,716,159		\$ 3,716,159	\$ 3,725,392	\$ 549,868	\$ (11,534)	\$ 538,334	\$ 4,855,064		\$ 4,855,064	\$ 5,041,671	10.74%
Oct-16	17.17%	0.00%	17.17%	\$ 3,035,548		\$ 3,035,548	\$ 3,728,928	\$ 640,257	\$ (11,534)	\$ 628,723	\$ 4,201,393		\$ 4,201,393	\$ 5,039,183	12.47%
Nov-16	19.95%	0.00%	19.95%	\$ 3,270,540		\$ 3,270,540	\$ 3,714,026	\$ 740,948	\$ (11,534)	\$ 729,414	\$ 4,750,145		\$ 4,750,145	\$ 5,046,897	14.47%
Dec-16	16.92%	0.00%	16.92%	\$ 4,534,721		\$ 4,534,721	\$ 3,776,435	\$ 638,973	\$ (11,534)	\$ 627,439	\$ 5,953,262		\$ 5,953,262	\$ 5,101,901	12.43%
Jan-17	11.21%	0.00%	11.21%	\$ 4,574,527		\$ 4,574,527	\$ 3,743,981	\$ 419,700	\$ (11,537)	\$ 408,163	\$ 5,648,102		\$ 5,648,102		8.00%

Notes:
Nolin 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 Nolin RECC**

For the Month Ending January 2017

	(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 Nolin	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Nolin	EKPC 12-months Ended Average Monthly Revenue from Sales to Nolin	Nolin Revenue Requirement	Amortization of (Over)/Under Recovery	Nolin Net Revenue Requirement	Nolin Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Nolin Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Nolin 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)
Feb-15	11.49%	0.00%	11.49%	\$ 5,240,879		\$ 5,240,879	\$ 4,224,645	\$ 485,412	\$ -	\$ 485,412	\$ 6,932,693		\$ 6,932,693	\$ 5,574,819	8.76%
Mar-15	10.90%	0.00%	10.90%	\$ 4,210,329		\$ 4,210,329	\$ 4,194,743	\$ 457,227	\$ -	\$ 457,227	\$ 4,977,851		\$ 4,977,851	\$ 5,529,316	8.20%
Apr-15	14.44%	0.00%	14.44%	\$ 2,830,770		\$ 2,830,770	\$ 4,143,202	\$ 598,278	\$ -	\$ 598,278	\$ 4,104,985		\$ 4,104,985	\$ 5,498,217	10.82%
May-15	18.09%	0.00%	18.09%	\$ 3,027,301		\$ 3,027,301	\$ 4,088,791	\$ 739,662	\$ -	\$ 739,662	\$ 4,269,280		\$ 4,269,280	\$ 5,448,396	13.45%
Jun-15	18.44%	0.00%	18.44%	\$ 3,846,754		\$ 3,846,754	\$ 4,063,290	\$ 749,271	\$ -	\$ 749,271	\$ 4,833,547		\$ 4,833,547	\$ 5,390,654	13.75%
Jul-15	15.91%	0.00%	15.91%	\$ 4,192,404		\$ 4,192,404	\$ 4,059,315	\$ 645,837	\$ -	\$ 645,837	\$ 5,593,002		\$ 5,593,002	\$ 5,402,524	11.98%
Aug-15	16.25%	0.00%	16.25%	\$ 3,903,725		\$ 3,903,725	\$ 4,018,650	\$ 653,031	\$ (82,842)	\$ 570,189	\$ 5,354,786		\$ 5,354,786	\$ 5,365,894	10.55%
Sep-15	17.07%	0.00%	17.07%	\$ 3,574,886		\$ 3,574,886	\$ 3,999,530	\$ 682,720	\$ (82,842)	\$ 599,878	\$ 4,482,080		\$ 4,482,080	\$ 5,345,418	11.18%
Oct-15	18.51%	0.00%	18.51%	\$ 2,993,116		\$ 2,993,116	\$ 3,977,204	\$ 736,181	\$ (82,842)	\$ 653,339	\$ 4,231,250		\$ 4,231,250	\$ 5,307,566	12.22%
Nov-15	18.81%	0.00%	18.81%	\$ 3,449,363		\$ 3,449,363	\$ 3,910,844	\$ 735,630	\$ (82,842)	\$ 652,788	\$ 4,657,579		\$ 4,657,579	\$ 5,206,598	12.30%
Dec-15	18.40%	0.00%	18.40%	\$ 3,785,816		\$ 3,785,816	\$ 3,857,369	\$ 709,756	\$ (82,842)	\$ 626,914	\$ 5,293,216		\$ 5,293,216	\$ 5,127,381	12.04%
Jan-16	16.00%	0.00%	16.00%	\$ 4,963,972		\$ 4,963,972	\$ 3,834,943	\$ 613,591	\$ (82,842)	\$ 530,749	\$ 6,851,123		\$ 6,851,123	\$ 5,131,783	10.35%
Feb-16	10.92%	0.00%	10.92%	\$ 4,330,294		\$ 4,330,294	\$ 3,759,061	\$ 410,489	\$ -	\$ 410,489	\$ 5,491,866		\$ 5,491,866	\$ 5,011,714	8.00%
Mar-16	14.30%	0.00%	14.30%	\$ 3,385,894		\$ 3,385,894	\$ 3,690,358	\$ 527,721	\$ (24,806)	\$ 502,915	\$ 4,611,700		\$ 4,611,700	\$ 4,981,201	10.03%
Apr-16	17.59%	0.00%	17.59%	\$ 2,938,732		\$ 2,938,732	\$ 3,699,355	\$ 650,717	\$ (24,806)	\$ 625,911	\$ 4,022,544		\$ 4,022,544	\$ 4,974,331	12.57%
May-16	18.99%	0.00%	18.99%	\$ 3,079,506		\$ 3,079,506	\$ 3,703,705	\$ 703,334	\$ (24,806)	\$ 678,528	\$ 4,248,853		\$ 4,248,853	\$ 4,972,629	13.64%
Jun-16	19.60%	0.00%	19.60%	\$ 3,728,515		\$ 3,728,515	\$ 3,693,852	\$ 723,995	\$ (24,806)	\$ 699,189	\$ 5,087,510		\$ 5,087,510	\$ 4,993,792	14.06%
Jul-16	16.50%	0.00%	16.50%	\$ 4,136,077		\$ 4,136,077	\$ 3,689,158	\$ 608,711	\$ (24,806)	\$ 583,905	\$ 5,520,486		\$ 5,520,486	\$ 4,987,749	11.69%
Aug-16	14.29%	0.00%	14.29%	\$ 4,197,256		\$ 4,197,256	\$ 3,713,619	\$ 530,676	\$ (36,340)	\$ 494,336	\$ 5,628,864		\$ 5,628,864	\$ 5,010,589	9.91%
Sep-16	14.76%	0.00%	14.76%	\$ 3,716,159		\$ 3,716,159	\$ 3,725,392	\$ 549,868	\$ (11,534)	\$ 538,334	\$ 4,855,064		\$ 4,855,064	\$ 5,041,671	10.74%
Oct-16	17.17%	0.00%	17.17%	\$ 3,035,548		\$ 3,035,548	\$ 3,728,928	\$ 640,257	\$ (11,534)	\$ 628,723	\$ 4,201,393		\$ 4,201,393	\$ 5,039,183	12.47%
Nov-16	19.95%	0.00%	19.95%	\$ 3,270,540		\$ 3,270,540	\$ 3,714,026	\$ 740,948	\$ (10,264)	\$ 730,684	\$ 4,750,145		\$ 4,750,145	\$ 5,046,897	14.50%
Dec-16	16.92%	0.00%	16.92%	\$ 4,534,721		\$ 4,534,721	\$ 3,776,435	\$ 638,973	\$ (11,534)	\$ 627,439	\$ 5,953,262		\$ 5,953,262	\$ 5,101,901	12.43%
Jan-17	11.21%	0.00%	11.21%	\$ 4,574,527		\$ 4,574,527	\$ 3,743,981	\$ 419,700	\$ (11,537)	\$ 408,163	\$ 5,648,102		\$ 5,648,102		8.00%

Notes:
Nolin 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.

Nolin - 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. 2015-00281 (Over)/Under-Recovery				(\$74,417)
1b	From Case No. 2016-00144 (Over)/Under-Recovery				(\$69,207)
1c	From Case No. 2016-00335 (Over)/Under-Recovery				\$0
1d	Total Previous (Over)/Under-Recovery				(\$143,624)
2	Jul-16	\$810,669	\$776,176	\$34,493	(\$109,131)
3	Aug-16	\$692,547	\$657,942	\$34,605	(\$74,527)
4	Sep-16	\$531,038	\$481,136	\$49,902	(\$24,625)
5	Oct-16	\$448,049	\$451,229	(\$3,180)	(\$27,805)
6	Nov-16	\$561,464	\$592,351	(\$30,887)	(\$58,692)
7	Dec-16	\$904,679	\$861,440	\$43,239	(\$15,453)
Post Review	Jan-17	\$774,009	\$702,056	\$71,953	\$56,500
	Feb-17	\$403,052	\$0	\$403,052	\$459,552
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2016					
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. 2015-00281 Recovery	\$74,417	(\$74,418)		(\$1)
8b	Case No. 2016-00144 Recovery	\$69,207	(\$46,136)		\$23,071
8c	Case No. 2016-00335 Recovery	\$0	\$0		\$0
8d	Total Order amounts remaining - Over/(Under):				\$23,070

9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]	\$7,617
---	---	---------

10	Monthly recovery (per month for six months)	\$1,270
----	---	---------

Reconciliation:		
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period	(\$143,624)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period	\$23,070
13	Total Amortization during Review Period	(\$120,554)
14	(Over)/Under-Recovery from Column 5, Line 9	\$7,617
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)	\$128,171
16	Difference	(\$120,554)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2015-00281	Case No. 2016-00144	Case No. 2016-00335
Jul-16	(\$24,806)	\$0	\$0
Aug-16	(\$24,806)	\$0	\$0
Sep-16	(\$24,806)	(\$11,534)	\$0
Oct-16	\$0	(\$11,534)	\$0
Nov-16	\$0	(\$11,534)	\$0
Dec-16	\$0	(\$11,534)	\$0
Totals	(\$74,418)	(\$46,136)	\$0