

**Goss
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May 9, 2017

RECEIVED

MAY 9 2017

**PUBLIC SERVICE
COMMISSION**

Dr. Talina R. Mathews, Ph.D.
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

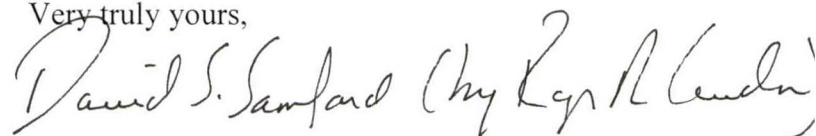
Re: PSC Case No. 2017-00071

Dear Dr. Mathews:

Please find enclosed for filing with the Commission in the above-referenced case, an original and eight copies of the responses of East Kentucky Power Cooperative, Inc., ("EKPC") to the Commission's Second Request for Information dated May 3, 2017.

Please return a file-stamped copy to my office.

Very truly yours,



David S. Samford

Enclosures

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MAY 9 2017

**PUBLIC SERVICE
COMMISSION**

**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 SIX-)
MONTH BILLING PERIOD ENDING)
DECEMBER 31, 2016 AND THE PASS THROUGH)
MECHANISM FOR ITS SIXTEEN MEMBER)
DISTRIBUTION COOPERATIVES)**

**CASE NO.
2017-00071**

**RESPONSES TO COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC.**

DATED MAY 3, 2017

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2017-00071

PUBLIC SERVICE COMMISSION REQUEST DATED 05/03/17

East Kentucky Power Cooperative, Inc. ("EKPC") hereby submits responses to Staff's Second Request for Information in this case dated May 3, 2017. Each response with its associated supportive reference materials is individually tabbed.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

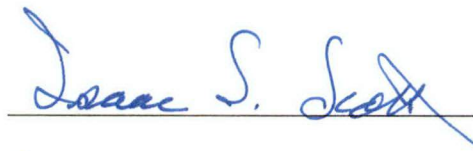
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CASE NO.
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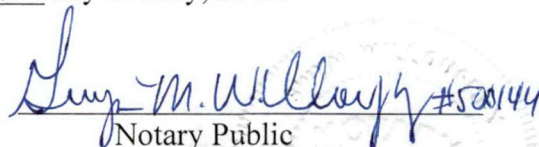
CERTIFICATE

STATE OF KENTUCKY)
COUNTY OF CLARK)

Isaac S. Scott, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's Second Request for Information dated May 3, 2017, 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.



Subscribed and sworn before me on this 9th day of May, 2017.


Notary Public



EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2017-00071
ENVIRONMENTAL SURCHARGE MECHANISM
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION DATED 05/03/17
REQUEST 1

RESPONSIBLE PARTY: Isaac S. Scott
FOR THE OBJECTION: Counsel for EKPC

Request 1. Refer to the monthly environmental surcharge reports for the expense months of June 2016 through November 2016, and the Member Cooperatives' responses to Commission Staffs First Request for Information ("Staff's First Request").

a. Provide a reconciliation between the amounts provided in EKPC's monthly environmental surcharge reports, Form 3.0, Column 4, and the total amount reported by the Member Cooperatives in their response to Staff's First Request, Item 2, in the column labelled "EKPC Invoice Month Recorded Member's Books".

b. Provide a reconciliation between the amounts determined in EKPC's monthly filings, Form 3.0, Column 6, and the total amounts reported by the Member Cooperatives in Column 6 on the Pass Through Mechanism Report included in EKPC's monthly environmental surcharge reports.

c. Provide all schedules and supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

Response 1a-c. EKPC objects to this Request to the extent that it requires EKPC to create business records in order to fully address the Request. KRS Chapter 278 does not require a regulated utility to create business records. However, without waiving said objection, EKPC has created business records for the sole purpose of responding to this Request. Please see the responses to Request 1a-c on the attached CD.

Concerning the response to Request 1a, EKPC would note the amounts provided on its monthly environmental surcharge reports, Form 3.0, Column 4 reflect the revenues billed in that month. Likewise, the amounts reported by the Member Cooperatives in the response to Staff's First Request, Item 2, labelled "EKPC Invoice Month Recorded Member's Books" reflect the charges billed for that month. Consequently, the two schedules reflect revenue information for the same reporting periods. The expense month and billing month distinctions that normally exists in the surcharge calculations (like the reconciliation of environmental expenses with billed revenues provided in the response to Request 2 in this filing) are not present in this reconciliation. While the Staff referenced the expense months of June through November 2016 for this reconciliation, EKPC perceives the Staff wanted to reconcile the amounts shown in the response to the Staff's First Request, Item 2 with the corresponding amounts in EKPC's monthly environmental surcharge reports. EKPC has included the amounts for December 2016 to achieve this match. EKPC would also note that the information provided for June 2016 comes from EKPC's response to the Commission Staff's First Request for Information dated October 12, 2016, Item 10a, in Case No. 2016-00335.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2017-00071
ENVIRONMENTAL SURCHARGE MECHANISM
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION DATED 05/03/17
REQUEST 2

RESPONSIBLE PARTY: Isaac S. Scott
FOR THE OBJECTION: Counsel for EKPC

Request 2. Refer to the monthly environmental surcharge reports for the expense months of June 2016 through November 2016, and the Member Cooperatives' responses to Staff's First Request, Item 2, in this case. Provide a reconciliation of the environmental expenses to be billed per the monthly environmental surcharge reports, with the amounts reported by the Member Cooperatives in the column labelled "EKPC Invoice Month Recorded Member's Books" in their responses to Item 2 of Staff's First Request. Provide the reconciliation and all supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

Response 2. EKPC objects to this Request to the extent that it requires EKPC to create business records in order to fully address the Request. KRS Chapter 278 does not require a regulated utility to create business records. However, without waiving said objection, EKPC has created business records for the sole purpose of responding to this Request. Please see the response to Request 2 on the attached CD.