




SALT RIVER ELECTRIC

A Touchstone Energy Cooperative 

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RECEIVED

SEP 28 2017

PUBLIC SERVICE
COMMISSION

September 25, 2017

Mr. John S. Lyons
Acting Executive Director
KY Public Service Commission
PO Box 615
Frankfort KY 40602-0615

Re: Case No. 2017 - 00326
AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE
ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER
COOPERATIVE INC FOR THE TWO-YEAR BILLING PERIOD ENDING JUNE 30,
2017, AND THE PASS-THROUGH MECHANISM FOR ITS SIXTEEN MEMBER
DISTRIBUTION COOPERATIVES

Dear Mr. Lyons:

Enclosed are the original and six copies of Salt River Electric Cooperative Corporation's Responses to Commission Staff's Second Request for Information by Order dated August 31, 2017, in the above-named case.

If you have any questions about these responses, please contact this office.

Sincerely,

Tim Sharp
President and CEO

Enclosures

RECEIVED

SEP 26 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 TWO-YEAR)	CASE NO.
BILLING PERIOD ENDING JUNE 30, 2017, AND THE)	2017-00326
PASS-THROUGH MECHANISM FOR ITS SIXTEEN)	
MEMBER DISTRIBUTION COOPERATIVES)	

SALT RIVER ELECTRIC COOPERATIVE CORPORATION
 RESPONSES TO DATA REQUEST OF COMMISSION STAFF
 BY ORDER DATED AUGUST 31, 2017,
 TO EAST KENTUCKY POWER COOPERATIVE, INC., AND
 ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES,
 SPECIFICALLY REQUESTS #2 AND #7 OF APPENDIX B



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SURCHARGE MECHANISM OF EAST KENTUCKY)
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BY ORDER DATED AUGUST 31, 2017
TO EAST KENTUCKY POWER COOPERATIVE, INC., AND
ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES,
SPECIFICALLY REQUESTS #2 AND #7 OF APPENDIX B

The undersigned, Tim Sharp, President and CEO of Salt River Electric Cooperative Corporation, being duly sworn, responds to requests for information herein as follows:

Request No. 2 of Appendix B Prepare a summary schedule showing Salt River Electric Cooperative Corporation's pass-through revenue requirement for the months corresponding with the two-year review. 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 Salt River Electric believes needs to be recognized for the two-year 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 in Case No. 2017-00326 dated August 31, 2017.

Request No. 7 of Appendix B For Salt River Electric Cooperative Corporation, provide the actual average residential customer's monthly usage for the 12 months ended May 31, 2017. 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.

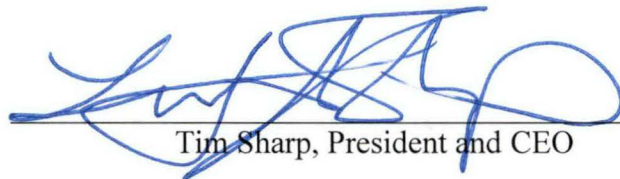
Response: The average residential customer's monthly usage is 1,244 kwh (see Pg. 1 of Schedule A). Salt River Electric's total over-recovery for the period is (\$32,662) spreading (\$5,444) monthly. (Please see EKPC's

response to Request No. 2 of the Commission Staff's First Request for Information dated August 31, 2017, for the calculation of the review period's over- or under-recovery.) The dollar impact of Salt River's under-recovery on the average residential customer's monthly bill would be a credit of (\$.07) to the monthly bill (see Pg. 1 of Schedule A) based on the supporting calculations shown in Schedule A attached.

Responsible Witness for All Responses: J. Edward Boone, Vice-President of Finance

I, Tim Sharp, President and CEO of Salt River Electric Cooperative Corporation, hereby certify that the above responses to the request for information are true and accurate to the best of my knowledge and belief formed after a reasonable inquiry.

SALT RIVER ELECTRIC COOPERATIVE CORP.

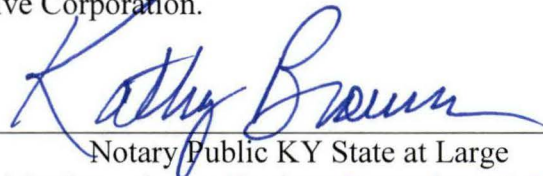


Tim Sharp, President and CEO

STATE OF KENTUCKY

COUNTY OF NELSON

Subscribed and sworn to before me this 25th day of September, 2017, by Tim Sharp, President and CEO of Salt River Electric Cooperative Corporation, to be his voluntary act and deed and that of Salt River Electric Cooperative Corporation.



Notary Public KY State at Large
My Commission Expires: December 16, 2018
I.D. No. 433406



		Actual		6 month Recovery	
12-month Average Residential kwh		1,244		1,244	
Residential Rate:					
Customer Charge	8.84	8.84		8.84	
Kwh Charge	0.07952	\$98.92		\$98.92	
FAC Charge	-0.00544	-\$6.77		-0.00544	-\$6.77
Subtotal		\$101.00		\$101.00	
Surcharge June 2017	(1) 14.01%	\$14.15	(2)	13.94%	\$14.08
Total		\$115.14		\$115.07	
Impact					-\$0.07

(1) See Schedule A Page 2 of 3

(2) See Schedule A Page 3 of 3

June 2017 was used as a representative month for the calculation.

Month	KWH
Jun-16	1,348
Jul-16	1,522
Aug-16	1,533
Sep-16	1,269
Oct-16	906
Nov-16	1,069
Dec-16	1,575
Jan-17	1,376
Feb-17	1,281
Mar-17	1,105
Apr-17	898
May-17	1,046
Total	14,928
Average	1,244

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

Schedule A
 Page 2 of 3

For the Month Ending June 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 Salt River	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Salt River	EKPC 12-months Ended Average Monthly Revenue from Sales to Salt River	Salt River Revenue Requirement	Amortization of (Over)/Under Recovery	Salt River Net Revenue Requirement	Salt River Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Salt River Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Salt River 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)
Jul-15	15.91%	0.00%	15.91%	\$ 6,737,456		\$ 6,737,456	\$ 6,068,997	\$ 965,577	\$ -	\$ 965,577	\$ 8,472,168		\$ 8,472,168	\$ 7,690,839	12.58%
Aug-15	16.25%	0.00%	16.25%	\$ 6,182,505		\$ 6,182,505	\$ 6,004,515	\$ 975,734	\$ 36,534	\$ 1,012,268	\$ 7,877,294		\$ 7,877,294	\$ 7,637,157	13.16%
Sep-15	17.07%	0.00%	17.07%	\$ 5,656,940		\$ 5,656,940	\$ 5,982,734	\$ 1,021,253	\$ 36,534	\$ 1,057,787	\$ 6,910,684		\$ 6,910,684	\$ 7,607,307	13.85%
Oct-15	18.51%	0.00%	18.51%	\$ 4,326,287		\$ 4,326,287	\$ 5,940,875	\$ 1,099,656	\$ 36,534	\$ 1,136,190	\$ 5,869,616		\$ 5,869,616	\$ 7,571,834	14.94%
Nov-15	18.81%	0.00%	18.81%	\$ 4,953,512		\$ 4,953,512	\$ 5,852,169	\$ 1,100,793	\$ 36,534	\$ 1,137,327	\$ 6,489,956		\$ 6,489,956	\$ 7,474,420	15.02%
Dec-15	18.40%	0.00%	18.40%	\$ 5,488,494		\$ 5,488,494	\$ 5,774,311	\$ 1,062,473	\$ 36,534	\$ 1,099,007	\$ 7,173,482		\$ 7,173,482	\$ 7,370,443	14.70%
Jan-16	16.00%	0.00%	16.00%	\$ 6,924,325		\$ 6,924,325	\$ 5,739,739	\$ 918,358	\$ 36,534	\$ 954,892	\$ 8,703,943		\$ 8,703,943	\$ 7,353,425	12.96%
Feb-16	10.92%	0.00%	10.92%	\$ 6,097,230		\$ 6,097,230	\$ 5,623,965	\$ 614,137	\$ -	\$ 614,137	\$ 8,018,495		\$ 8,018,495	\$ 7,241,233	8.35%
Mar-16	14.30%	0.00%	14.30%	\$ 4,880,939		\$ 4,880,939	\$ 5,537,937	\$ 791,925	\$ 20,275	\$ 812,200	\$ 6,027,374		\$ 6,027,374	\$ 7,152,100	11.22%
Apr-16	17.59%	0.00%	17.59%	\$ 4,297,591		\$ 4,297,591	\$ 5,549,194	\$ 976,103	\$ 20,275	\$ 996,378	\$ 5,971,671		\$ 5,971,671	\$ 7,169,184	13.93%
May-16	18.99%	0.00%	18.99%	\$ 4,828,220		\$ 4,828,220	\$ 5,554,589	\$ 1,054,816	\$ 20,275	\$ 1,075,091	\$ 6,305,611		\$ 6,305,611	\$ 7,167,077	15.00%
Jun-16	19.60%	0.00%	19.60%	\$ 6,027,855		\$ 6,027,855	\$ 5,533,446	\$ 1,084,555	\$ 20,275	\$ 1,104,830	\$ 7,736,493		\$ 7,736,493	\$ 7,129,732	15.42%
Jul-16	16.50%	0.00%	16.50%	\$ 6,774,453		\$ 6,774,453	\$ 5,536,529	\$ 913,527	\$ 20,275	\$ 933,802	\$ 8,657,401		\$ 8,657,401	\$ 7,145,168	13.10%
Aug-16	14.29%	0.00%	14.29%	\$ 6,915,220		\$ 6,915,220	\$ 5,597,589	\$ 799,895	\$ 20,920	\$ 820,815	\$ 8,633,216		\$ 8,633,216	\$ 7,208,162	11.49%
Sep-16	14.76%	0.00%	14.76%	\$ 6,018,193		\$ 6,018,193	\$ 5,627,693	\$ 830,648	\$ 645	\$ 831,293	\$ 7,520,331		\$ 7,520,331	\$ 7,258,966	11.53%
Oct-16	17.17%	0.00%	17.17%	\$ 4,705,268		\$ 4,705,268	\$ 5,659,275	\$ 971,698	\$ 645	\$ 972,343	\$ 6,078,852		\$ 6,078,852	\$ 7,276,402	13.40%
Nov-16	19.95%	0.00%	19.95%	\$ 4,892,654		\$ 4,892,654	\$ 5,654,204	\$ 1,128,014	\$ 645	\$ 1,128,659	\$ 6,543,052		\$ 6,543,052	\$ 7,280,827	15.51%
Dec-16	16.92%	0.00%	16.92%	\$ 6,657,587		\$ 6,657,587	\$ 5,751,628	\$ 973,175	\$ 645	\$ 973,820	\$ 8,739,474		\$ 8,739,474	\$ 7,411,326	13.38%
Jan-17	11.21%	0.00%	11.21%	\$ 6,604,764		\$ 6,604,764	\$ 5,724,998	\$ 641,772	\$ 644	\$ 642,416	\$ 7,819,243		\$ 7,819,243	\$ 7,337,601	8.67%
Feb-17	12.26%	0.00%	12.26%	\$ 5,293,590		\$ 5,293,590	\$ 5,658,028	\$ 693,674	\$ -	\$ 693,674	\$ 6,960,818		\$ 6,960,818	\$ 7,249,461	9.45%
Mar-17	15.73%	0.00%	15.73%	\$ 5,192,606		\$ 5,192,606	\$ 5,684,000	\$ 894,093	\$ -	\$ 894,093	\$ 6,563,093		\$ 6,563,093	\$ 7,294,105	12.33%
Apr-17	15.40%	0.00%	15.40%	\$ 4,453,020		\$ 4,453,020	\$ 5,696,953	\$ 877,331	\$ (16,871)	\$ 860,460	\$ 6,202,217		\$ 6,202,217	\$ 7,313,317	11.80%
May-17	19.86%	0.00%	19.86%	\$ 5,183,957		\$ 5,183,957	\$ 5,726,597	\$ 1,137,302	\$ (16,871)	\$ 1,120,431	\$ 6,923,149		\$ 6,923,149	\$ 7,364,778	15.32%
Jun-17	18.13%	0.00%	18.13%	\$ 5,917,285		\$ 5,917,285	\$ 5,717,383	\$ 1,036,562	\$ (4,393)	\$ 1,032,169					14.01%

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
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Schedule A
 Page 3 of 3

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