


INTER COUNTY
ENERGY COOPERATIVE

A Touchstone Energy Cooperative 

September 26, 2017

RECEIVED

SEP 27 2017

PUBLIC SERVICE
COMMISSION

Mr. John Lyons
Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601-8294

RE: PSC CASE NO. 2017-00326

Dear Mr. Lyons:

Enclosed for filing in the above referenced case is an original and seven (7) copies of the response of Inter-County Energy Cooperative to the PSC Order dated August 31, 2017.

Please be advised that Ms. Sheree Gilliam, Sr. Vice President of Finance and Administration for Inter-County Energy is responsible for the response.

Please contact me if you have any questions.


Sincerely,



James L. Jacobus
President/CEO

Enclosures



A Touchstone Energy Cooperative 

RECEIVED

SEP 27 2017

PUBLIC SERVICE
COMMISSION

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.

September 26, 2017

P. O. Box 87 • Danville, KY 40423-0087 • (859) 236-4561

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. 2017-00326
TWO-YEAR BILLING PERIOD ENDING)
JUNE 30, 2017 AND THE PASS THROUGH)
MECHANISM FOR ITS SIXTEEN MEMBER)
DISTRIBUTION COOPERATIVES)

**INTER-COUNTY ENERGY COOPERATIVE RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO
EAST KENTUCKY POWER COOPERATIVE, INC.
AND EACH OF ITS SIXTEEN MEMBER COOPERATIVES**

CERTIFICATION

Sheree Gilliam, Sr. Vice President-Finance and Administration, being duly sworn, states that she has prepared the responses to the question from the Commission Staff to Inter-County Energy Cooperative in Case No. 2017-00326 dated August 31, 2017, and that the response is true and accurate to the best of her knowledge, information and belief formed after a reasonable inquiry.



Sheree Gilliam
Sr. Vice President-Finance and Administration
Inter-County Energy Cooperative Corporation

STATE OF KENTUCKY
COUNTY OF BOYLE

Subscribed and sworn to before me by Sheree Gilliam as Sr. Vice President-Finance and Administration of Inter-County Energy Cooperative Corporation this 26th day of September 2017.



Notary Public – ID 583751

My Commission Expires: August 24, 2021

INTER-COUNTY ENERGY COOPERATIVE

Request No. 2.

This question is addressed to EKPC and the Member Cooperatives. For each of the 16 Member Cooperatives, prepare a summary schedule showing the Member Cooperative'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 the distribution cooperative 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 refer to EKPC's responses to request No. 2 of the Commission Staff's First Request for Information dated August 31, 2017.

Request No. 7.

This question is addressed to each of the 16 Member Cooperatives. For your particular Member Cooperative, 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:

	<u>KWH</u>	<u>of Reside Members</u>	<u>Average KWH</u>
Jun-16	22,387,472	24,361	919
Jul-16	27,858,191	24,374	1,143
August-16	31,936,973	24,360	1,311
September-16	29,515,758	24,452	1,207
October-16	22,028,160	24,374	904
November-16	19,920,313	24,391	817
December-16	29,923,383	24,453	1,224
January-17	40,955,355	24,567	1,667
February-17	34,695,866	24,538	1,414
March-17	25,940,868	24,529	1,058
April-17	25,897,256	24,608	1,052
May-17	19,550,670	24,501	798
	<u>330,610,265</u>	<u>293,508</u>	<u>1,126</u>

Inter-County Energy total Over Recovery	\$ (52,185)
Six (6) Month Recovery	\$ (8,698)

		Actual		6-Month Recovery
12-month average Residential usage	1,126			
Customer Charge	\$8.97	\$8.97		\$8.97
Charge per kWh	0.09171	103.27		103.27
Fuel Adjustment Charge	-0.00497	-5.60		-5.60
Sub Total		\$106.64		\$106.64
Environmental Surcharge	0.1348	\$14.37	0.1374	\$14.65
Total		\$121.01		\$121.29
Dollar Impact				\$0.28

**See Exhibit A page 2, Actual and Exhibit B page 3, 6-Month Recovery.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Inter County ECC

For the Month Ending July 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 Inter County	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Inter County	EKPC 12-months Ended Average Monthly Revenue from Sales to Inter County	Inter County Revenue Requirement	Amortization of (Over)/Under Recovery	Inter County Net Revenue Requirement	Inter County Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Inter County Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Inter County 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)
Aug-15	16.25%	0.00%	16.25%	\$ 2,216,167		\$ 2,216,167	\$ 2,506,245	\$ 407,265	\$ (36,516)	\$ 370,749	\$ 3,659,094		\$ 3,659,094	\$ 3,683,766	10.09%
Sep-15	17.07%	0.00%	17.07%	\$ 2,021,070		\$ 2,021,070	\$ 2,496,545	\$ 426,160	\$ (36,516)	\$ 389,644	\$ 3,272,582		\$ 3,272,582	\$ 3,666,949	10.58%
Oct-15	18.51%	0.00%	18.51%	\$ 1,773,373		\$ 1,773,373	\$ 2,488,365	\$ 460,596	\$ (36,516)	\$ 424,080	\$ 2,718,350		\$ 2,718,350	\$ 3,666,641	11.56%
Nov-15	18.81%	0.00%	18.81%	\$ 2,190,651		\$ 2,190,651	\$ 2,439,830	\$ 458,932	\$ (36,516)	\$ 422,416	\$ 2,739,229		\$ 2,739,229	\$ 3,583,618	11.52%
Dec-15	18.40%	0.00%	18.40%	\$ 2,382,186		\$ 2,382,186	\$ 2,395,816	\$ 440,830	\$ (36,516)	\$ 404,314	\$ 3,344,660		\$ 3,344,660	\$ 3,516,708	11.28%
Jan-16	16.00%	0.00%	16.00%	\$ 3,355,843		\$ 3,355,843	\$ 2,384,330	\$ 381,493	\$ (36,516)	\$ 344,977	\$ 5,477,236		\$ 5,477,236	\$ 3,529,868	9.81%
Feb-16	10.92%	0.00%	10.92%	\$ 2,907,859		\$ 2,907,859	\$ 2,312,913	\$ 252,570	\$ -	\$ 252,570	\$ 4,014,057		\$ 4,014,057	\$ 3,425,946	7.16%
Mar-16	14.30%	0.00%	14.30%	\$ 2,129,207		\$ 2,129,207	\$ 2,260,165	\$ 323,204	\$ (45,066)	\$ 278,138	\$ 3,220,843		\$ 3,220,843	\$ 3,385,684	8.12%
Apr-16	17.59%	0.00%	17.59%	\$ 1,808,176		\$ 1,808,176	\$ 2,269,032	\$ 399,123	\$ (45,066)	\$ 354,057	\$ 2,668,376		\$ 2,668,376	\$ 3,395,746	10.46%
May-16	18.99%	0.00%	18.99%	\$ 1,798,653		\$ 1,798,653	\$ 2,270,747	\$ 431,215	\$ (45,066)	\$ 386,149	\$ 2,733,109		\$ 2,733,109	\$ 3,389,040	11.37%
Jun-16	19.60%	0.00%	19.60%	\$ 2,241,297		\$ 2,241,297	\$ 2,267,628	\$ 444,455	\$ (45,066)	\$ 399,389	\$ 3,424,221		\$ 3,424,221	\$ 3,414,040	11.78%
Jul-16	16.50%	0.00%	16.50%	\$ 2,523,658		\$ 2,523,658	\$ 2,279,012	\$ 376,037	\$ (45,066)	\$ 330,971	\$ 3,689,198		\$ 3,689,198	\$ 3,413,413	9.69%
Aug-16	14.29%	0.00%	14.29%	\$ 2,556,485		\$ 2,556,485	\$ 2,307,372	\$ 329,723	\$ (57,391)	\$ 272,332	\$ 3,900,381		\$ 3,900,381	\$ 3,433,520	7.98%
Sep-16	14.76%	0.00%	14.76%	\$ 2,195,865		\$ 2,195,865	\$ 2,321,938	\$ 342,718	\$ (12,325)	\$ 330,393	\$ 3,101,695		\$ 3,101,695	\$ 3,419,280	9.62%
Oct-16	17.17%	0.00%	17.17%	\$ 1,738,748		\$ 1,738,748	\$ 2,319,052	\$ 398,181	\$ (12,325)	\$ 385,856	\$ 2,637,566		\$ 2,637,566	\$ 3,412,548	11.28%
Nov-16	19.95%	0.00%	19.95%	\$ 2,141,143		\$ 2,141,143	\$ 2,314,927	\$ 461,828	\$ (12,325)	\$ 449,503	\$ 3,225,291		\$ 3,225,291	\$ 3,453,053	13.17%
Dec-16	16.92%	0.00%	16.92%	\$ 3,065,640		\$ 3,065,640	\$ 2,371,881	\$ 401,322	\$ (12,325)	\$ 388,997	\$ 4,635,956		\$ 4,635,956	\$ 3,560,661	11.27%
Jan-17	11.21%	0.00%	11.21%	\$ 3,096,251		\$ 3,096,251	\$ 2,350,249	\$ 263,463	\$ (12,322)	\$ 251,141	\$ 4,416,023		\$ 4,416,023	\$ 3,472,226	7.05%
Feb-17	12.26%	0.00%	12.26%	\$ 2,413,298		\$ 2,413,298	\$ 2,309,035	\$ 283,088	\$ -	\$ 283,088	\$ 3,340,164		\$ 3,340,164	\$ 3,416,069	8.15%
Mar-17	15.73%	0.00%	15.73%	\$ 2,339,023		\$ 2,339,023	\$ 2,326,520	\$ 365,962	\$ -	\$ 365,962	\$ 3,585,377		\$ 3,585,377	\$ 3,446,446	10.71%
Apr-17	15.40%	0.00%	15.40%	\$ 1,753,799		\$ 1,753,799	\$ 2,321,988	\$ 357,586	\$ 183	\$ 357,769	\$ 2,500,146		\$ 2,500,146	\$ 3,432,427	10.38%
May-17	19.86%	0.00%	19.86%	\$ 1,890,436		\$ 1,890,436	\$ 2,329,637	\$ 462,666	\$ 183	\$ 462,849	\$ 2,940,205		\$ 2,940,205	\$ 3,449,685	13.48%
Jun-17	18.13%	0.00%	18.13%	\$ 2,121,747		\$ 2,121,747	\$ 2,319,674	\$ 420,557	\$ (8,188)	\$ 412,369	\$ 3,065,530		\$ 3,065,530	\$ 3,419,794	11.95%
Jul-17	17.75%	0.00%	17.75%	\$ 2,411,270		\$ 2,411,270	\$ 2,310,309	\$ 410,080	\$ (8,188)	\$ 401,892					11.75%

Notes:

Inter County 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.

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Service List for Case No. 2017-00071

*Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

*Blue Grass Energy Cooperative Corp.
P. O. Box 990
Nicholasville, KY 40340-0990

*Clark Energy Cooperative
P. O. Box 748
Winchester, KY 40392-0748

*Cumberland Valley Electric, Inc.
Highway 25E
Gray, KY 40734

*East Kentucky Power Cooperative, Inc.
P. O. Box 707
Winchester, KY 40392-0707

*Farmers R.E.C.C.
P. O. Box 1298
Glasgow, KY 42141-1298

*Fleming-Mason Energy Cooperative
P. O. Box 328
Flemingsburg, KY 41041

*Grayson R.E.C.C.
109 Bagby Park
Grayson, KY 41143

*Inter-County Energy Cooperative
P. O. Box 87
Danville, KY 40423-0087

*Jackson Energy Cooperative
115 Jackson Energy Lane
McKee, KY 40447

*Licking Valley RECC
P. O. Box 605
West Liberty, KY 41472

*Nolin R.E.C.C.
411 Ring Road
Elizabethtown, KY 42701

*Owen Electric Cooperative, Inc.
P. O. Box 400
Owenton, KY 40359

*Salt River Electric Cooperative
P. O. Box 609
Bardstown, KY 40004

*Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

*South Kentucky RECC
P. O. Box 910
Somerset, KY 42502-0910

*Taylor County R.E.C.C.
P. O. Box 100
Campbellsville, KY 42719

*Denotes Served by Email