

# Grayson Rural Electric Cooperative Corporation

109 Bagby Park • Grayson, KY 41143-1292  
Telephone 606-474-5136 • 1-800-562-3532 • Fax 606-474-5862

**RECEIVED**

SEP 28 2017

PUBLIC SERVICE  
COMMISSION

The undersigned, James Bradley Cherry, as Manager of Finance and Accounting of Grayson Rural Electric, being first duly sworn, states that the responses herein supplied in Case No. 2017-00326, First Request for Information, are true to the best of my knowledge and belief formed after reasonable inquiry.

Dated: September 26, 2017

Grayson Rural Electric

By: Bradley Cherry  
James Bradley Cherry  
Manager of Finance and Accounting

Subscribed, sworn to, and acknowledged before me by James Bradley Cherry, as Manager of Finance and Accounting for Grayson Rural Electric on behalf of said Corporation this 26<sup>th</sup> day of September, 2017.

My Commission expires 22 day of March, 2021.

Witness my hand and official seal this

26 Day of September, 2017

Priscilla Sparks  
Notary Public in and for Carter Co., KY.  
State at Large

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**Request:**

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 the EKPC's response to Request No. 2 of the Commission Staff's First Request for Information dated August 31, 2017

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**Request:** 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 and over – or under-recovery will have on the average residential customer's monthly bill for the requested recovery period.

**Response:** Please see the schedules attached to this response.

**Impact of Additional Over Recovery**

<u>Actual Over Recovery</u>			<u>Additional Recovery</u>
<b>Average Residential Usage per Month</b>	<b>1,105 kwh</b>		
<u>Average Monthly Bill</u>			
Customer Charge		\$ 15.00	\$ 15.00
Kwh Charge @	0.10910	\$ 120.56	0.10910 \$ 120.56
Fuel Adjustment (June 2017)	(0.006429)	\$ (7.10)	(0.006429) \$ (7.10)
ESC (June 2017)	10.13%	<u>\$ 13.01</u>	10.16% <u>\$ 13.05</u>
 Total Bill Amount		 <u>\$ 141.46</u>	 <u>\$ 141.50</u>
 <b>Dollar Impact</b>			 <b>\$ 0.04</b>

	<b>Total Residential KWH</b>	<b>Y/L Only KWH</b>	<b>Residential KWH</b>	<b>Total Residential Customers</b>	<b>Y/L Only Customers</b>	<b>Residential Customers</b>	<b>Average KWH</b>
<b>June</b>	13,701,174	10,303	13,690,871	12,063	102	11,961	1,145
<b>July</b>	15,887,527	10,663	15,876,864	12,074	102	11,972	1,326
<b>August</b>	13,567,697	10,096	13,557,601	12,098	101	11,997	1,130
<b>September</b>	9,831,783	10,540	9,821,243	12,037	101	11,936	823
<b>October</b>	10,742,825	9,525	10,733,300	12,023	100	11,923	900
<b>November</b>	16,454,219	9,420	16,444,799	12,088	99	11,989	1,372
<b>December</b>	17,511,089	9,422	17,501,667	12,015	99	11,916	1,469
<b>January</b>	15,097,155	9,365	15,087,790	12,019	99	11,920	1,266
<b>February</b>	13,860,781	9,365	13,851,416	12,076	99	11,977	1,157
<b>March</b>	10,338,784	9,316	10,329,468	12,002	102	11,900	868
<b>April</b>	9,949,882	9,315	9,940,567	12,030	101	11,929	833
<b>May</b>	11,613,308	8,042	11,605,266	12,039	100	11,939	972
<b>Totals</b>			158,440,852			143,359	1,105

Grayson - 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. 2016-00144 (Over)/Under-Recovery				(\$26,881)
1b	From Case No. 2016-00335 (Over)/Under-Recovery				\$5,951
1c	From Case No. 2017-00071 (Over)/Under-Recovery				(\$19,631)
1d	Total Previous (Over)/Under-Recovery				(\$40,561)
2	Jan-17	\$253,445	\$224,221	\$29,224	(\$11,337)
3	Feb-17	\$142,278	\$134,944	\$7,334	(\$4,003)
4	Mar-17	\$155,027	\$124,883	\$30,144	\$26,141
5	Apr-17	\$154,714	\$156,211	(\$1,497)	\$24,644
6	May-17	\$160,522	\$177,115	(\$16,593)	\$8,051
7	Jun-17	\$233,707	\$252,526	(\$18,819)	(\$10,768)
Post Review	Jul-17	\$239,827	\$227,033	\$12,794	\$2,026
	Aug-17	\$220,369	\$0	\$220,369	\$222,395
Less Adjustment for Order amounts remaining to be amortized at end of review period June 2017					
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. 2016-00144 Recovery	\$26,881	(\$26,881)		\$0
8b	Case No. 2016-00335 Recovery	(\$5,951)	\$992		(\$4,959)
8c	Case No. 2017-00071 Recovery	\$19,631	\$0		\$19,631
8d	Total Order amounts remaining - Over/(Under):				\$14,672
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$3,904
10	Monthly recovery (per month for six months)				\$651
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$40,561)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$14,672
13	Total Amortization during Review Period				(\$25,889)
14	(Over)/Under-Recovery from Column 5, Line 9				\$3,904
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$29,793
16	Difference				(\$25,889)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00144	Case No. 2016-00335	Case No. 2017-00071
Jan-17	(\$8,960)	\$0	\$0
Feb-17	(\$8,960)	\$0	\$0
Mar-17	(\$8,961)	\$0	\$0
Apr-17	\$0	\$0	\$0
May-17	\$0	\$0	\$0
Jun-17	\$0	\$992	\$0
Totals	(\$26,881)	\$992	\$0

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

Grayson Rural Electric  
 2017-00326  
 1st Request for Information  
 Page 4 of 5  
 Witness: James Bradley Cherry

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 Grayson	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Grayson	EKPC 12-months Ended Average Monthly Revenue from Sales to Grayson	Grayson Revenue Requirement	Amortization of (Over)/Under Recovery	Grayson Net Revenue Requirement	Grayson Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Grayson Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Grayson 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%	\$ 1,285,673		\$ 1,285,673	\$ 1,385,496	\$ 225,143	\$ (19,792)	\$ 205,351	\$ 2,116,733		\$ 2,116,733	\$ 2,392,283	8.53%
Sep-15	17.07%	0.00%	17.07%	\$ 1,148,648		\$ 1,148,648	\$ 1,378,439	\$ 235,300	\$ (19,792)	\$ 215,508	\$ 1,800,343		\$ 1,800,343	\$ 2,383,764	9.01%
Oct-15	18.51%	0.00%	18.51%	\$ 1,048,406		\$ 1,048,406	\$ 1,376,107	\$ 254,717	\$ (19,792)	\$ 234,925	\$ 1,984,266		\$ 1,984,266	\$ 2,351,252	9.86%
Nov-15	18.81%	0.00%	18.81%	\$ 1,219,883		\$ 1,219,883	\$ 1,352,378	\$ 254,382	\$ (19,792)	\$ 234,590	\$ 2,250,855		\$ 2,250,855	\$ 2,316,113	9.98%
Dec-15	18.40%	0.00%	18.40%	\$ 1,308,105		\$ 1,308,105	\$ 1,331,186	\$ 244,938	\$ (19,792)	\$ 225,146	\$ 2,829,294		\$ 2,829,294	\$ 2,309,998	9.72%
Jan-16	16.00%	0.00%	16.00%	\$ 1,742,082		\$ 1,742,082	\$ 1,323,120	\$ 211,699	\$ (19,792)	\$ 191,907	\$ 3,021,084		\$ 3,021,084	\$ 2,272,326	8.31%
Feb-16	10.92%	0.00%	10.92%	\$ 1,484,960		\$ 1,484,960	\$ 1,284,767	\$ 140,297	\$ -	\$ 140,297	\$ 2,154,619		\$ 2,154,619	\$ 2,227,700	6.17%
Mar-16	14.30%	0.00%	14.30%	\$ 1,149,580		\$ 1,149,580	\$ 1,261,692	\$ 180,422	\$ (5,096)	\$ 175,326	\$ 1,983,179		\$ 1,983,179	\$ 2,226,614	7.87%
Apr-16	17.59%	0.00%	17.59%	\$ 1,009,598		\$ 1,009,598	\$ 1,260,498	\$ 221,722	\$ (5,096)	\$ 216,626	\$ 1,701,860		\$ 1,701,860	\$ 2,214,252	9.73%
May-16	18.99%	0.00%	18.99%	\$ 1,031,534		\$ 1,031,534	\$ 1,257,654	\$ 238,829	\$ (5,096)	\$ 233,733	\$ 2,058,093		\$ 2,058,093	\$ 2,212,597	10.56%
Jun-16	19.60%	0.00%	19.60%	\$ 1,217,857		\$ 1,217,857	\$ 1,252,519	\$ 245,494	\$ (5,096)	\$ 240,398	\$ 2,260,434		\$ 2,260,434	\$ 2,216,348	10.86%
Jul-16	16.50%	0.00%	16.50%	\$ 1,402,813		\$ 1,402,813	\$ 1,254,095	\$ 206,926	\$ (5,096)	\$ 201,830	\$ 2,565,137		\$ 2,565,137	\$ 2,227,158	9.11%
Aug-16	14.29%	0.00%	14.29%	\$ 1,447,521		\$ 1,447,521	\$ 1,267,582	\$ 181,138	\$ (14,056)	\$ 167,082	\$ 2,318,363		\$ 2,318,363	\$ 2,243,961	7.50%
Sep-16	14.76%	0.00%	14.76%	\$ 1,208,393		\$ 1,208,393	\$ 1,272,561	\$ 187,830	\$ (8,960)	\$ 178,870	\$ 1,838,077		\$ 1,838,077	\$ 2,247,105	7.97%
Oct-16	17.17%	0.00%	17.17%	\$ 966,423		\$ 966,423	\$ 1,265,729	\$ 217,326	\$ (8,960)	\$ 208,366	\$ 1,897,891		\$ 1,897,891	\$ 2,239,907	9.27%
Nov-16	19.95%	0.00%	19.95%	\$ 1,147,168		\$ 1,147,168	\$ 1,259,670	\$ 251,304	\$ (8,960)	\$ 242,344	\$ 2,537,764		\$ 2,537,764	\$ 2,263,816	10.82%
Dec-16	16.92%	0.00%	16.92%	\$ 1,534,624		\$ 1,534,624	\$ 1,278,546	\$ 216,330	\$ (8,960)	\$ 207,370	\$ 2,729,298		\$ 2,729,298	\$ 2,255,483	9.16%
Jan-17	11.21%	0.00%	11.21%	\$ 1,497,907		\$ 1,497,907	\$ 1,258,198	\$ 141,044	\$ (8,961)	\$ 132,083	\$ 2,435,361		\$ 2,435,361	\$ 2,206,673	5.86%
Feb-17	12.26%	0.00%	12.26%	\$ 1,269,177		\$ 1,269,177	\$ 1,240,216	\$ 152,051	\$ -	\$ 152,051	\$ 2,249,184		\$ 2,249,184	\$ 2,214,553	6.89%
Mar-17	15.73%	0.00%	15.73%	\$ 1,264,468		\$ 1,264,468	\$ 1,249,790	\$ 196,592	\$ -	\$ 196,592	\$ 1,829,123		\$ 1,829,123	\$ 2,201,715	8.88%
Apr-17	15.40%	0.00%	15.40%	\$ 983,575		\$ 983,575	\$ 1,247,622	\$ 192,134	\$ 992	\$ 193,126	\$ 1,780,246		\$ 1,780,246	\$ 2,208,248	8.77%
May-17	19.86%	0.00%	19.86%	\$ 1,042,345		\$ 1,042,345	\$ 1,248,523	\$ 247,957	\$ 992	\$ 248,949	\$ 2,025,663		\$ 2,025,663	\$ 2,205,545	11.27%
Jun-17	18.13%	0.00%	18.13%	\$ 1,176,775		\$ 1,176,775	\$ 1,245,099	\$ 225,736	\$ (2,280)	\$ 223,456	\$ 2,268,280		\$ 2,268,280	\$ 2,206,199	10.13%
Jul-17	17.75%	0.00%	17.75%	\$ 1,322,819		\$ 1,322,819	\$ 1,238,433	\$ 219,822	\$ (2,280)	\$ 217,542					9.86%

Notes:  
 Grayson 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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