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PUBLIC SERVICE  
COMMISSION

April 30, 2018

MS. GWEN R. PINSON  
EXECUTIVE DIRECTOR  
PUBLIC SERVICE COMMISSION  
PO BOX 615  
FRANKFORT KY 40602

RE: PSC CASE NO. 2018-00075

Dear Ms. Pinson:

Please find enclosed an original and seven (7) copies of the responses of Nolin RECC as requested in the above referenced case dated April 6, 2018.

If you have any questions please call me at 270.765.6153.

Sincerely,

A handwritten signature in black ink that reads "Michael L. Miller".

Michael L. Miller  
President and CEO

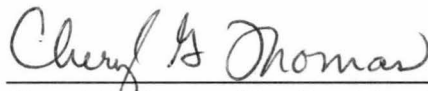
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Enclosures

**Commonwealth of Kentucky**  
**Before the Public Service Commission**  
**Case No. 2018-00075**

**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, Vice President Office Services

**State of Kentucky**

**County of Hardin**

The foregoing was signed, acknowledged and sworn to before me by Cheryl G. Thomas, this 19<sup>th</sup> day of April, 2018.

 571352  
\_\_\_\_\_  
Notary Public

My Commission Expires:

11/12/2021  
\_\_\_\_\_

**NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION  
PSC CASE NO. 2018-00075  
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 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 refer to EKPC's response to Request 2 of the Commission Staff's First Request for Information dated April 6, 2018.

**NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION  
PSC CASE NO. 2018-00075  
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST**

**Request 6.**

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 ending November 30, 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:**

Please refer to EKPC's response to Request 2 of the Commission Staff's First Request for Information dated April 6, 2018, 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:**

<b><u>12-Month Average Residential KWH usage as of November 30, 2017</u></b>		1,159
Energy @ 0.09022		\$ 104.56
Member Cost of Service Charge		\$ 13.50
Fuel Adjustment @ (\$0.003512)		\$ (4.07)
Environmental Surcharge @ 13.00%		\$ 14.82
Total		\$ 128.81

**Recovery Period of Six Months**

<b><u>12-Month Average Residential KWH usage as of November 30, 2017</u></b>		
Energy @ 0.09022		\$ 104.56
Member Cost of Service Charge		\$ 13.50
Fuel Adjustment @ (\$0.003512)		\$ (4.07)
Environmental Surcharge @ 11.82%		\$ 13.47
Total		\$ 127.47
Dollar Impact on Average Residential Bill		\$ (1.35)

**Nolin Rural Electric Cooperative Corporation**  
**PSC Case No. 2018-00075**

<u>MONTH</u>	<u>YEAR</u>	<u>CONSUMERS</u>	<u>KWH SOLD</u>
December	2016	32,967	53,479,129
January	2017	33,025	46,696,065
February	2017	33,054	37,566,425
March	2017	33,090	34,817,720
April	2017	33,088	28,915,726
May	2017	33,139	32,765,742
June	2017	33,159	38,624,429
July	2017	33,249	43,476,518
August	2017	33,236	37,895,984
September	2017	33,259	32,790,235
October	2017	33,210	31,877,364
November	2017	33,244	41,861,628
Totals		<u>397,720</u>	<u>460,766,965</u>
Averages		33,143	38,397,247
Average Usage			1,159

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

For the Month Ending February 2018

	(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. (1) - Col. (2)	Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
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	\$ 5,001,649	8.00%
Feb-17	12.26%	0.00%	12.26%	\$ 3,595,458		\$ 3,595,458	\$ 3,682,744	\$ 451,504	\$ -	\$ 451,504	\$ 4,890,686		\$ 4,890,686	\$ 4,951,551	9.03%
Mar-17	15.73%	0.00%	15.73%	\$ 3,506,049		\$ 3,506,049	\$ 3,692,757	\$ 580,871	\$ -	\$ 580,871	\$ 4,555,154		\$ 4,555,154	\$ 4,946,839	11.73%
Apr-17	15.40%	0.00%	15.40%	\$ 2,851,788		\$ 2,851,788	\$ 3,685,512	\$ 567,569	\$ 2,012	\$ 569,581	\$ 3,953,703		\$ 3,953,703	\$ 4,941,102	11.51%
May-17	19.86%	0.00%	19.86%	\$ 3,193,868		\$ 3,193,868	\$ 3,695,042	\$ 733,835	\$ 2,012	\$ 735,847	\$ 4,476,319		\$ 4,476,319	\$ 4,960,057	14.89%
Jun-17	18.13%	0.00%	18.13%	\$ 3,597,721		\$ 3,597,721	\$ 3,684,143	\$ 667,935	\$ 3,282	\$ 671,217	\$ 5,077,058		\$ 5,077,058	\$ 4,959,186	13.53%
Jul-17	17.75%	0.00%	17.75%	\$ 4,009,190		\$ 4,009,190	\$ 3,673,569	\$ 652,058	\$ 3,282	\$ 655,340	\$ 5,841,051		\$ 5,841,051	\$ 4,985,900	13.21%
Aug-17	15.89%	0.00%	15.89%	\$ 3,732,559		\$ 3,732,559	\$ 3,634,844	\$ 577,577	\$ 3,282	\$ 580,859	\$ 5,267,411		\$ 5,267,411	\$ 4,955,779	11.65%
Sep-17	17.53%	0.00%	17.53%	\$ 3,044,395		\$ 3,044,395	\$ 3,578,864	\$ 627,375	\$ 3,282	\$ 630,657	\$ 4,679,390		\$ 4,679,390	\$ 4,941,140	12.73%
Oct-17	20.51%	0.00%	20.51%	\$ 3,122,107		\$ 3,122,107	\$ 3,586,077	\$ 735,504	\$ 1,270	\$ 736,774	\$ 4,458,420		\$ 4,458,420	\$ 4,962,558	14.91%
Nov-17	17.87%	0.00%	17.87%	\$ 3,459,912		\$ 3,459,912	\$ 3,601,858	\$ 643,652	\$ 1,267	\$ 644,919	\$ 5,462,369		\$ 5,462,369	\$ 5,021,910	13.00%
Dec-17	16.39%	0.00%	16.39%	\$ 4,605,804		\$ 4,605,804	\$ 3,607,782	\$ 591,315	\$ 531	\$ 591,846	\$ 6,943,742		\$ 6,943,742	\$ 5,104,450	11.79%
Jan-18	10.79%	0.00%	10.79%	\$ 5,559,866		\$ 5,559,866	\$ 3,689,893	\$ 398,139	\$ 531	\$ 398,670	\$ 7,699,991		\$ 7,699,991	\$ 5,275,441	7.81%
Feb-18	7.29%	0.00%	7.29%	\$ 4,398,345		\$ 4,398,345	\$ 3,756,800	\$ 273,871	\$ 531	\$ 274,402					5.20%

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 February 2018

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Notes:  
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**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	<b>Previous (Over)/Under-Recovery Remaining to be Amortized</b>				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$8,048
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$7,617
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$3,188
1d	<b>Total Previous (Over)/Under-Recovery</b>				<b>\$18,853</b>
2	Jul-17	\$726,866	\$791,634	(\$64,768)	(\$45,915)
3	Aug-17	\$662,529	\$696,136	(\$33,607)	(\$79,522)
4	Sep-17	\$483,754	\$545,153	(\$61,399)	(\$140,921)
5	Oct-17	\$547,305	\$567,554	(\$20,249)	(\$161,169)
6	Nov-17	\$709,628	\$814,446	(\$104,818)	(\$265,987)
7	Dec-17	\$823,059	\$902,690	(\$79,631)	(\$345,618)
Post Review	Jan-18	\$911,260	\$907,828	\$3,432	(\$342,186)
	Feb-18	\$474,581	\$445,265	\$29,316	(\$312,870)
<b>Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017</b>					
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. 2016-00335 Recovery	(\$8,048)	\$8,048		\$0
8b	Case No. 2017-00071 Recovery	(\$7,617)	\$7,617		\$0
8c	Case No. 2017-00326 Recovery	(\$3,188)	\$0		(\$3,188)
8d	<b>Total Order amounts remaining - Over/(Under):</b>				<b>(\$3,188)</b>
9	<b>Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&amp;8d)]</b>				<b>(\$348,806)</b>
10	<b>Monthly recovery (per month for six months)</b>				<b>(\$58,134)</b>
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$18,853
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$3,188)
13	<b>Total Amortization during Review Period</b>				<b>\$15,665</b>
14	(Over)/Under-Recovery from Column 5, Line 9				(\$348,806)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$364,471)
16	<b>Difference</b>				<b>\$15,665</b>

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$2,012	\$1,270	\$0
Aug-17	\$2,012	\$1,270	\$0
Sep-17	\$2,012	\$1,270	\$0
Oct-17	\$2,012	\$1,270	\$0
Nov-17	\$0	\$1,270	\$0
Dec-17	\$0	\$1,267	\$0
<b>Totals</b>	<b>\$8,048</b>	<b>\$7,617</b>	<b>\$0</b>



**NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION  
PSC CASE NO. 2018-00075  
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST**

**Request 7.**

This question is addressed to EKPC and the Member Cooperatives. State whether you would be amenable to the use of electronic filing procedures for environmental surcharge review cases.

**Response:**

Nolin Rural Electric Cooperative Corporation is amenable to the use of electronic filing procedures for environmental surcharge review cases.