

**Frost  
Brown Todd** LLC  
ATTORNEYS

KENTUCKY · OHIO · INDIANA · TENNESSEE · WEST VIRGINIA

RECEIVED

APR 30 2010

PUBLIC SERVICE  
COMMISSION

April 30, 2010

Via Hand-Delivery

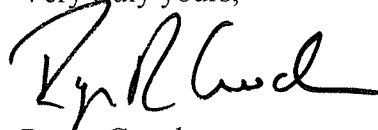
Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: PSC Case No. 2010-00021

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and ten copies of the responses of East Kentucky Power Cooperative, Inc., ("EKPC") to the Commission Staff's Information Requests from the Informal Conference held on March 23, 2010, and Supplemental Testimony of Ann F. Wood.

Very truly yours,



Roger Cowden

Enclosures

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>AN EXAMINATION BY THE PUBLIC SERVICE</b>	)	
<b>COMMISSION OF THE ENVIRONMENTAL</b>	)	
<b>SURCHARGE MECHANISM OF EAST KENTUCKY</b>	)	
<b>POWER COOPERATIVE, INC. FOR THE</b>	)	<b>CASE NO.</b>
<b>SIX-MONTH BILLING PERIOD ENDING</b>	)	<b>2010-00021</b>
<b>DECEMBER 31, 2009; AND THE PASS-THROUGH</b>	)	
<b>MECHANISM FOR ITS SIXTEEN MEMBER</b>	)	
<b>DISTRIBUTION COOPERATIVES</b>	)	

**RESPONSES OF EAST KENTUCKY POWER COOPERATIVE, INC.  
TO COMMISSION STAFF'S INFORMATION REQUESTS FROM  
INFORMAL CONFERENCE HELD ON MARCH 23, 2010**

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, 2009; AND THE PASS-THROUGH )  
MECHANISM FOR ITS SIXTEEN MEMBER )  
DISTRIBUTION COOPERATIVES )

CASE NO.  
2010-00021

CERTIFICATE

STATE OF KENTUCKY )  
 )  
COUNTY OF CLARK )

Ann F. Wood, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Information Requests from the Informal Conference held on March 23, 2010 in the above-referenced case, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Ann F. Wood

Subscribed and sworn before me on this 29<sup>th</sup> day of April, 2010.

Greg M. Whelley  
Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013  
NOTARY ID #409352



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2010-00021  
ENVIRONMENTAL SURCHARGE  
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INFORMATION REQUEST FROM INFORMAL  
CONFERENCE HELD ON 03/23/10**

**REQUEST 1**

**RESPONSIBLE PARTY: Ann F. Wood**

**Request 1.** Refer to the pass-through calculation for Owen for the October 2009 and November 2009 expense months. Provide a more expansive calculation of the revenue requirement allocated to Gallatin, to Schedule B customers and to all other customer classes.

**Response 1.** EKPC's monthly pass-through calculation for Owen, as originally filed, contained an Excel formula error. Please see page 2 of this response for a revised pass-through calculation for the period under review. Owen's pass-through calculations for the next review period (6-month period ending June 30, 2010) will reflect the correction of this formula error.

Page 3 of this response contains a revised calculation of Owen's over or under recoveries for the period under review. Please note that page 3 represents a revision to PSC Request 2, Page 13 of 17, originally filed on March 3, 2010.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
 Pass Through Mechanism Report for Owen Electric Cooperative

Amended Filing: July - December 2009

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8a)	(8b)	(8c)	(8d)	(8e)	(8f)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESEF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Owen	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Owen	EKPC 12-months Ended Average Monthly Revenue from Sales to Owen	Owen Revenue Requirement	Gallatin Surcharge Revenues	Amortization of (Over)/Under Recovery of Gallatin Revenues	EKPC Schedule B Surcharge Revenues	Amortization of EKPC Schedule B (Over)/Under Recovery of Revenues	Owen Revenue Requirements exclusive of Gallatin and Schedule B	Amortization of (Over)/Under Recovery excl. of Gallatin + Sch B	Owen Net Revenue Requirement exclusive of Gallatin + Sch B	Owen Total Monthly Retail Revenues exclusive of Gallatin + Sch B	On-Peak Retail Revenue Adjustment	Owen Net Monthly Retail Revenues exclusive of Gallatin + Sch B	Avg. Retail Revenues, Net Exclusive of Gallatin + Sch B	Owen Pass Through Mechanism Factor, Net of Gallatin + Sch B
			Col. (1) - Col. (2)	Col. (3) x Col. (7)	Col. (4) - Col. (5)	Col. (6) - Col. (7)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)	Col. (8) - Col. (9)
Jul-09	11.24%	1.21%	10.03%	\$8,382,025	\$8,382,025	\$8,382,025	\$8,451,665	\$847,704	\$285,280	\$73,476	\$75,213	\$488,948	\$488,948		\$488,948	\$7,548,551		\$7,548,551	\$ 7,141,672	6.47%
Aug-09	11.69%	1.21%	10.68%	\$8,982,468	\$8,982,468	\$8,982,468	\$8,386,392	\$895,667	\$317,024	\$75,213	\$78,545	\$503,430	\$503,430		\$503,430	\$7,681,563		\$7,681,563	\$ 7,149,106	7.05%
Sep-09	11.75%	1.21%	10.54%	\$8,433,946	\$8,433,946	\$8,433,946	\$8,376,677	\$882,902	\$354,915	\$78,545	\$78,545	\$449,442	\$449,442		\$449,442	\$7,887,303		\$7,887,303	\$ 7,173,900	6.29%
Oct-09	8.34%	1.21%	7.13%	\$7,468,779	\$7,468,779	\$7,468,779	\$8,319,458	\$593,058	\$331,154	\$69,766	\$69,766	(\$9,372)	\$228,229	(\$7,452)	\$148,778	\$8,011,527		\$8,011,527	\$ 7,217,571	2.67%
Nov-09	9.43%	1.21%	8.22%	\$7,369,940	\$7,369,940	\$7,369,940	\$8,215,798	\$675,554	\$190,488	\$50,118	\$50,118	(\$9,264)	\$469,206	(\$7,305)	\$391,601	\$8,105,800		\$8,105,800	\$ 7,226,310	5.43%
Dec-09	14.58%	1.21%	13.38%	\$9,711,956	\$9,711,956	\$9,711,956	\$8,301,658	\$1,110,797	\$270,278	\$80,988	\$80,988	(\$4,290)	\$796,874	(\$28,792)	\$799,062	\$9,394,144		\$9,394,144	\$ 7,062,691	10.63%

Owen Electric Cooperative - Calculation of (Over)/Under w/ 2-month lag - All Others					
Mo/Yr	EKPC Invoice Month recorded on OEC's Books (1)	Billed to Retail Consumer & recorded on OEC's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)	
Jul-09	\$534,061	\$560,930	(\$26,869)	(\$26,869)	
Aug-09	\$561,787	\$598,443	(\$36,656)	(\$63,525)	
Sep-09	\$587,161	\$615,953	(\$28,792)		
Oct-09	\$473,763	\$507,856	(\$34,093)		
Nov-09	\$389,429	\$395,350	(\$5,921)		
Dec-09	\$284,874	\$145,054	\$139,820		

Owen Electric Cooperative - Calculation of (Over)/Under w/ 2-month lag - Sch B					
Mo/Yr	EKPC Invoice Month recorded on OEC's Books (1)	Billed to Retail Consumer & recorded on OEC's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)	
Jul-09	\$66,684	\$70,039	(\$3,355)	(\$3,355)	
Aug-09	\$67,087	\$71,465	(\$4,377)	(\$7,732)	
Sep-09	\$87,482	\$91,771	(\$4,289)		
Oct-09	\$72,068	\$77,254	(\$5,186)		
Nov-09	\$69,786	\$57,504	\$12,282		
Dec-09	\$50,118	\$50,118	\$0		

Owen Electric Cooperative - Calculation of (Over)/Under w/ 2-month lag - Gallatin					
Mo/Yr	EKPC Invoice Month recorded on OEC's Books (1)	Billed to Retail Consumer & recorded on OEC's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)	
Jul-09	\$215,909	\$226,772	(\$10,863)	(\$10,863)	
Aug-09	\$233,833	\$249,090	(\$15,257)	(\$26,120)	
Sep-09	\$266,195	\$279,248	(\$13,053)		
Oct-09	\$331,154	\$331,154	\$0		
Nov-09	\$190,488	\$190,488	\$0		
Dec-09	\$270,278	\$270,278	\$0		





**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2010-00021  
ENVIRONMENTAL SURCHARGE  
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INFORMATION REQUEST FROM INFORMAL  
CONFERENCE HELD ON 03/23/10**

**REQUEST 2**

**RESPONSIBLE PARTY: Ann F. Wood**

**Request 2.** Refer to the pass-through calculation for Fleming-Mason for the October 2009 and November 2009 expense months. Provide a more expansive calculation of the revenue requirement allocated to Schedule C customers and special contracts and to all other customer classes.

**Response 2.** EKPC's monthly pass-through calculation for Fleming-Mason, as originally filed, contained an Excel formula error. Please see page 2 of this response for a revised pass-through calculation for the period under review. Fleming-Mason's pass-through calculations for the next review period (6-month period ending June 30, 2010) will reflect the correction of this formula error.

Page 3 of this response contains a revised calculation of Fleming-Mason's over or under recoveries for the period under review. Please note that page 3 represents a revision to PSC Request 2, Page 7 of 17, originally filed on March 3, 2010.

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives  
 Pass Through Mechanism Report for Fleming Mason RECC  
 Amended Flow Through Mechanism: July - December 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8a)	(8b)	(8c)	(8d)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	ERPC CESF %	ERPC BESF %	ERPC MESP %	ERPC Monthly Revenues from Sales to Fleming Mason	On-peak Retail Revenue Adjustment	ERPC Net Monthly Sales to Fleming Mason	ERPC 12-months Ended Average Monthly Revenue from Sales to Fleming Mason	Fleming Mason Revenue Requirement	Amortization of (Over)/Under Recovery of Sch C & Special Contracts Revenue*	Fleming Mason Revenue Requirements net of Sch C & Special Contracts	Amortization of (Over)/Under Recovery net of Sch C & Special Contracts*	Fleming Mason Net Revenue Requirement net of Sch C & Special Contracts	Fleming Mason Total Monthly Retail Revenues net of Sch C & Special Contracts	On-Peak Retail Revenue Adjustment	Fleming Mason Net Monthly Retail Revenues net of Sch C & Special Contracts	12-months ended Avg. Retail Revenues, net of Sch C & Special Contracts	Fleming Mason Pass-through Mechanism Factor net of Sch C & Special Contracts
				Col (4) - Col (5)		Col (3) x Col (6)	Col (3) x Col (7)	Col (8a) - Col (8b) + Col (8c)	Col (8a) - Col (8b) + Col (8c)	Col (8a) - Col (8b) + Col (8c)	Col (8a) - Col (8b) + Col (8c)	Col (8a) - Col (8b) + Col (8c)	Col (11) - Col (12)	Col (11) - Col (12)	Col (11) - Col (12)	Col (10) / Col (14)	
Jul-09	11.24%	1.21%	10.03%	\$4,753,196	\$106,160	\$4,657,036	\$5,405,352	\$442,157	\$277,763	\$264,394	\$264,394	\$264,394	\$3,050,714	\$106,160	\$2,944,554	\$3,243,205	7.47%
Aug-09	11.89%	1.21%	10.68%	\$4,784,836	\$94,918	\$4,689,918	\$5,393,375	\$574,944	\$270,597	\$304,347	\$304,347	\$304,347	\$3,069,086	\$94,918	\$2,974,168	\$3,233,867	9.39%
Sep-09	11.75%	1.21%	10.34%	\$4,425,502	\$219	\$4,425,283	\$5,323,691	\$561,117	\$288,962	\$272,155	\$272,155	\$272,155	\$2,642,742	\$219	\$2,642,523	\$3,221,369	8.42%
Oct-09	8.34%	1.21%	7.13%	\$4,472,714	\$62,846	\$4,409,868	\$5,235,587	\$371,223	\$286,851	\$79,758	\$85,408	\$85,408	\$2,669,254	\$62,846	\$2,606,408	\$3,216,819	2.65%
Nov-09	9.49%	1.21%	8.22%	\$4,593,976	\$37,921	\$4,556,055	\$5,124,332	\$421,354	\$191,973	\$211,684	\$4,566	\$226,249	\$2,594,475	\$37,921	\$2,556,554	\$3,133,703	7.09%
Dec-09	14.59%	1.21%	13.38%	\$5,700,267	\$102,024	\$5,598,243	\$5,060,202	\$677,080	\$241,351	\$414,348	\$16,805	\$431,153	\$3,865,228	\$102,024	\$3,763,202	\$3,090,636	13.76%

Fleming-Mason - Calc of (Over)/Under w/ 2-month lag - Sch C + Spec Contracts

Fleming-Mason - Calc of (Over)/Under w/ 2-month lag - All Others

Mo/Yr	EKPC Invoice Month recorded on Member's Books (1)	Billed to Retail Consumer & recorded on Member's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)
Jul-09	\$242,068	\$238,229	\$3,839	\$3,839
Aug-09	\$234,130	\$243,870	(\$9,740)	(\$5,901)
Sep-09	\$264,583	\$243,222	\$21,361	
Oct-09	\$240,348	\$248,742	(\$8,394)	
Nov-09	\$191,973	\$191,973	\$0	
Dec-09	\$241,362	\$241,362	\$0	

Mo/Yr	EKPC Invoice Month recorded on Member's Books (1)	Billed to Retail Consumer & recorded on Member's Books (2)	Monthly (Over) or Under (3)	Cumulative (Over) or Under (4)
Jul-09	\$218,520	\$215,055	\$3,465	\$3,465
Aug-09	\$236,269	\$246,098	(\$9,829)	(\$6,364)
Sep-09	\$208,144	\$191,339	\$16,805	
Oct-09	\$224,453	\$232,292	(\$7,839)	
Nov-09	\$132,873	\$296,742	(\$163,869)	
Dec-09	\$218,828	\$99,714	\$119,114	



**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2010-00021  
ENVIRONMENTAL SURCHARGE  
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INFORMATION REQUEST FROM INFORMAL  
CONFERENCE HELD ON 03/23/10**

**REQUEST 3**

**RESPONSIBLE PARTY: Ann F. Wood**

**Request 3.** Refer to Commission Staff's First Data Request No. 4. Account 50144 reflects expenditures for ash disposal on the Gilbert Unit. Identify the following:

- a. The supplier contracted to perform ash disposal;
- b. The date this supplier was contracted by EKPC;
- c. Whether or not this supplier nets the sale of ash by-products from the invoice; and
- d. Whether or not it is possible to "gross up" the ash disposal expense and the sale of ash by-products.

**Response 3.**

- a. EKPC's ash disposal supplier is Headwaters Resources, Inc.
- b. EKPC's contract with this supplier began April 1, 2009.
- c. EKPC receives no proceeds from the sale of ash by-products.
- d. This is not applicable. Please see the response to 3c.



1 COMMONWEALTH OF KENTUCKY

2  
3 BEFORE THE PUBLIC SERVICE COMMISSION  
4

5 In the Matter of:

6  
7 AN EXAMINATION BY THE PUBLIC SERVICE )  
8 COMMISSION OF THE ENVIRONMENTAL )  
9 SURCHARGE MECHANISM OF EAST KENTUCKY )  
10 POWER COOPERATIVE, INC. FOR THE ) CASE NO.  
11 SIX-MONTH BILLING PERIOD ENDING ) 2010-00021  
12 DECEMBER 31, 2009; AND THE PASS-THROUGH )  
13 MECHANISM FOR ITS SIXTEEN MEMBER )  
14 DISTRIBUTION COOPERATIVES )  
15

---

16  
17 SUPPLEMENTAL TESTIMONY OF ANN F. WOOD  
18 ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.  
19  
20

---

21 Q. Are you the same Ann F. Wood who submitted direct testimony in this  
22 proceeding?

23 A. Yes. I am the same Ann F. Wood who submitted testimony dated March 3, 2010.

24 Q. Have there been any changes in your background information or duties at  
25 EKPC?

26 A. The only change from my original testimony is that I now report directly to the  
27 Chief Financial Officer.

28 Q. What is the purpose of this supplemental testimony?

29 A. The purpose of this supplemental testimony is to discuss concerns associated with  
30 the two-month "true-up" adjustment at the retail level, and request that this  
31 practice be ceased effective with the date of the Commission's Order in this  
32 proceeding.

1 **Q. How did EKPC become aware of problems with the two-month “true-up”**  
2 **adjustment at the retail level?**

3 A. In Case No. 2009-00039, EKPC requested, and the Commission approved, a two-  
4 month “true-up” adjustment of over and under recoveries at both the wholesale  
5 and retail levels. During an Informal Conference in this proceeding (Case No.  
6 2010-00021), Commission Staff made EKPC aware of an Excel formula error  
7 associated with the pass-through calculations for Fleming-Mason and Owen. At  
8 the same time when EKPC was correcting these formula errors, EKPC and  
9 several member systems were observing that the retail over/under recoveries were  
10 fluctuating drastically. Such dramatic fluctuations were not anticipated when  
11 EKPC requested the retail two-month “true-up” in Case No. 2009-00039. There  
12 have been instances during the period subsequent to this review period that the  
13 member systems’ retail environmental surcharge factor has exceeded EKPC’s  
14 wholesale environmental surcharge factor. In other cases, member systems have  
15 experienced negative retail surcharge factors.

16 **Q. How are these fluctuations impacting the member system?**

17 A. Such extreme fluctuations in the retail pass-through mechanism have negatively  
18 impacted cash flows at the member system level and made it impossible for the  
19 member systems to forecast their environmental surcharge factors.

20 **Q. What is EKPC proposing to address the over/under recovery variances at the**  
21 **retail level?**

22 A. EKPC respectfully requests that the Commission issue an Order in this  
23 proceeding discontinuing the two-month “true-up” adjustment at the retail level.



1           Although EKPC has not been able to isolate the reason for the variances, the  
2           elimination of the retail two-month “true-up” adjustment will avoid the continuing  
3           significant fluctuations in the retail surcharge factor. EKPC will continue to  
4           analyze the reasons for the fluctuations. The member systems request that  
5           accumulated over/under recoveries be addressed during the Commission’s six-  
6           month review periods, as was done prior to the issuance in the final Order in Case  
7           No. 2009-00039.

8   **Q.   Does this proposed change impact the environmental surcharge tariffs at the**  
9   **retail level?**

10  A.   Yes. The elimination of the two-month “true-up” adjustment at the retail level  
11       will require a change to the retail environmental surcharge tariffs. Exhibit AFW-  
12       1 reflects an example of the change required in the member system’s tariff.

13  **Q.   Do the Member Systems plan to change the proposed amortization period**  
14  **relating to accumulated over or under recoveries in this proceeding?**

15  A.   No. The Member Systems plan to use a two-month amortization period in the  
16       first month following the Commission’s Final Order in this proceeding.

17  **Q.   Does EKPC propose any changes to its wholesale calculation or to the**  
18  **wholesale environmental surcharge mechanism as is currently in place?**

19  A.   No, EKPC does not propose any changes at the wholesale level.

20  **Q.   Does this conclude your testimony?**

21  A.   Yes.

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, 2009; AND THE PASS-THROUGH )  
MECHANISM FOR ITS SIXTEEN MEMBER )  
DISTRIBUTION COOPERATIVES )

CASE NO.  
2010-00021

AFFIDAVIT

STATE OF KENTUCKY )  
 )  
COUNTY OF CLARK )

Ann F. Wood, being duly sworn, states that she has read the foregoing prepared testimony and that she would respond in the same manner to the questions if so asked upon taking the stand, and that the matters and things set forth therein are true and correct to the best of her knowledge, information and belief.

Ann F. Wood

Subscribed and sworn before me on this 26<sup>th</sup> day of April, 2010.

Steven M. Willoughby  
Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013  
NOTARY ID #409352

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Name of Member System

---

**CLASSIFICATION OF SERVICE**

---

**RATES SCHEDULE ES – ENVIRONMENTAL SURCHARGE**

**AVAILABILITY**

In all of the Company's service territory.

**APPLICABILITY**

This rate schedule shall apply to all electric rate schedules and special contracts.

**RATE**

$$CES(m) = ES(m)$$

where CES(m) = Current Month Environmental Surcharge Factor  
ES(m) = Current Month Environmental Surcharge Calculation

$$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, excluding environmental surcharge})) + (\text{Over/Under Recovery})] \text{ divided by } [(\text{Average of 12-months ending Retail Revenue (excluding environmental surcharge)})] = \text{_____}\%$$

where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month

---

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE \_\_\_\_\_  
President and General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Name of Member System

---

**CLASSIFICATION OF SERVICE**

---

(Over)/Under Recovery =

(over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. Over or under recoveries result from the amortization of amounts determined by the Commission during six-month and two-year reviews and the two-month "true-up" adjustment.

**BILLING**

The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE \_\_\_\_\_ President and General Manager \_\_\_\_\_

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_