

LAW OFFICE OF
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JOHN J. SCOTT
ATTORNEY AT LAW

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October 4, 2010

HAND DELIVERED

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

RECEIVED

OCT 04 2010

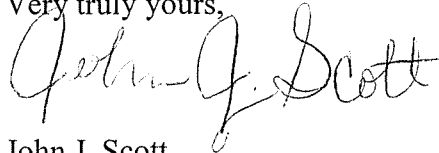
**PUBLIC SERVICE
COMMISSION**

Re: PSC Case No. 2010-00178

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 Nolin Rural Electric Cooperative Corporation to the Commission Staff's Third Information Request, dated September 20, 2010.

Very truly yours,



John J. Scott

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

NOLIN RURAL ELECTRIC COOPERATIVE)	
CORPORATION PASS-THROUGH OF EAST)	CASE NO.
KENTUCKY POWER COOPERATIVE, INC.)	2010-00178
WHOLESALE RATE ADJUSTMENT)	

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF HARDIN)

O.V. Sparks, being duly sworn, states that he has supervised the preparation of the responses of Nolin Rural Electric Cooperative Corporation to the Public Service Commission Staff's Third Information Request in the above-referenced case dated September 20, 2010, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

O.V. Sparks

Subscribed and sworn before me on this 15th day of October, 2010.

Brendolyn McCuller

Notary Public
esp 6/1/12

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOLIN RURAL ELECTRIC COOPERATIVE)	
CORPORATION PASS-THROUGH OF EAST)	CASE NO.
KENTUCKY POWER COOPERATIVE, INC.)	2010-00178
WHOLESALE RATE ADJUSTMENT)	

**RESPONSES TO COMMISSION STAFF'S THIRD
INFORMATION REQUEST
TO NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
DATED SEPTEMBER 20, 2010**

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

PSC CASE NO. 2010-00178

THIRD INFORMATION REQUEST RESPONSE

**COMMISSION STAFF'S THIRD INFORMATION REQUEST DATED 09/20/10
REQUEST 1**

RESPONSIBLE PERSON: O.V. Sparks

COMPANY: Nolin Rural Electric Cooperative Corporation

Request 1. Refer to Nolin's response to Item 3 of Commission Staff's Second Information Request wherein Nolin states that "[p]ursuant to the terms of the contract between EKPC, Nolin, and AGC dated May 27, 2009 and approved by the Commission effective July 1, 2009, paragraph 4, sections d. through f., Nolin charges AGC a specified demand charge, energy charge, and customer charge." Explain why the current energy charge of \$.04741 shown in Nolin's application at Exhibit 3, page 5 of 6, does not reconcile with the energy charge of \$.03680 specified in paragraph 4, section e., of the above-referenced contract.

Response 1. Nolin's application Exhibit 3, page 5 of 6, reflects an energy charge to AGC of \$.04741 which is \$.01061 higher than the \$.03680 energy charge shown in paragraph 4, section e, of the AGC contract effective July 1, 2009. In the Order in Case No. 2008-00533, An Examination of the Application of the Fuel Adjustment Clause of Nolin Rural Electric Cooperative Corporation from November 1, 2006 Through October 31, 2008, the Commission authorized Nolin to transfer (roll-in) 10.613 mills per kWh of base fuel costs to its base rates effective for service rendered on and after August 1, 2009. This roll-in represents the \$.01061 increase.

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

PSC CASE NO. 2010-00178

THIRD INFORMATION REQUEST RESPONSE

**COMMISSION STAFF'S THIRD INFORMATION REQUEST DATED 09/20/10
REQUEST 2**

RESPONSIBLE PERSON: O.V. Sparks

COMPANY: Nolin Rural Electric Cooperative Corporation

Request 2. Provide a description of the billing process for AGC, Nolin's one special contract customer, and a sample bill.

Response 2. Nolin RECC receives the kWh usage, including demand usage for AGC from East Kentucky Power Cooperative, Inc. The reading is forwarded to the billing department where it is entered in the billing software (iVUE by NISC). The current rate for kWh and demand are then applied to the usage along with applicable taxes and charges. The account is billed in test files the day of billing and is then compared to the actual billing to ensure the account is calculated correctly.

The following day, AGC receives an e-mail notification that the bill print generated by iVUE is ready for viewing. AGC has the ability to log in to the website and view the bill (see pages 2 and 3 of this response). In addition, Nolin e-mails a bill (to recipients designated by AGC) that has been created manually in Excel (page 4 of this response). This bill reflects the total amount due as does the bill image on iVUE, but contains greater detail of the billing.

1521003500 // 4 Group: 31451



411 Ring Road
Elizabethtown KY 42701-6767

A Touchstone Energy® Cooperative

PHONE: (270) 765-6153
Office hours: Mon-Fri 8AM-5PM
Toll-Free: 1-888-637-4247
www.nolinrecc.com

BRANCH OFFICE
101 W. Lincoln Trail
Radcliff, KY 40160-2055
(270) 351-2199

AGC AUTOMOTIVE AMERICAS
ATTN ACCOUNTS PAYABLE
PO BOX 5000
ELIZABETHTOWN KY 42702-5000

1 4



SERVICE ADDRESS
AUTO GLASS DR-PLANT

KWH USAGE HISTORY

Comparisons	Days of Service	KWH Used	Avg KWH per Day
Current Month	31	10036144	323747
Last Month	31	7972380	257174
One Year Ago	31	7958900	256739

A MESSAGE FROM YOUR CO-OP

Look for news in October bill about a FREE home energy makeover or FREE Energy STAR home appliances. Don't miss out on your chance to win! Get details at www.nolinrecc.com/makeover.

Please see reverse side for additional information.

Account Information	Billing Information	\$ Amount
Account Number	PAST DUE \$1207.61 SUBJECT TO DISCONNECT ON 09/21/2010. *****	
Billing Cycle	BALANCE ON 08/18/2010	511493.36
Billing Date	ADJUSTMENTS	1207.61
Meter Number	PAYMENT - THANK YOU	-511493.36
Meter Reading 07/31/2010	PAST DUE AMOUNT	1207.61
Meter Reading 08/31/2010	KWH CHARGE	476956.82
KWH Usage	DEMAND CHARGE	89493.95
Meter Multiplier	FUEL ADJUSTMENT -0.0071700	-71959.15
Demand	FRANCHISE FEE	7661.58
Days Billed	SCHOOL TAX	17512.97
Rate Schedule 11 INDUSTRIAL OVER 10000-A	ENVIRONMENTAL SURCHARGE	67113.18
Bill Type	REVENUE RECOVERY	20301.00
Board District	Buy Through Charge	1860.00
	CURRENT MONTH CHARGES	608940.35
	BANK DRAFT DO NOT PAY	
Access your Nolin account at www.nolinrecc.com . Check your consumption/payment history, apply for bankdraft, budget billing, and make payments with Visa or MasterCard.	NET DUE UPON RECEIPT	610147.96
	GROSS AMOUNT DUE AFTER 5 PM ON	Bank Draft

PLEASE DETACH AND RETURN THIS PORTION WITH PAYMENT. PLEASE DO NOT STAPLE OR FOLD.
PLEASE COMPLETE TO PAY BY VISA/MASTERCARD

Card Account Number _____ Exp. Date ____/____/____

Draft this account automatically each month using this credit card.

Print Cardholder Name _____ Signature for Payment _____

(270) 769-1221 is the phone number we have listed for your account should you need to report an outage. If this is incorrect, please contact us at (270) 765-6153 or note your correct number on this portion of your bill.

AGC AUTOMOTIVE AMERICAS
ATTN ACCOUNTS PAYABLE
PO BOX 5000
ELIZABETHTOWN KY 42702-5000

PAST DUE \$1207.61 SUBJECT TO DISCONNECT ON 09/21/2010.

Account Number: _____

NET AMOUNT DUE UPON RECEIPT	610147.96
GROSS AMOUNT DUE AFTER 5 PM ON	Bank Draft

PAYMENT BY BANK DRAFT ON 10/05/2010

03

NOLIN RURAL ELECTRIC COOPERATIVE*
411 RING ROAD
ELIZABETHTOWN KY 42701-6767



1521003500006101479600639336259

WHAT TO DO IF YOUR POWER IS OUT

If you experience a power outage, please check your circuit breakers or fuses to determine if the problem is in your equipment. If you do not think the problem is in your equipment, please contact our office at (270) 769-6396 or 1-800-572-1147. Dispatchers are here for you 24 hours a day. During major outages, your call may be answered by our automated outage reporting system; therefore, please have your account number available. You should notify our office of any phone number change as an incorrect number could not be recognized by our system.

IMPORTANT INFORMATION ABOUT YOUR BILL

- Failure to receive bill does not exempt you from monthly payment, late charges, or disconnection.
- Night depository available at our Elizabethtown and Radcliff offices for your convenience 24 hrs a day.
- Account is considered paid when payment is received in our office. Allow 4-5 days for mail delivery.

Bill Definitions:

Balance Forward: The unpaid amount of the prior month's electric bill.

Bill Type: A code that identifies the bill as follows - **R**-regular bill; **M**-minimum bill; **E**-estimated bill; **F**-final bill; **P**-prorated bill; **B**-budget; **N**-new connect; **X**-meter exchange, **S**-security light only.

Environmental Surcharge: A fee charged to the cooperative by our electric supplier for costs incurred as a result of complying with government regulations for clean air.

Franchise Fee: A tax on the cooperative for using the city/town right-of-ways for installing utility poles and wires.

Fuel Adjustment: A modification of a member's monthly electricity bill caused by an increase or decrease in the cost of the electric supplier's fuel supply.

Kilowatt-Hour (KWH): Standard measurement for electricity. One kWh equals 1000 watts of electricity used for 1 hour.

Meter Multiplier: A calculation used in certain metering applications to multiply the KWH reading for actual usage.

Rate Schedule: Identifies the billing value that applies to the metered service.

School Tax: A tax collected by the cooperative for local school districts. Upon collection the funds are then forwarded to the appropriate party for further distribution.

Service Address: The address where the meter is located. The mailing address is where the bill is sent.

State Tax: A tax collected by the cooperative for the Kentucky Revenue Cabinet on commercial/business accounts. Upon collection the funds are forwarded to the state.

OPERATION ROUND-UP®

Through Operation Round-Up®, Nolin RECC automatically rounds up a participating member's electric bill to the next highest dollar. For example, a customer's monthly bill of \$65.25 would be automatically rounded up to \$66.00. The additional 75 cents would go to the Operation Round-Up® fund. A non-profit board of directors made up of local citizens then allocates this money to a variety of worthy causes throughout the community.

PAYMENT OPTIONS

Nolin RECC offers multiple payment options for the convenience of our members. Instead of paying your bill in the traditional method of mail or in-person, try one of these free, easy options:

Automatic Draft: Your monthly bill is deducted from your checking or savings account or applied to your Visa/Mastercard. To sign up for draft, just complete the front portion of your remittance stub. For checking or savings, complete the back portion of your remittance stub.
Phone: Simply call our office to make your payment over the telephone by check or Visa/Mastercard.

When paying by check you or your authorized representative will be asked to verify identity by providing the last 4 digits of your social security number or the last 4 digits of the social security number of your authorized representative. By providing the last 4 digits of the social security number, you authorize Nolin Electric Cooperative to initiate a one time electronic withdrawal from your bank account. This authorization is to remain in full force and effect unless you provide written notification to Nolin Electric Cooperative in such time and manner as to afford us and your financial institution a reasonable opportunity to act on it.

On-line: Go to www.nolinrecc.com and select "Your Account" to pay your bill over the internet by check or Visa/Mastercard. This is a safe site.

PAYMENT ASSISTANCE

If you need assistance paying your bill, please contact our office before your disconnect date to request payment arrangements. You may also contact local, state, or federal agencies for assistance.

VALUE-ADDED SERVICES

Nolin RECC offers the following value-added programs to all members:

- | | |
|--------------------------------------|----------------------------------|
| * FREE energy audits | * Rebate programs |
| * Security lighting | * Surge protection |
| * EnviroWatts Program | * Simple Saver Program |
| * Electrical Safety | * Co-op Connection Discount Card |
| * Electric grills | * Theme park tickets (seasonal) |
| * Scholarship programs | * Washington Youth Tour Program |
| * Touchstone Energy New Home Program | |

Please contact the Member Services Department at (270) 765-6153 to learn more about how these programs can benefit you.

AUTHORIZATION FORM FOR OPTIONAL SERVICES

I hereby authorize Nolin Rural Electric Cooperative Corporation to enroll me in the following services and understand that they will remain in effect until revoked in writing:

Operation Round-Up

Levelized Budget Billing

Automatic Payment Draft

Checking Account (Include voided check)


VISA/MASTERCARD (Complete front section)

Savings Account (Financial Institution: _____ Account No.: _____)

Signature (REQUIRED)

DATE



A Touchstone Energy® Cooperative 

411 Ring Rd
Elizabethtown KY 42701
PHONE (270) 765-6153 FAX (270) 735-1053

September 16, 2010

AGC AUTOMOTIVE AMERICAS
ATTN ACCOUNTS PAYABLE
P O BOX 5000
ELIZABETHTOWN KY 42702

PAYMENT BY BANK DRAFT OCTOBER 5, 2010

STATEMENT FOR ELECTRIC SERVICE: CONSUMPTION THROUGH AUGUST 31, 2010

ACCOUNT NUMBER: XXXXXXXXXX

CUSTOMER CHARGE		\$1,143.23	SCHEDULE	11A
	KWH			
KWH & CHARGES	10,036,144	\$475,813.59	ACTUAL KWH USED	10,036,144
REVENUE RECOVERY		\$20,301.00		
KW CHARGE			ACTUAL KW DEMAND	18,286.560
TOTAL KW	\$118,496.91		RATE PER KWH	0.04741
INTERRUPTIBLE CREDIT	(\$29,002.96)		KW RATE	
TOTAL KW CHARGE		\$89,493.95	CONTRACT KW	\$6.48
			INTERRUPTIBLE CREDIT	(\$3.50)
BUY-THRU CHARGES				
JULY		\$1,030.00		
AUGUST		\$1,860.00		
FUEL CHARGE PER KWH	(0.0071700)	(\$71,959.15)		
ENVIRONMENTAL SURCHARGE	0.1299	\$67,241.51	MINIMUM KW	17,000
			FIRM DEMAND	10,000
COUNTY SCHOOL TAX		\$17,547.72	INTERRUPTIBLE DEMANI	7,000
STATE TAX		-		
ELIZABETHTOWN FRANCHISE TAX		\$7,676.11	FRANCHISE RATE	0.01312441
			TIMES TOTAL REVENUE	
NET AMOUNT DUE BY THE 5TH		\$610,147.96		
GROSS AMOUNT DUE AFTER 5TH			BANK DRAFT	