COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION RECEIVED

In the Matter of:	FEB 15 2013
AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE	PUBLIC SERVICE COMMISSION))
TWO-YEAR BILLING PERIOD ENDING JUNE 30, 2011, FOR THE SIX-MONTH BILLING PERIODS ENDING DECEMBER 31, 2011 AND JUNE 30, 2012, AND THE PASS THROUGH MECHANISM FOR ITS SIXTEEN MEMBER DISTRIBUTION COOPERATIVES) CASE NO.) 2012-00486)))

NOTICE OF FILING BY TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION OF RESPONSE TO COMMISSION STAFF'S AMENDED SECOND REQUEST FOR INFORMATION

Taylor County Rural Electric Cooperative Corporation, acting by counsel, hereby gives notice that it files herewith its Response to the Commission Staff's Amended Second Request for Information, that response being made consistent with the Commission's Order entered herein on January 24, 2013.

Dated: February ______, 2013.

SPRAGENS & HIGDON, P.S.C. Attorneys at Law 15 Court Square - P. O. Box 681 Lebanon, (270) 692-3141 Telephone: (270) 692-3141

Counsel for Taylor County Rural Electric Cooperative Corporation

I hereby certify that an original and 5 copies of the foregoing was mailed this 13th day of February, 2013, to:

Mr. Jeff Derouen, Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602

AND ONE COPY TO:

Anthony S. Campbell President / CEO East Kentucky Power Cooperative P.O. Box 707 Winchester, KY 40392-0707 Kerry K. Howard, CEO Licking Valley RECC P.O. Box 605 West Liberty, KY 41472 Mark Stallons, CEO Owen Electric Cooperative P.O. Box 400 Owenton, KY 40359

Allen Anderson, President / CEO South Kentucky RECC P.O. Box 910 Somerset, KY 42502-0910 James L. Jacobus, CEO Inter-County Energy P.O. Box 87 Danville, KY 40423-0087 Mike Williams, CEO Blue Grass Energy P.O. Box 990 Nicholasville, KY 40340-0990

Paul G. Embs, President / CEO Clark Energy Cooperative P.O. Box 748 Winchester, KY 40392-0748 Debbie J. Martin, CEO Shelby Energy Cooperative 620 Old Finchville Rd. Shelbyville, KY 40065 Carol Wright, President / CEO Jackson Energy Cooperative 115 Jackson Energy Lane McKee, KY 40447

David Estepp, General Manager Big Sandy RECC 504 11th Street Paintsville, KY 41240-1422 Michael L. Miller, CEO Nolin RECC 411 Ring Road Elizabethtown, KY 42701 Carol Ann Fraley, CEO Grayson RECC 109 Bagby Park Grayson, KY 41143

Ted Hampton, Manager Cumberland Valley Electric P.O. Box 440 Gray, KY 40734

Christopher S. Perry, CEO Fleming-Mason Energy P.O. Box 328 Flemingsburg, KY 41041 Larry Hicks, CEO Salt River Electric P.O. Box 609 Bardstown, KY 40004

Bill Prather, President / CEO Farmers RECC P.O. Box 1298 Glasgow, KY 42141-1298

obert Spragens, Jr.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

$\mathbf{I}\mathbf{N}$	THE	MAT	TER	OF:
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AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR THE TWO-YEAR)	CASE NO.2012-00486
BILLING PERIOD ENDING JUNE 30, 2011, FOR)	
THE SIX MONTH BILLING PERIODS ENDING)	
DECEMBER 31,2011 AND JUNE 30, 2012, AND THE)	
PASS THROUGH MECHANISM FOR ITS SIXTEEN)	
MEMBER DISTRIBUTION COOPERATIVES)	

CERTIFICATE

STATE OF KENTUCKY) COUNTY OF TAYLOR)

John F. Patterson, being duly sworn, states that he has supervised the preparation of the responses of Taylor County Rural Electric Cooperative Corporation to the Public Service Commission Staff's second request for Information in the above-referenced case dated January 24, 2013 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.

ohn F. Patterson, Office Manager

Subscribed and sworn before me this 12th day of February 2012.

Myllis Rhodes ID# 435 235
Notary
My Commission Expires: 01/22/15

TAYLOR COUNTY RECC P O BOX 100 CAMPBELLSVILLE, KY 42719

PSC CASE NO 2012-00486

Witness: John F. Patterson

a. Have you experienced any problems in administering the refund of any over-recovery or collection of any under-recovery of environmental surcharge costs?

RESPONSE: Taylor Counties only problem is collecting or refunding for a six (6) month period and then having to wait for over a year before another six month refund or collection period begins. Taylor feels that the next six month refund collection period should start the month after one is completed.

b. Do you recommend any changes from the current method of refunding collecting any over- or under-recovery of environmental surcharge costs over a six-month time period? If so, what is the time period you believe is appropriate?

RESPONSE: No.

c. Describe the benefits, if any, of allowing the refund collection of any over- or under-recovery of environmental surcharge costs to be spread over a time period different from the current six-month recovery period.

RESPONSE: Six month period works well.

d. Describe the negative effects, if any, of allowing the refund collection of over- or under-recovery of environmental surcharge costs to be spread over a time period different from the current six-month period.

RESPONSE: Six month period works well.

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TAYLOR COUNTY RECC P O BOX 100 CAMPBELLSVILLE KY 42719 PSC CASE NO 2012-00486

	TOTAL	3,071,852	3,141,569	2,663,347	1,920,701	1,761,855	1,996,955	2,236,733	2,884,459	2,377,318	1,890,141	1,912,104	2,577,688	28,434,722	104.36	103.88		2.13	106.01	1.07	104.95
FVIRON	SURCHARGE	302,172	285,027	230,180	151,019	161,838	207,251	258,377	309,944	239,253	188,812	214,982	306,804	2,855,660	0.11164	10.43		2.13		1.07	
SECURITY		35,853	35,780	35,580	35,868	35,376	35,746	36,030	35,799	35,766	35,905	35,863	32,696	429,262		0.00					
•.	FUEL	63,952	24,689	8,156	-12,372	-29,937	-92,367	-83,998	-81,272	-75,010	-47,133	-22,481	-27,105	-374,877	-0.00130	-1.38		o C C	0.0220	0 0444	- - - - - - - - - - - -
	ENERGY	2,669,874	2,796,072	2,389,431	1,746,186	1,594,578	1,846,325	2,026,324	2,619,988	2,177,309	1,712,557	1,683,740	2,262,293	25,524,677		94.83	2,131,588	48,684		24,342	
Patterson	CONSUMER	22,783	22,670	22,645	22,672	22,658	22,633	22,790	22,743	22,701	22,794	22,697	22,689	272,475				nth	ır d Surcharge	onth	d Surcharge
Witness: John F. Patterson	KWH		32,142,379	27,194,624	19,362,187	17,515,154	20,580,217	22,762,069	29,983,608	24,599,077	18,939,063	18,697,581	25,636,292	288,005,133	1,057	age Bill	AVERAGE MONTHLY REVENUE	ADDITIONAL SURCHARGE 6 Month ADDITIONAL SURCHARGE Factor Amount of Avergage Bill with Added Surcharge		ADDITIONAL SURCHARGE 12 Month ADDITIONAL SURCHARGE Factor Amount of Avergage Bill with Added Surcharge	
	2012	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC	TOTAL	AVERAGE Kwh	Amount Of Average Bill	AVERAGE MON	ADDITIONAL SU	ADDITIONAL SC Amount of Averg	ADDITIONAL SU	Amount of Averg