

March 6, 2013

Jeff R. Derouen Public Service Commission P.O. Box 615 Frankfort, KY 40602

Re: Case No. 2012-00558

RECEIVED

MAR 8 2013

PUBLIC SERVICE COMMISSION

Dear Mr. Derouen:

Please find enclosed for filing in the above referenced case an original and six copies of the response of Clark Energy Cooperative, Inc. to the PSC Order dated February 11, 2013.

Please be advised that Ms. Holly S. Eades, Vice President of Finance for Clark Energy will be Clark Energy's primary witness at the public hearing relative to the contents of this response.

Sincerely

Paul G. Embs President & CEO

Enclosures

CERTIFICATION

Comes now Holly S. Eades, Vice President of Finance for Clark Energy Cooperative, Inc., and being duly sworn states as follows with regards to the Responses filed by Clark Energy Cooperative, Inc. in Case No. 2012-00558, now pending before the Public Service Commission of the Commonwealth of Kentucky:

- 1. That she is the person supervising the preparation of the Responses on behalf of Clark Energy Cooperative, Inc.
- 2. That the responses are true and accurate to the best of my personal knowledge, information and belief formed after a reasonable inquiry.

Witness my hand as of this 6^{th} day of March, 2013.

Holly S. Eades

COMMONWEALTH OF KENTUCKY COUNTY OF CLARK

The foregoing Certification was subscribed, sworn to and acknowledged before me by Holly S. Eades, Vice President of Finance for Clark Energy Cooperative, Inc., this the 6th day of March, 2013.

NOTARY PUBLIC, STATE AT LARGE, KY

My Commission Expires 6/18/2016

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00558 DATED FEB 1 2013

- 1. a. Provide a schedule of the calculation of the 12-month average line loss, by month, for November 2010 through October 2012.
- b. Describe the measures that Clark has taken to reduce line loss during this period.
- 2. Provide Clark's monthly revenue reports (monthly billing summaries) showing the total revenue collected, including adjustments under the Fuel Adjustment Clause, as reported in Clark's monthly filings required by the Commission from November 1, 2010 through October 31, 2012.
- 3. Provide a schedule showing the calculation of the increase or decrease in Clark's base fuel costs per kWh as proposed by its wholesale electric supplier adjusted for Clark's 12-month average line loss for November 2010 through October 2012.
- 4. Provide a schedule of the present and proposed rates that Clark seeks to change, pursuant to 807 KAR 5:056, as calculated in Item 3 above, shown in comparative form.
- 5. Provide a statement showing, by cross-outs and italicized inserts, all proposed changes in rates. A copy of the current tariff may be used.

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

FUEL ADJUSTMENT CLAUSE CASE NUMBER 2012-00558

Appendix

CLARK ENERGY COOPERATIVE, INC WINCHESTER, KENTUCKY

CALCULATION OF 12-MONTH AVERAGE LINE LOSS BY MONTH

BILLING MONTH	KWH PURCHASED	KWH SOLD	COOP USE	KWH LOSSES	12-MONTH AVG LINE LOSS
Dec-10	34,901,746	39,031,936	95,143	-4,225,333	4.6995%
Jan-11	57,545,787	54,967,231	95,022	2,483,534	5.1121%
Feb-11	55,817,350	49,167,385	78,524	6,571,441	5.6142%
Mar-11	41,197,470	37,423,975	68,445	3,705,050	5.3404%
Apr-11	37,543,464	32,290,217	50,645	5,202,602	5.1174%
May-11	28,375,368	27,577,841	48,131	749,396	5.0778%
Jun-11	30,907,285	30,238,293	53,527	615,465	5.1247%
Jul-11	34,505,616	33,359,935	58,487	1,087,194	5.3131%
Aug-11	42,798,411	41,144,081	57,446	1,596,884	5.5820%
Sep-11	38,302,205	34,758,151	50,339	3,493,715	5.0513%
Oct-11	28,218,178	26,561,919	53,177	1,603,082	5.0652%
Nov-11	29,842,389	28,697,244	61,821	1,083,324	5.2106%
Dec-11	33,206,340	33,455,306	54,244	-303,210	6.0857%
Jan-12	42,761,894	42,619,531	73,199	69,164	5.7442%
Feb-12	46,420,674	42,161,562	65,823	4,193,289	5.3207%
Mar-12	40,197,923	35,929,107	52,871	4,215,945	5.4509%
Apr-12	30,616,329	27,389,088	51,701	3,175,540	5.0639%
May-12	28,198,370	26,467,371	49,787	1,681,212	5.2847%
Jun-12	31,455,098	29,021,705	57,025	2,376,368	5.6908%
Jul-12	34,698,475	36,365,416	60,094	-1,727,035	5.0287%
Aug-12	42,646,354	38,656,714	59,738	3,929,902	5.5774%
Sep-12	37,128,809	35,147,804	53,671	1,927,334	5.2246%
Oct-12	29,426,219	26,712,238	51,335	2,662,646	5.4582%
Nov-12	30,689,582	30,948,424	75,277	-334,119	5.1157%

Clark Energy has increased the right of way (ROW) budget to ensure that ROW is cleared in a systematic order preventing tree limbs from touching energized conductor and possibly causing line loss.

Clark Energy exclusively purchases and installs the new DOE transformers that are more energy efficient and have less line loss.

Clark Energy has an aggressive power theft program that helps us account for lost KWH use and reduce line loss.

Clark Energy is changing old 6 & 8 ACWC and #4 ACSR wire across the system which improves reliability and also reduces line loss. Clark also de-energizes equipment not in use as part of routine line inspection.

Clark Energy's line loss percentage continues to decline. We believe we are on track in reducing line loss to the degree it can be controlled and we continue to monitor and strive for lower line loss percentages.

Fuel Charge

ruei Charge					
	Fuel Adj.	Used to		Under	
	Charge	Compute	FAC	Over	
Month	Billed	Rate	Revenue	Refund	Cumulative
					\$188,011
Nov-10	(\$398,227)	(\$381,282)	(\$557,823)	\$176,541	\$364,552
Dec-10	(\$399,368)	(\$417,078)	(\$693,007)	\$275,929	\$640,481
Jan-11	(\$295,274)	(\$222,827)	(\$199,820)	(\$23,007)	\$617,474
Feb-11	(\$294,150)	(\$19,345)	(\$13,013)	(\$6,332)	\$611,142
Mar-11	(\$359,288)	(\$317,157)	(\$263,356)	(\$53,801)	\$557,341
Apr-11	(\$250,839)	(\$365,620)	(\$283,710)	(\$81,910)	\$475,431
May-11	(\$360,687)	(\$304,640)	(\$342,152)	\$37,512	\$512,943
Jun-11	(\$10,698)	(\$442,597)	(\$504,820)	\$62,223	\$575,166
Jul-11	(\$58,206)	\$26,814	\$33,606	(\$6,792)	\$568,374
Aug-11	\$14,173	\$4,017	\$3,486	\$531	\$568,905
Sep-11	(\$10,156)	\$7,381	\$5,399	\$1,982	\$570,887
Oct-11	(\$1,789)	(\$9,625)	(\$10,346)	\$721	\$571,608
Nov-11	\$65,415	\$193	\$284	(\$91)	\$571,517
Dec-11	\$31,642	\$66,136	\$89,621	(\$23,485)	\$548,032
Jan-12	\$32,030	\$31,551	\$32,988	(\$1,437)	\$546,595
Feb-12	(\$22,913)	\$8,545	\$6,975	\$1,570	\$548,165
Mar-12	(\$49,598)	(\$24,350)	(\$22,605)	(\$1,745)	\$546,420
Apr-12	(\$114,767)	(\$48,028)	(\$43,944)	(\$4,084)	\$542,336
May-12	(\$105,375)	(\$116,512)	(\$126,275)	\$9,763	\$552,099
Jun-12	(\$107,218)	(\$109,459)	(\$133,633)	\$24,174	\$576,273
Jul-12	(\$130,497)	(\$97,455)	(\$115,168)	\$17,713	\$593,986
Aug-12	(\$108,418)	(\$106,323)	(\$92,231)	(\$14,092)	\$579,894
Sep-12	(\$17,656)	(\$90,705)	(\$69,298)	(\$21,407)	\$558,487
Oct-12	(\$13,196)	(\$31,748)	(\$35,162)	\$3,414	\$561,901
		(\$2.060.114)	(¢2 234 004)	\$272 200	

(\$2,960,114) (\$3,334,004) \$373,890

MONTHLY BILLING INQUIRIES

The information on the attached sheets was taken from the billing reports that are generated in our office.

Respectfully submitted,

Holly S. Eades

Vice President of Finance

Month/Year:	December-10
FAC Rate:	(0.014290)

R (\$434,808.80) D (\$3,342.54) T (\$1,555.40) S (\$8,858.14) E (\$4,793.59) C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38) TOTAL (\$557,822.63)		,
D (\$3,342.54) T (\$1,555.40) S (\$8,858.14) E (\$4,793.59) C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	RATE	<u>AMOUNT</u>
T (\$1,555.40) S (\$8,858.14) E (\$4,793.59) C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	R	(\$434,808.80)
S (\$8,858.14) E (\$4,793.59) C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	D	(\$3,342.54)
E (\$4,793.59) C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	T	(\$1,555.40)
C (\$20,080.49) C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	S	(\$8,858.14)
C3 (\$9,568.97) L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	E	(\$4,793.59)
L (\$46,164.65) P (\$15,524.67) M (\$13,125.38)	C	(\$20,080.49)
P (\$15,524.67) M (\$13,125.38)	C3	(\$9,568.97)
M (\$13,125.38)	L	(\$46,164.65)
	P	(\$15,524.67)
TOTAL (\$557,822.63)	M	(\$13,125.38)
TOTAL (\$557,822.63)		
	TOTAL	(\$557,822.63)

Month/Year:	January-11
FAC Rate:	(0.012608)

RATE	<u>AMOUNT</u>
R	(\$567,730.03)
D	(\$4,735.69)
T	(\$1,379.34)
S	(\$7,769.11)
E	(\$6,227.35)
С	(\$22,314.56)
C3	(\$9,710.52)
L	(\$45,713.67)
P	(\$15,646.28)
M	(\$11,780.46)
TOTAL	(\$693,007.01)

FUEL ADJUSTMENT SUMMARY REPORT

Month/Year: February-11 FAC Rate: (0.004063)

RATE	<u>AMOUNT</u>
R	(\$160,414.58)
D	(\$1,369.22)
T	(\$448.56)
S	(\$2,459.37)
E	(\$1,789.53)
C	(\$6,686.54)
C3	(\$3,072.99)
L	(\$15,117.10)
P	(\$4,576.65)
M	(\$3,885.69)
TOTAL	(\$199,820.23)

FUEL ADJUSTMENT SUMMARY REPORT

Month/Year: March-11 FAC Rate: (0.000366)

RATE	AMOUNT
R	(\$9,877.00)
D	(\$90.98)
T	(\$42.78)
S	(\$252.13)
E	(\$113.60)
C	(\$532.40)
C3	(\$281.85)
L	(\$1,211.99)
P	(\$372.18)
M	(\$238.11)
TOTAL	(\$13,013.02)

Month/Year:	April-11
FAC Rate:	(0.008156)

RATE	<u>AMOUNT</u>
R	(\$192,385.16)
D	(\$1,431.14)
T	(\$899.64)
S	(\$5,011.95)
E	(\$2,215.57)
C	(\$10,705.34)
C3	(\$5,703.69)
L	(\$28,452.29)
P	(\$8,525.80)
M	(\$8,024.88)
TOTAL	(\$263,355.46)

Month/Year:	May-11
FAC Rate:	(0.010288)

RATE	AMOUNT
R	(\$196,901.96)
D	(\$818.28)
T	(\$1,124.96)
S	(\$6,304.86)
E	(\$2,392.05)
C	(\$13,607.70)
C3	(\$7,184.35)
L	(\$34,397.04)
P	(\$11,045.20)
M	(\$9,934.05)
TOTAL	(\$283,710.45)

Month/Year:	June-11
FAC Rate:	(0.011315)

RATE	<u>AMOUNT</u>
R	(\$241,793.95)
D	(\$293.65)
T	(\$1,244.10)
S	(\$6,895.67)
E	(\$3,208.09)
C	(\$16,266.05)
C3	(\$8,211.84)
L	(\$41,142.58)
P	(\$11,715.78)
M	(\$11,380.98)
TOTAL	(\$342,152.69)

Month/Year:	July-11
FAC Rate:	(0.015086)

RATE	<u>AMOUNT</u>
R	(\$362,695.44)
D	(\$31.92)
T	(\$1,663.44)
S	(\$9,249.48)
E	(\$5,143.96)
C	(\$24,379.44)
C3	(\$11,632.65)
L	(\$59,194.77)
P	(\$16,145.64)
M	(\$14,683.35)
TOTAL	(\$504,820.09)

Month/Year:	August-11
FAC Rate:	0.000819

RATE	<u>AMOUNT</u>
R	\$25,177.12
D	\$1.38
T	\$92.17
S	\$525.36
E	\$379.12
C	\$1,588.82
C3	\$678.13
L	\$3,470.74
P	\$886.58
M	\$806.71
TOTAL	\$33,606.13

FUEL ADJUSTMENT SUMMARY REPORT

Month/Year: September-11 FAC Rate: 0.000099

RATE	<u>AMOUNT</u>
R	\$2,466.09
D	\$0.18
T	\$14.16
S	\$99.74
E	\$36.55
C	\$178.66
C3	\$85.09
L	\$443.54
P	\$88.76
M	\$73.71
TOTAL	\$3,486.48

FUEL ADJUSTMENT SUMMARY REPORT

Month/Year: FAC Rate:

October-11 0.000204

RATE	<u>AMOUNT</u>
R	\$3,673.97
D	\$5.38
T	\$21.21
S	\$104.78
Е	\$51.85
C	\$290.23
C3	\$144.06
L	\$778.73
P	\$184.21
M	\$144.48
TOTAL	\$5,398.90

FUEL ADJUSTMENT SUMMARY REPORT

Month/Year: November-11 FAC Rate: (0.000359)

RATE	<u>AMOUNT</u>
R	(\$7,339.53)
D	(\$38.10)
T	(\$42.72)
S	(\$260.39)
E	(\$87.26)
С	(\$466.84)
C3	(\$235.10)
L	(\$1,314.24)
P	(\$320.86)
M	(\$241.52)
TOTAL	(\$10,346.56)

Month/Year:	December-11
FAC Rate:	0.000006

RATE	<u>AMOUNT</u>
R	\$146.50
D	\$1.04
T	\$89.48
S	\$11.10
E	\$1.58
C	(\$0.90)
C3	\$3.98
L	\$20.98
P	\$4.90
M	\$5.41
TOTAL	\$284.07

Month/Year:	January-12
FAC Rate:	0.002102

RATE	<u>AMOUNT</u>
R.	\$70,611.41
D	\$532.35
T	\$229.44
S	\$1,295.22
E	\$758.04
C	\$3,105.35
C3	\$1,597.16
L	\$7,650.47
P	\$1,807.81
M	\$2,033.65
TOTAL	\$89,620.90

Month/Year:	February-12
FAC Rate:	0.000786

RATE	<u>AMOUNT</u>
R	\$25,732.31
D	\$208.82
T	\$86.40
S	\$515.67
E	\$268.33
С	\$1,183.01
C3	\$622.37
L	\$2,909.48
P	\$738.43
M	\$723.44
TOTAL	\$32,988.26

Month/Year:	March-12
FAC Rate:	0.000195

RATE	<u>AMOUNT</u>
R	\$5,326.60
D	\$41.53
T	\$21.72
S	\$85.44
E	\$58.03
C	\$272.03
C3	\$145.40
L	\$670.37
P	\$176.95
M	\$177.56
TOTAL	\$6,975.63

Month/Year:	April-12
FAC Rate:	(0.000640)

RATE	AMOUNT
R	(\$16,719.59)
D	(\$64.04)
T	(\$86.88)
S	(\$522.19)
E	(\$190.41)
C	(\$1,062.67)
C3	(\$505.91)
L	(\$2,267.37)
P	(\$607.51)
M	(\$578.44)
TOTAL	(\$22,605.01)

Month/Year:	May-12
FAC Rate:	(0.001659)

RATE	<u>AMOUNT</u>
R	(\$30,191.00)
D	(\$86.14)
T	(\$193.44)
S	(\$1,024.68)
E	(\$351.98)
С	(\$2,222.85)
C3	(\$1,105.26)
L	(\$5,639.03)
P	(\$1,502.79)
M	(\$1,626.80)
TOTAL	(\$43,943.97)

Month/Year:	June-12
FAC Rate:	(0.004352)

	,
RATE	<u>AMOUNT</u>
R	(\$86,548.36)
D	(\$36.03)
T	(\$493.12)
S	(\$2,565.23)
Е	(\$1,153.96)
C	(\$6,536.89)
C3	(\$3,165.54)
L	(\$17,280.65)
P	(\$4,351.23)
M	(\$4,144.28)
TOTAL	(\$126,275.29)

Month/Year:	July-12
FAC Rate:	(0.003674)

RATE	<u>AMOUNT</u>
R	(\$97,866.32)
D	(\$7.97)
T	(\$421.80)
S	(\$2,215.57)
E	(\$1,444.55)
C	(\$6,396.54)
C3	(\$2,803.84)
L	(\$15,311.05)
P	(\$3,575.32)
M	(\$3,589.94)
TOTAL	(\$133,632.90)

Month/Year:	August-12
FAC Rate:	(0.002979)

RATE	<u>AMOUNT</u>
R	(\$84,261.33)
D	(\$4.01)
T	(\$340.86)
S	(\$1,782.44)
E	(\$1,277.00)
C	(\$5,976.84)
C3	(\$2,675.92)
L	(\$13,115.03)
P	(\$3,140.16)
M	(\$2,594.66)
TOTAL	(\$115,168.25)

Month/Year:	September-12
FAC Rate:	(0.002625)

RATE	AMOUNT
R	(\$65,257.09)
D	(\$3.68)
T	(\$297.20)
S	(\$1,530.66)
E	(\$918.18)
C	(\$4,736.17)
C3	(\$2,165.26)
L	(\$11,752.17)
P	(\$2,985.41)
M	(\$2,585.25)
TOTAL	(\$92,231.07)

Month/Year:	October-12
FAC Rate:	(0.002587)

RATE	<u>AMOUNT</u>
R	(\$46,108.79)
Ð	(\$244.89)
T	(\$297.60)
S	(\$1,526.34)
E	(\$599.06)
C	(\$3,615.91)
C3	(\$1,749.17)
L	(\$10,298.77)
P	(\$2,454.70)
M	(\$2,401.98)
TOTAL	(\$69,297.21)

Month/Year:	November-12
FAC Rate:	(0.001138)

RATE	AMOUNT
R	(\$24,848.47)
D	(\$127.26)
T	(\$133.92)
S	(\$682.78)
E	(\$274.80)
C	(\$1,601.42)
C3	(\$770.98)
L	(\$4,390.88)
P	(\$1,167.37)
M	(\$1,164.17)
TOTAL	(\$35,162.05)

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Calculation showing the change in Clark's base fuel cost per kWh as proposed by EKPC as adjusted for Clark's 12-month average line loss for November 2010 thru October 2012 (12 months).

FORMULA

<u>Change from EKPC</u> = Change in Clark Energy 100% - Clark EC Line Loss Base Fuel Cost

CALCULATION

<u>\$0.00000</u> = \$0.00000 100% - 5.1157%

East Kentucky Power is not proposing a change in its base fuel costs; therefore no change in the rate.

Clark Energy Cooperative, Inc. Case No. 2012-00558

East Kentucky Power is not proposing a change in its base fuel costs; therefore no change in the rate.

Schedule R: Residential	PRESENT	PROPOSED
Facility charge per kWh for all energy	12.43 0.092425	12.43 0.092425
Schedule D: Time-of-Use Marketing Service	PRESENT	PROPOSED
per kWh for all energy	0.06045	0.06045
Schedule T: Outdoor Lighting Facilities	PRESENT	PROPOSED
Monthly Rate		
400 Watt	17.67	17.67
Schedule S: Outdoor Lighting Facilities	PRESENT	PROPOSED
Monthly Rate 175 Watt Mercury Vabor	9.63	9.63
Schedule E: Public Facilities	<u>PRESENT</u>	PROPOSED
Facility charge per kWh for all energy	16.57 0.09937	16.57 0.09937

Clark Energy Cooperative, Inc. Case No. 2012-00558

<u>Schedu</u>	le C: General Power Service	<u>PRESENT</u>	PROPOSED
	Facility charge single phase Facility charge three phase per kWh for all energy	25.33 50.14 0.09885	25.33 50.14 0.09885
<u>Schedu</u>	le L: General Power Service	PRESENT	PROPOSED
	Facility charge Demand Charge: Per kW of Billing Demand Energy Charge: Per kWh for all energy	63.81 6.47 0.07132	63.81 6.47 0.07132
Schedule P: General Power Service		PRESENT	PROPOSED
	Facility charge Demand Charge: Per kW of Billing Demand Energy Charge: Per kWh for all energy	86.88 6.21 0.06116	86.88 6.21 0.06116
<u>Schedu</u>	le M: General Power Service	PRESENT	PROPOSED
	Demand Charge: Per kW of Billing Demand Energy Charge: Per kWh for all energy	10.07 0.06456	10.07 0.06456

East Kentucky Power is not proposing a change in its base fuel costs; therefore no tariff sheets are being submitted.