Fleming-Mason Energy
A Touchstone Energy® Cooperative

RECEIVED
SEP 29 2015
PUBLIC SERVICE
COMMISSION

September 29, 2015 ***Hand Delivered***

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Soward Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: Case No. 2015-00281

Dear Mr. Derouen,

Enclosed are an original and seven (7) copies of the response of Fleming-Mason Energy Cooperative, Inc. for the Staff's First Request for Information dated August 31, 2015 for the above referenced case.

Please contact the office if further information is required.

Sincerely,

Joni Hazelrigg

Joni Hazelrigg
President & CEO

Enclosures
cc: Isaac Scott, East KY Power Cooperative
Managers, EKPC Distribution Cooperatives

RECEIVED

SEP 29 2015

PUBLIC SERVICE
COMMISSION

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 PERIODS ENDING) JUNE 30, 2014 AND DECEMBER 31, 2014, TWO –YEAR) BILLING PERIOD ENDING JUNE 30, 2015, AND THE) PASS-THROUGH MECHANISM FOR ITS SIXTEEN) MEMBER DISTRIBUTION COOPERATIVES)	CASE NO. 2015-00281

FLEMING-MASON ENERGY COOPERATIVE, INC.'S RESPONSE TO:

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO
EAST KENTUCKY POWER COOPERATIVE, INC.
AND EACH OF ITS SIXTEEN MEMBER COOPERATIVES

The affiant, Joni K. Hazelrigg, President & CEO for Fleming-Mason Energy, states that the data presented in this filing is true and correct to the best of her knowledge and belief.

Joni K Hazelrigg
Joni K. Hazelrigg

Subscribed and sworn to before me by the affiant, Joni K. Hazelrigg, this 28th day of September, 2015.

State At Large, Kentucky
Notary Public
Jennifer L. McRoberts
My Commission Expires 12/22/2018

Jennifer L. McRoberts
Notary Public, State of Kentucky at Large

My Commission expires 12/22/18.

QUESTION 8:

This question is addressed to each of the 16 Member Cooperatives. For your particular distribution cooperative, provide the actual average residential customer's monthly usage for the 12 months ended May 31, 2015. 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. Provide all supporting calculations.

RESPONSE:

The over- or under-recovery used to determine the impact on the average residential customer's monthly bill has been determined using the traditional methodology used in previous surcharge reviews. However, Fleming-Mason Energy strongly believes that the methodology used to determine the over- or under-recovery needs revision and is working with the other EKPC Members to reach a consensus solution. Fleming-Mason also supports the proposal that a future informal conference with the Commission Staff be held to discuss this issue.

Average Residential Usage for the 12 months ending May, 2015: 1099 kWh

Test Month: June, 2015
Fleming-Mason Energy Cumulative **Over** Recovery: $54,765
6 month spread: $9,127/month

	ACTUAL		6 MONTH RECOVERY	
Customer Charge		$15.00		$15.00
kWh Charge		$92.66		$92.66
Fuel Adjustment @(.00868)		($9.54)		($9.54)
Subtotal		$98.12		$98.12
Env. Surcharge	14.67%	$14.39	14.40%	$14.13
County School Tax 3%		$3.38		$3.37
TOTAL		$115.89		$115.61
Dollar Impact				**($0.27)**

Calculation of (Over) Under

Fleming-Mason - Calc of (Over)/Under - Sch C + Spec Contracts

Steam,C,G,H

	EKPC Invoice Month recorded on Member's Books	Billed to Retail Consumer & recorded on Member's Books	Monthly (Over) or Under	Cumulative (Over) or Under
Jul-13	471,434	471,434	0	0
Aug-13	469,773	469,773	0	0
Sep-13	430,936	430,936	0	0
Oct-13	395,487	395,487	0	0
Nov-13	442,543	442,543	0	0
Dec-13	501,875	501,875	0	0
Jan-14	461,082	461,082	0	0
Feb-14	322,034	322,034	0	0
Mar-14	166,193	166,193	0	0
Apr-14	354,188	354,188	0	0
May-14	442,846	442,846	0	0
Jun-14	497,436	497,436	0	0
Jul-14	508,336	508,336	0	0
Aug-14	448,775	448,775	0	0
Sep-14	392,395	392,395	0	0
Oct-14	407,785	407,785	0	0
Nov-14	434,544	434,544	0	0
Dec-14	531,515	531,515	0	0
Jan-15	435,952	435,952	0	0
Feb-15	386,228	386,228	0	0
Mar-15	330,766	330,766	0	0
Apr-15	270,548	270,548	0	0
May-15	338,380	338,380	0	0
Jun-15	472,767	472,767	0	0
Jul-15	483,071	483,071	0	0
Aug-15	421,052	0	421,052	421,052

Cumulative 18-months (Over)/Under Recovery	$ -
Monthly Recovery (per month for six months)	$ -
Total Net (Over)/Under Recovery for 2-Year Period	$ -

Fleming-Mason - Calc of (Over)/Under - All Others

E-DLC

	EKPC Invoice Month recorded on Member's Books	Billed to Retail Consumer & recorded on Member's Books	Monthly (Over) or Under	Cumulative (Over) or Under	Fleming-Mason Total (Over)/Under
Jul-13	376,583	492,872	(116,289)	(116,289)	(116,289)
Aug-13	338,342	357,492	(19,150)	(135,439)	(135,439)
Sep-13	292,067	309,261	(17,194)	(152,633)	(152,633)
Oct-13	269,090	252,215	16,875	(135,758)	(135,758)
Nov-13	391,510	310,302	81,208	(54,550)	(54,550)
Dec-13	495,606	545,556	(49,950)	(104,500)	(104,500)
Jan-14	526,132	627,675	(101,543)	(101,543)	(101,543)
Feb-14	334,034	287,933	46,101	(55,441)	(55,441)
Mar-14	149,416	73,390	76,026	20,585	20,585
Apr-14	229,253	(31,910)	261,163	281,748	281,748
May-14	258,905	410,339	(151,434)	130,313	130,313
Jun-14	356,551	358,566	(2,015)	128,299	128,299
Jul-14	356,462	411,414	(54,952)	73,347	73,347
Aug-14	332,239	351,965	(19,726)	53,621	53,621
Sep-14	253,719	263,138	(9,419)	44,203	44,203
Oct-14	240,151	218,580	21,571	65,774	65,774
Nov-14	395,850	353,618	42,232	108,006	108,006
Dec-14	449,818	489,794	(39,976)	68,030	68,030
Jan-15	436,549	501,718	(65,169)	2,861	2,861
Feb-15	449,432	460,132	(10,700)	(7,839)	(7,839)
Mar-15	286,188	322,598	(36,410)	(44,249)	(44,249)
Apr-15	182,932	189,272	(6,340)	(50,589)	(50,589)
May-15	243,877	200,050	43,827	(6,761)	(6,761)
Jun-15	374,749	422,752	(48,003)	(54,765)	(54,765)
Jul-15	406,790	547,627	(140,837)	(195,602)	(195,602)
Aug-15	332,117	0	332,117	136,515	557,567

Cumulative 18-months (Over)/Under Recovery	$ (54,765)	**$ (54,765)**
Monthly Recovery (per month for six months)	$ (9,127)	**$ (9,127)**
Total Net (Over)/Under Recovery for 2-Year Period	$ (159,265)	**$ (159,265)**

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

For the Month Ending August 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8a)	(8b)	(8c)	(8d)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Fleming Mason	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Fleming Mason	EKPC 12-months Ended Average Monthly Revenue from Sales to Fleming Mason	Fleming-Mason Revenue Requirement	Schedule C and Special Contracts Surcharge Revenues	Amortization of (Over)/Under Recovery of Sch C & Special Contracts Revenues*	Fleming-Mason Revenue Requirements net of Sch C & Special Contracts	Amortization of (Over)/Under Recovery net of Sch C & Spec Cntrcts*	Fleming-Mason Net Revenue Revenue Requirement net of Sch C & Spec Cntrcts	Fleming-Mason Total Monthly Retail Revenues net of Sch C & Spec Cntrcts	On-Peak Retail Revenue Adjustment	Fleming-Mason Net Monthly Retail Revenues net of Sch C & Spec Cntrcts	12-months ended Avg. Retail Revenues, net of Sch C & Spec Cntrcts	Fleming-Mason Pass-through Mechanism Factor net of Sch C & Spec Cntrcts
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)			Col (8a)-[Col (8b)+Col(8c)]		Col (8d) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Jan-14	10.92%	0.00%	10.92%	$ 6,841,036	$ 72,245	$ 6,768,791	$ 5,234,448	$ 571,602	$ 461,082	$ -	$ 110,520	$ (41,639)	$ 68,881	$ 4,044,852	$ 72,245	$ 3,972,607	$ 3,229,725	2.15%
Feb-14	5.44%	0.00%	5.44%	$ 5,997,577	$ 10,451	$ 5,987,126	$ 5,250,985	$ 285,654	$ 322,034	$ -	$ (36,380)	$ -	$ (36,380)	$ 4,747,719	$ 10,451	$ 4,737,268	$ 3,267,171	-1.13%
Mar-14	11.62%	0.00%	11.62%	$ 5,781,957	$ 1,182	$ 5,780,775	$ 5,272,483	$ 612,662	$ 166,193	$ -	$ 446,469	$ 37,477	$ 483,946	$ 4,383,899	$ 1,182	$ 4,382,717	$ 3,313,727	14.81%
Apr-14	13.47%	0.00%	13.47%	$ 5,010,276	$ 10,115	$ 5,000,161	$ 5,281,162	$ 711,372	$ 354,188	$ -	$ 357,184	$ 37,477	$ 394,661	$ 3,519,461	$ 10,115	$ 3,509,346	$ 3,297,088	11.91%
May-14	15.84%	0.00%	15.84%	$ 5,403,459	$ 214,565	$ 5,188,894	$ 5,279,658	$ 836,298	$ 442,846	$ -	$ 393,452	$ 37,477	$ 430,929	$ 3,009,162	$ 214,565	$ 2,794,597	$ 3,298,361	13.07%
Jun-14	15.67%	0.00%	15.67%	$ 5,619,981	$ 249,493	$ 5,370,488	$ 5,314,304	$ 832,751	$ 497,436	$ -	$ 335,315	$ 37,477	$ 372,792	$ 3,020,788	$ 249,493	$ 2,771,295	$ 3,312,513	11.30%
Jul-14	14.38%	0.00%	14.38%	$ 5,678,352	$ 180,377	$ 5,497,975	$ 5,358,964	$ 770,619	$ 508,336	$ -	$ 262,283	$ 37,477	$ 299,760	$ 3,186,702	$ 180,377	$ 3,006,325	$ 3,317,392	9.05%
Aug-14	12.62%	0.00%	12.62%	$ 5,595,677	$ 185,272	$ 5,410,405	$ 5,382,798	$ 679,309	$ 448,775	$ -	$ 230,534	$ 37,477	$ 268,011	$ 3,327,555	$ 185,272	$ 3,142,283	$ 3,307,572	8.08%
Sep-14	13.53%	0.00%	13.53%	$ 5,275,606	$ 176,671	$ 5,098,935	$ 5,423,955	$ 733,861	$ 392,395	$ -	$ 341,466	$ -	$ 341,466	$ 3,289,153	$ 176,671	$ 3,112,482	$ 3,321,540	10.32%
Oct-14	15.57%	0.00%	15.57%	$ 4,963,526	$ 195,490	$ 4,768,036	$ 5,455,558	$ 849,430	$ 407,785	$ -	$ 441,645	$ -	$ 441,645	$ 3,098,978	$ 195,490	$ 2,903,488	$ 3,337,503	13.30%
Nov-14	16.95%	0.00%	16.95%	$ 5,508,137	$ 195,675	$ 5,312,462	$ 5,487,028	$ 930,051	$ 434,544	$ -	$ 495,507	$ -	$ 495,507	$ 2,896,555	$ 195,675	$ 2,700,880	$ 3,346,515	14.85%
Dec-14	13.88%	0.00%	13.88%	$ 5,919,352	$ 150,614	$ 5,768,738	$ 5,496,066	$ 762,854	$ 531,515	$ -	$ 231,339	$ -	$ 231,339	$ 3,575,810	$ 150,614	$ 3,425,196	$ 3,371,540	6.91%
Jan-15	13.67%	0.00%	13.67%	$ 6,431,442	$ 166,243	$ 6,265,199	$ 5,454,100	$ 745,575	$ 435,952	$ -	$ 309,623	$ -	$ 309,623	$ 3,841,812	$ 166,243	$ 3,675,569	$ 3,346,787	9.18%
Feb-15	11.49%	0.00%	11.49%	$ 6,276,969	$ 184,702	$ 6,092,267	$ 5,462,861	$ 627,683	$ 386,228	$ -	$ 241,455	$ -	$ 241,455	$ 4,617,093	$ 184,702	$ 4,432,391	$ 3,321,381	7.21%
Mar-15	10.90%	0.00%	10.90%	$ 5,451,470	$ 102,811	$ 5,348,659	$ 5,426,852	$ 591,527	$ 330,766	$ -	$ 260,761	$ -	$ 260,761	$ 4,524,310	$ 102,811	$ 4,421,499	$ 3,324,613	7.85%
Apr-15	14.44%	0.00%	14.44%	$ 4,139,680	$ 169	$ 4,139,511	$ 5,355,131	$ 773,281	$ 270,548	$ -	$ 502,733	$ -	$ 502,733	$ 3,509,809	$ 169	$ 3,509,640	$ 3,324,637	15.12%
May-15	18.09%	0.00%	18.09%	$ 4,011,576	$ 149	$ 4,011,427	$ 5,257,009	$ 950,993	$ 338,380	$ -	$ 612,613	$ -	$ 612,613	$ 2,624,482	$ 149	$ 2,624,333	$ 3,310,448	18.43%
Jun-15	18.44%	0.00%	18.44%	$ 4,664,413	$ 249	$ 4,664,164	$ 5,198,148	$ 958,539	$ 472,767	$ -	$ 485,772	$ -	$ 485,772	$ 4,971,655	$ 249	$ 4,971,406	$ 3,493,791	14.67%
Jul-15	15.91%	0.00%	15.91%	$ 4,804,972	$ 99	$ 4,804,873	$ 5,140,390	$ 817,836	$ 483,071	$ -	$ 334,765	$ -	$ 334,765	$ 2,795,689	$ 99	$ 2,795,590	$ 3,476,230	9.58%
Aug-15	16.25%	0.00%	16.25%	$ 4,713,327	$ 218	$ 4,713,109	$ 5,082,282	$ 825,871	$ 421,052	$ -	$ 404,819	$ (17,417)	$ 387,402	$ 5,663,101	$ 218	$ 5,662,883	$ 3,686,280	11.14%

Witness: Joni Hazelrigg

ACTUAL

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

For the Month Ending August 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8a)	(8b)	(8c)	(8d)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Fleming Mason	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Fleming Mason	EKPC 12-months Ended Average Monthly Revenue from Sales to Fleming Mason	Fleming-Mason Revenue Requirement	Schedule C and Special Contracts Surcharge Revenues	Amortization of (Over)/Under Recovery of Sch C & Special Contracts Revenues*	Fleming-Mason Revenue Requirements net of Sch C & Special Contracts	Amortization of (Over)/Under Recovery net of Sch C & Spec Cntrcts*	Fleming-Mason Net Revenue Revenue Requirement net of Sch C & Spec Cntrcts	Fleming-Mason Total Monthly Retail Revenues net of Sch C & Spec Cntrcts	On-Peak Retail Revenue Adjustment	Fleming-Mason Net Monthly Retail Revenues net of Sch C & Spec Cntrcts	12-months ended Avg. Retail Revenues, net of Sch C & Spec Cntrcts	Fleming-Mason Pass-through Mechanism Factor net of Sch C & Spec Cntrcts
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Jan-14	10.92%	0.00%	10.92%	$ 6,841,036	$ 72,245	$ 6,768,791	$ 5,234,446	$ 571,602	$ 461,082	$ -	$ 110,520	$ (41,639)	$ 68,881	$ 4,044,852	$ 72,245	$ 3,972,607	$ 3,229,725	2.15%
Feb-14	5.44%	0.00%	5.44%	$ 5,997,577	$ 10,451	$ 5,987,126	$ 5,250,985	$ 285,654	$ 322,034	$ -	$ (36,380)	$ -	$ (36,380)	$ 4,747,719	$ 10,451	$ 4,737,268	$ 3,267,171	-1.13%
Mar-14	11.62%	0.00%	11.62%	$ 5,781,957	$ 1,182	$ 5,780,775	$ 5,272,483	$ 612,662	$ 166,193	$ -	$ 446,469	$ 37,477	$ 483,946	$ 4,383,899	$ 1,182	$ 4,382,717	$ 3,313,727	14.81%
Apr-14	13.47%	0.00%	13.47%	$ 5,010,276	$ 10,115	$ 5,000,161	$ 5,281,162	$ 711,372	$ 354,188	$ -	$ 357,184	$ 37,477	$ 394,661	$ 3,519,461	$ 10,115	$ 3,509,346	$ 3,297,088	11.91%
May-14	15.84%	0.00%	15.84%	$ 5,403,459	$ 214,565	$ 5,188,894	$ 5,279,658	$ 836,298	$ 442,846	$ -	$ 393,452	$ 37,477	$ 430,929	$ 3,009,162	$ 214,565	$ 2,794,597	$ 3,288,361	13.07%
Jun-14	15.67%	0.00%	15.67%	$ 5,619,981	$ 249,493	$ 5,370,488	$ 5,314,304	$ 832,751	$ 497,436	$ -	$ 335,315	$ 37,477	$ 372,792	$ 3,020,788	$ 249,493	$ 2,771,295	$ 3,312,513	11.30%
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Sep-14	13.53%	0.00%	13.53%	$ 5,275,606	$ 176,671	$ 5,098,935	$ 5,423,955	$ 733,861	$ 392,395	$ -	$ 341,466	$ -	$ 341,466	$ 3,289,153	$ 176,671	$ 3,112,482	$ 3,321,540	10.32%
Oct-14	15.57%	0.00%	15.57%	$ 4,963,526	$ 195,490	$ 4,768,036	$ 5,455,558	$ 849,430	$ 407,785	$ -	$ 441,645	$ -	$ 441,645	$ 3,098,978	$ 195,490	$ 2,903,488	$ 3,337,503	13.30%
Nov-14	16.95%	0.00%	16.95%	$ 5,508,137	$ 195,675	$ 5,312,462	$ 5,487,028	$ 930,051	$ 434,544	$ -	$ 495,507	$ -	$ 495,507	$ 2,896,555	$ 195,675	$ 2,700,880	$ 3,346,515	14.85%
Dec-14	13.88%	0.00%	13.86%	$ 5,919,352	$ 150,614	$ 5,768,738	$ 5,496,066	$ 762,854	$ 531,515	$ -	$ 231,339	$ -	$ 231,339	$ 3,575,810	$ 150,614	$ 3,425,196	$ 3,371,540	6.91%
Jan-15	13.67%	0.00%	13.67%	$ 6,431,442	$ 166,243	$ 6,265,199	$ 5,454,100	$ 745,575	$ 435,952	$ -	$ 309,623	$ -	$ 309,623	$ 3,841,812	$ 166,243	$ 3,675,569	$ 3,346,787	9.18%
Feb-15	11.49%	0.00%	11.49%	$ 6,276,969	$ 184,702	$ 6,092,267	$ 5,462,861	$ 627,683	$ 386,228	$ -	$ 241,455	$ -	$ 241,455	$ 4,617,093	$ 184,702	$ 4,432,391	$ 3,321,381	7.21%
Mar-15	10.90%	0.00%	10.90%	$ 5,451,470	$ 102,811	$ 5,348,659	$ 5,426,852	$ 591,527	$ 330,766	$ -	$ 260,761	$ -	$ 260,761	$ 4,524,310	$ 102,811	$ 4,421,499	$ 3,324,613	7.85%
Apr-15	14.44%	0.00%	14.44%	$ 4,139,680	$ 169	$ 4,139,511	$ 5,355,131	$ 773,281	$ 270,548	$ -	$ 502,733	$ -	$ 502,733	$ 3,509,809	$ 169	$ 3,509,640	$ 3,324,637	15.12%
May-15	18.09%	0.00%	18.09%	$ 4,011,576	$ 149	$ 4,011,427	$ 5,257,009	$ 950,993	$ 338,380	$ -	$ 612,613	$ -	$ 612,613	$ 2,624,482	$ 149	$ 2,624,333	$ 3,310,448	18.43%
Jun-15	18.44%	0.00%	18.44%	$ 4,684,413	$ 249	$ 4,684,164	$ 5,198,148	$ 958,539	$ 472,767	$ -	$ 485,772	$ (9,127)	$ 476,645	$ 4,971,655	$ 249	$ 4,971,406	$ 3,493,791	14.40%
Jul-15	15.91%	0.00%	15.91%	$ 4,804,972	$ 99	$ 4,804,873	$ 5,140,390	$ 817,836	$ 483,071	$ -	$ 334,765	$ -	$ 334,765	$ 2,795,689	$ 99	$ 2,795,590	$ 3,476,230	9.58%
Aug-15	16.25%	0.00%	16.25%	$ 4,713,327	$ 218	$ 4,713,109	$ 5,082,282	$ 825,871	$ 421,052	$ -	$ 404,819	$ (17,417)	$ 387,402	$ 5,663,101	$ 218	$ 5,662,883	$ 3,686,280	11.14%

6 MONTH AMORTIZATION