Blue Grass Energy
A Touchstone Energy Cooperative

P.O. Box 990 • 1201 Lexington Road • Nicholasville, Kentucky 40340-0990
Phone: 888-546-4243 • Fax: 859-885-2854 • www.bgenergy.com

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COMMISSION

September 28, 2015

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

RE: PSC Case No. 2015-00281

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above referenced case, an original and seven copies of the responses in the data request.

Each response includes the name of the witness responsible for responding to the questions related to the information provided. A signed certification of the person supervising the preparation of the response on behalf of the entity, that the response is true and accurate to the best of that person's knowledge and belief, is included.

If you have any questions, please contact me at 859-885-2117.

Sincerely,

Phillip Johnson
Vice President, Finance & CFO
Blue Grass Energy Cooperative Corporation

Our members are the most important part of Blue Grass Energy.

The affiant, Phillip Johnson, Vice President, Finance & CFO for Blue Grass Energy, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.

Phillip Johnson

Subscribed and sworn to before me by the affiant, Phillip Johnson, this 28th day of September 2015.

My commission expires 2/5/2019

Allison R. Mata #527583

Notary Public, State of Kentucky at Large

Blue Grass Energy
Case No. 2015-00281

Request:
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.

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, Blue Grass Energy continues to believe that the methodology used to determine the over and under recovery needs revision and is working with the other EKPC members to reach a consensus solution.
Blue Grass Energy also supports the proposal that a future informal conference with the Commission Staff be held to discuss this issue.

The average monthly KWH usage for the 12 months ending May 31, 2015 is 1,284 KWH.

The dollar impact on our under recovery will result in an increase of $0.18 on an average residential customer's monthly bill.

Supporting calculations follow on next pages.

WITNESS: Phillip Johnson

Blue Grass Energy Cooperative Corporation
Case No. 2015-00281

Actual Average Bill		**Monthly recovery of $15,177 Recovery Period of Six Months**	
Average KWH usage 1,284 KWH		Average KWH usage 1,284 KWH	
Energy	$ 114.15	Energy	$ 114.15
Customer Charge	$ 12.00	Customer Charge	$ 12.00
Fuel Adj @ (.00612)	$ (7.86)	Fuel Adj @ (.00612)	$ (7.86)
Environmental Surcharge @ 13.36% (June 2015)	$ 15.80	Environmental Surcharge @ 13.51% (June 2015)	$ 15.98
School Tax @ 3.0%	$ 4.02	School Tax @ 3.0%	$ 4.03
TOTAL BILL AMOUNT	$ 138.12	***TOTAL BILL AMOUNT***	$ 138.30

A difference of $0.18 increase per month would result in average residential monthly bill.

WITNESS: Phillip Johnson

	Residential KWH	Residential No. of Consumers	Average KWH
Jun-14	*55,061,392*	53,236	1,034
Jul-14	*63,987,566*	53,513	1,196
Aug-14	*60,965,712*	53,552	1,138
Sep-14	*63,374,302*	53,427	1,186
Oct-14	*45,302,155*	53,562	846
Nov-14	*57,881,441*	53,351	1,085
Dec-14	*79,181,862*	53,404	1,483
Jan-15	*95,659,291*	53,579	1,785
Feb-15	*101,785,495*	53,441	1,905
Mar-15	*96,217,019*	53,586	1,796
Apr-15	*57,810,411*	53,594	1,079
May-15	*46,875,863*	53,799	871
	824,102,509	642,044	1,284

WITNESS: Phillip Johnson

Blue Grass Energy Cooperative Corporation
Case No. 2015-00281

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Blue Grass Energy

For the Month Ending August 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Blue Grass	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Blue Grass	EKPC 12-months Ended Average Monthly Revenue from Sales to Blue Grass	Blue Grass Revenue Requirement	Amortization of (Over)/Under Recovery (*)	Cooperative Net Revenue Requirement	Cooperative Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Blue Grass Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cooperative Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Jul-13	15.77%	0.00%	15.77%	$ 6,871,407		$ 6,871,407	$ 6,797,874	$ 1,072,025	$ (206,518)	$ 865,507	$ 9,420,694		$ 9,420,694	$ 9,216,988	9.41%
Aug-13	15.49%	0.00%	15.49%	$ 6,841,413		$ 6,841,413	$ 6,819,782	$ 1,056,384	$ (151,006)	$ 905,378	$ 9,481,504		$ 9,481,504	$ 9,198,789	9.82%
Sep-13	14.93%	0.00%	14.93%	$ 6,006,002		$ 6,006,002	$ 6,853,968	$ 1,023,297	$ (151,006)	$ 872,291	$ 9,113,907		$ 9,113,907	$ 9,240,980	9.48%
Oct-13	16.69%	0.00%	16.69%	$ 5,559,349		$ 5,559,349	$ 6,868,376	$ 1,146,332	$ (151,006)	$ 995,326	$ 7,582,559		$ 7,582,559	$ 9,294,156	10.77%
Nov-13	17.43%	0.00%	17.43%	$ 6,922,465		$ 6,922,465	$ 6,889,268	$ 1,200,799	$ (151,006)	$ 1,049,793	$ 8,215,783		$ 8,215,783	$ 9,308,315	11.30%
Dec-13	14.54%	0.00%	14.54%	$ 8,239,120		$ 8,239,120	$ 6,937,912	$ 1,008,772	$ (151,006)	$ 857,766	$ 10,201,567		$ 10,201,567	$ 9,422,490	9.22%
Jan-14	10.92%	0.00%	10.92%	$ 10,453,485		$ 10,453,485	$ 7,111,702	$ 776,598	$ 55,512	$ 832,110	$ 12,051,908		$ 12,051,908	$ 9,504,878	8.83%
Feb-14	5.44%	0.00%	5.44%	$ 8,869,716		$ 8,869,716	$ 7,209,352	$ 392,189	$ -	$ 392,189	$ 14,235,141		$ 14,235,141	$ 9,680,902	4.13%
Mar-14	11.62%	0.00%	11.62%	$ 8,065,739		$ 8,065,739	$ 7,224,041	$ 839,434	$ (41,681)	$ 797,753	$ 10,918,286		$ 10,918,286	$ 9,735,234	8.24%
Apr-14	13.47%	0.00%	13.47%	$ 5,920,462		$ 5,920,462	$ 7,221,903	$ 972,790	$ (41,681)	$ 931,109	$ 9,441,379		$ 9,441,379	$ 9,703,981	9.56%
May-14	15.84%	0.00%	15.84%	$ 6,227,017		$ 6,227,017	$ 7,229,559	$ 1,145,162	$ (41,681)	$ 1,103,481	$ 7,523,213		$ 7,523,213	$ 9,706,722	11.37%
Jun-14	15.67%	0.00%	15.67%	$ 7,076,703		$ 7,076,703	$ 7,254,407	$ 1,136,765	$ (41,681)	$ 1,095,084	$ 8,742,957		$ 8,742,957	$ 9,744,075	11.28%
Jul-14	14.38%	0.00%	14.38%	$ 7,184,707		$ 7,184,707	$ 7,280,515	$ 1,046,938	$ (41,681)	$ 1,005,257	$ 9,663,683		$ 9,663,683	$ 9,764,324	10.32%
Aug-14	12.62%	0.00%	12.62%	$ 7,420,439		$ 7,420,439	$ 7,328,767	$ 924,890	$ (41,681)	$ 883,209	$ 9,406,626		$ 9,406,626	$ 9,758,084	9.05%
Sep-14	13.53%	0.00%	13.53%	$ 6,376,190		$ 6,376,190	$ 7,359,616	$ 995,756	$ -	$ 995,756	$ 9,752,675		$ 9,752,675	$ 9,811,315	10.20%
Oct-14	15.57%	0.00%	15.57%	$ 5,474,526		$ 5,474,526	$ 7,352,547	$ 1,144,792	$ 112,830	$ 1,257,622	$ 7,815,603		$ 7,815,603	$ 9,830,735	12.82%
Nov-14	16.95%	0.00%	16.95%	$ 7,409,201		$ 7,409,201	$ 7,393,109	$ 1,253,132	$ -	$ 1,253,132	$ 8,881,517		$ 8,881,517	$ 9,886,213	12.75%
Dec-14	13.88%	0.00%	13.88%	$ 7,725,550		$ 7,725,550	$ 7,350,311	$ 1,020,223	$ -	$ 1,020,223	$ 10,480,326		$ 10,480,326	$ 9,909,443	10.32%
Jan-15	13.67%	0.00%	13.67%	$ 9,012,752		$ 9,012,752	$ 7,230,250	$ 988,375	$ -	$ 988,375	$ 11,759,612		$ 11,759,612	$ 9,885,085	9.97%
Feb-15	11.49%	0.00%	11.49%	$ 9,493,046		$ 9,493,046	$ 7,282,194	$ 836,724	$ -	$ 836,724	$ 12,501,580		$ 12,501,580	$ 9,740,622	8.46%
Mar-15	10.90%	0.00%	10.90%	$ 7,311,935		$ 7,311,935	$ 7,219,377	$ 786,912	$ -	$ 786,912	$ 11,662,490		$ 11,662,490	$ 9,802,638	8.08%
Apr-15	14.44%	0.00%	14.44%	$ 4,956,047		$ 4,956,047	$ 7,139,009	$ 1,030,873	$ -	$ 1,030,873	$ 8,430,923		$ 8,430,923	$ 9,718,434	10.52%
May-15	18.09%	0.00%	18.09%	$ 5,361,423		$ 5,361,423	$ 7,066,877	$ 1,278,398	$ -	$ 1,278,398	$ 7,262,195		$ 7,262,195	$ 9,696,682	13.15%
Jun-15	18.44%	0.00%	18.44%	$ 6,561,793		$ 6,561,793	$ 7,023,967	$ 1,295,220		$ 1,295,220	$ 8,024,182		$ 8,024,182	$ 9,636,784	13.36% *
Jul-15	15.91%	0.00%	15.91%	$ 6,923,442		$ 6,923,442	$ 7,002,195	$ 1,114,049	$ -	$ 1,114,049	$ 8,498,807		$ 8,498,807	$ 9,539,711	11.56%
Aug-15	16.25%	0.00%	16.25%	$ 6,620,607		$ 6,620,607	$ 6,935,543	$ 1,127,026	$ 109,678	$ 1,236,704	$ 9,746,949		$ 9,746,949	$ 9,568,072	12.96%

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Blue Grass Energy Cooperative Corporation
Case No. 2015-00281

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Blue Grass Energy

For the Month Ending August 2015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Blue Grass	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Blue Grass	EKPC 12-months Ended Average Monthly Revenue from Sales to Blue Grass	Blue Grass Revenue Requirement	Amortization of (Over)/Under Recovery (*)	Cooperative Net Revenue Revenue Requirement	Cooperative Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Blue Grass Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cooperative Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Jul-13	15.77%	0.00%	15.77%	$ 6,871,407		$ 6,871,407	$ 6,797,874	$ 1,072,025	$ (206,518)	$ 865,507	$ 9,420,694		$ 9,420,694	$ 9,216,988	9.41%
Aug-13	15.49%	0.00%	15.49%	$ 6,841,413		$ 6,841,413	$ 6,819,782	$ 1,056,384	$ (151,006)	$ 905,378	$ 9,481,504		$ 9,481,504	$ 9,198,789	9.82%
Sep-13	14.93%	0.00%	14.93%	$ 6,006,002		$ 6,006,002	$ 6,853,968	$ 1,023,297	$ (151,006)	$ 872,291	$ 9,113,907		$ 9,113,907	$ 9,240,980	9.48%
Oct-13	16.69%	0.00%	16.69%	$ 5,559,349		$ 5,559,349	$ 6,868,376	$ 1,146,332	$ (151,006)	$ 995,326	$ 7,582,559		$ 7,582,559	$ 9,294,156	10.77%
Nov-13	17.43%	0.00%	17.43%	$ 6,922,465		$ 6,922,465	$ 6,889,268	$ 1,200,799	$ (151,006)	$ 1,049,793	$ 8,215,783		$ 8,215,783	$ 9,308,315	11.30%
Dec-13	14.54%	0.00%	14.54%	$ 8,239,120		$ 8,239,120	$ 6,937,912	$ 1,008,772	$ (151,006)	$ 857,766	$ 10,201,567		$ 10,201,567	$ 9,422,490	9.22%
Jan-14	10.92%	0.00%	10.92%	$ 10,453,485		$ 10,453,485	$ 7,111,702	$ 776,598	$ 55,512	$ 832,110	$ 12,051,908		$ 12,051,908	$ 9,504,878	8.83%
Feb-14	5.44%	0.00%	5.44%	$ 8,869,716		$ 8,869,716	$ 7,209,352	$ 392,189	$ -	$ 392,189	$ 14,235,141		$ 14,235,141	$ 9,680,902	4.13%
Mar-14	11.62%	0.00%	11.62%	$ 8,065,739		$ 8,065,739	$ 7,224,041	$ 839,434	$ (41,681)	$ 797,753	$ 10,918,286		$ 10,918,286	$ 9,735,234	8.24%
Apr-14	13.47%	0.00%	13.47%	$ 5,920,462		$ 5,920,462	$ 7,221,903	$ 972,790	$ (41,681)	$ 931,109	$ 9,441,379		$ 9,441,379	$ 9,703,981	9.56%
May-14	15.84%	0.00%	15.84%	$ 6,227,017		$ 6,227,017	$ 7,229,559	$ 1,145,162	$ (41,681)	$ 1,103,481	$ 7,523,213		$ 7,523,213	$ 9,706,722	11.37%
Jun-14	15.67%	0.00%	15.67%	$ 7,076,703		$ 7,076,703	$ 7,254,407	$ 1,136,765	$ (41,681)	$ 1,095,084	$ 8,742,957		$ 8,742,957	$ 9,744,075	11.28%
Jul-14	14.38%	0.00%	14.38%	$ 7,184,707		$ 7,184,707	$ 7,280,515	$ 1,046,938	$ (41,681)	$ 1,005,257	$ 9,663,683		$ 9,663,683	$ 9,764,324	10.32%
Aug-14	12.62%	0.00%	12.62%	$ 7,420,439		$ 7,420,439	$ 7,328,767	$ 924,890	$ (41,681)	$ 883,209	$ 9,406,626		$ 9,406,626	$ 9,758,084	9.05%
Sep-14	13.53%	0.00%	13.53%	$ 6,376,190		$ 6,376,190	$ 7,359,616	$ 995,756	$ -	$ 995,756	$ 9,752,675		$ 9,752,675	$ 9,811,315	10.20%
Oct-14	15.57%	0.00%	15.57%	$ 5,474,526		$ 5,474,526	$ 7,352,547	$ 1,144,792	$ 112,830	$ 1,257,622	$ 7,815,603		$ 7,815,603	$ 9,830,735	12.82%
Nov-14	16.95%	0.00%	16.95%	$ 7,409,201		$ 7,409,201	$ 7,393,109	$ 1,253,132	$ -	$ 1,253,132	$ 8,881,517		$ 8,881,517	$ 9,886,213	12.75%
Dec-14	13.88%	0.00%	13.88%	$ 7,725,550		$ 7,725,550	$ 7,350,311	$ 1,020,223	$ -	$ 1,020,223	$ 10,480,326		$ 10,480,326	$ 9,909,443	10.32%
Jan-15	13.67%	0.00%	13.67%	$ 9,012,752		$ 9,012,752	$ 7,230,250	$ 988,375	$ -	$ 988,375	$ 11,759,612		$ 11,759,612	$ 9,885,085	9.97%
Feb-15	11.49%	0.00%	11.49%	$ 9,493,046		$ 9,493,046	$ 7,282,194	$ 836,724	$ -	$ 836,724	$ 12,501,580		$ 12,501,580	$ 9,740,622	8.46%
Mar-15	10.90%	0.00%	10.90%	$ 7,311,935		$ 7,311,935	$ 7,219,377	$ 786,912	$ -	$ 786,912	$ 11,662,490		$ 11,662,490	$ 9,802,638	8.08%
Apr-15	14.44%	0.00%	14.44%	$ 4,956,047		$ 4,956,047	$ 7,139,009	$ 1,030,873	$ -	$ 1,030,873	$ 8,430,923		$ 8,430,923	$ 9,718,434	10.52%
May-15	18.09%	0.00%	18.09%	$ 5,361,423		$ 5,361,423	$ 7,066,877	$ 1,278,398	$ -	$ 1,278,398	$ 7,262,195		$ 7,262,195	$ 9,696,682	13.15%
Jun-15	18.44%	0.00%	18.44%	$ 6,561,793		$ 6,561,793	$ 7,023,967	$ 1,295,220	$ 15,177	$ 1,310,397	$ 8,024,182		$ 8,024,182	$ 9,636,784	13.51% *
Jul-15	15.91%	0.00%	15.91%	$ 6,923,442		$ 6,923,442	$ 7,002,195	$ 1,114,049	$ -	$ 1,114,049	$ 8,498,807		$ 8,498,807	$ 9,539,711	11.56%
Aug-15	16.25%	0.00%	16.25%	$ 6,620,607		$ 6,620,607	$ 6,935,543	$ 1,127,026	$ 109,678	$ 1,236,704	$ 9,746,949		$ 9,746,949	$ 9,568,072	12.96%

Recovery of $15,177

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Blue Grass Energy Cooperative Corporation
Case No. 2015-00281

Blue Grass Energy - Calculation of (Over)/Under

Mo/Yr	EKPC Invoice Month recorded 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-13	$ 1,174,321	$ 1,260,553	$ (86,232)	$ (86,232)
Aug-13	$ 1,078,891	$ 1,206,446	$ (127,555)	$ (213,787)
Sep-13	$ 930,331	$ 857,634	$ 72,697	$ (141,090)
Oct-13	$ 830,013	$ 744,618	$ 85,395	$ (55,695)
Nov-13	$ 1,155,358	$ 778,842	$ 376,516	$ 320,821
Dec-13	$ 1,436,079	$ 1,098,832	$ 337,247	$ 658,068
Jan-14	$ 1,521,555	$ 1,361,922	$ 159,633	$ 159,633
Feb-14	$ 972,154	$ 1,312,461	$ (340,307)	$ (180,674)
Mar-14	$ 439,239	$ 964,139	$ (524,900)	$ (705,574)
Apr-14	$ 687,957	$ 389,907	$ 298,050	$ (407,524)
May-14	$ 838,778	$ 619,931	$ 218,847	$ (188,676)
Jun-14	$ 1,120,847	$ 835,857	$ 284,990	$ 96,314
Jul-14	$ 1,126,289	$ 1,098,953	$ 27,336	$ 123,649
Aug-14	$ 1,067,057	$ 1,061,047	$ 6,010	$ 129,660
Sep-14	$ 804,674	$ 1,006,474	$ (201,800)	$ (72,141)
Oct-14	$ 740,704	$ 707,183	$ 33,521	$ (38,619)
Nov-14	$ 1,153,704	$ 859,697	$ 294,007	$ 255,387
Dec-14	$ 1,309,478	$ 1,273,685	$ 35,793	$ 291,180
Jan-15	$ 1,251,558	$ 1,499,345	$ (247,787)	$ 43,393
Feb-15	$ 1,301,328	$ 1,290,153	$ 11,175	$ 54,568
Mar-15	$ 840,817	$ 1,162,746	$ (321,929)	$ (267,360)
Apr-15	$ 540,211	$ 712,391	$ (172,180)	$ (439,540)
May-15	$ 774,190	$ 586,793	$ 187,397	$ (252,144)
Jun-15	$ 1,187,365	$ 844,159	$ 343,206	$ 91,062
Jul-15	$ 1,278,016	$ 1,117,632	$ 160,384	$ 251,447
Aug-15	$ 1,053,341	$ 1,320,174	$ (266,833)	$ (15,387)

Cumulative 18-months (Over)/Under Recovery	$ 91,062
Monthly Recovery (per month for six months)	$ 15,177
Total Net (Over)/Under Recovery for 2-Year Period	$ 749,131