NOLIN
Rural Electric Cooperative Corporation
A Touchstone Energy® Cooperative

RECEIVED
OCT 2 2015
PUBLIC SERVICE
COMMISSION

October 1, 2015

Mr. Jeff R. Derouen, Executive Director

Public Service Commission
PO Box 615
211 Sower Boulevard
Frankfort, KY 40602

Dear Mr. Derouen:

RE: PSC Case No. 2105-00281

Please find enclosed an original and seven copies of the response to the Public Service Commission Staff's First Data Request for Information in the above referenced case dated August 31, 2015.

Please let me know if additional information is needed.

Respectfully,

Michael L. Miller

Michael L. Miller
President & CEO

OVS

Enclosures

411 Ring Road • Elizabethtown, KY 42701-6767 • (270) 765-6153

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
OCT 2 2015
PUBLIC SERVICE COMMISSION

In The Matter Of:

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION	)	
OF THE ENVORONMENTAL SURCHARGE MECHANISM OF	)	
EAST KENTUCKY POWER COOPERATIVE, INC. FOR THE	)	
SIX-MONTH BILLING PERIOD ENDING DECEMBER 31, 2014	)	CASE NO.
TWO-YEAR BILLING PERIOD ENDING JUNE 30, 2015,	)	2015-00281
AND THE PASS THROUGH MECHANISM FOR IT'S	)	
SIXTEEN MEMBER DISTRIBUTION COOPERATIVES	)	

CERTIFICATE

Michael L. Miller, being duly sworn, states that he has supervised the preparation of the response of Nolin Rural Electric Cooperative Corporation to the Public Service Commission Staff's First Request for Information to East Kentucky Power Cooperative, Inc.'s sixteen Member Distribution cooperatives in the above-referenced case, 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.

Michael L. Miller

COMMONWEALTH OF KENTUCKY)
COUNTY OF HARDIN)

Subscribed and sworn to before me by Michael L. Miller, President & CEO of Nolin Rural Electric Cooperative Corporation this 1st day of October, 2015.

O.V. [signature]

Notary Public

ID 534981

My Commission Expires: June 30, 2019

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2015-00281
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

Request 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/under-recovery will have on the average residential customer's monthly bill for the requested recovery period. Provide all supporting calculations.

Response:

The over/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, Nolin Rural Electric Cooperative Corporation continues to believe that the methodology used to determine the over/under-recovery needs revision and is working with other EKPC Members to reach a consensus solution. Nolin Rural Electric Cooperative Corporation also supports the proposal that a future informal conference with the Commission Staff be held to discuss this issue.

Actual Average Residential Bill:

12-Month Average Residential KWH usage as of May 31, 2015			1,275
Energy @	$0.08598		$ 109.62
Customer Charge			$ 9.04
Fuel Adjustment @	$ (0.004189)		$ (5.34)
Environmental Surcharge @		13.45%	$ 15.24
Total			$ 128.57

Recovery Period of Six Months

12-Month Average Residential KWH usage as of May 31, 2015			
Energy @	$0.08598		$ 109.62
Customer Charge			$ 9.04
Fuel Adjustment @	$ (0.004189)		$ (5.34)
Environmental Surcharge @		13.00%	$ 14.73
Total			$ 128.06
Dollar Impact on Average Residential Bill			$ (0.51)

Witness: O. V. Sparks

Nolin Rural Electric Cooperative Corporation
PSC Case No. 2015-000281

Month	Consumers	KWH Sold
June	32,291	39,117,401
July	32,472	38,289,652
August	32,527	40,083,818
September	32,495	31,044,056
October	32,461	31,012,453
November	32,510	46,055,290
December	32,442	52,706,524
January	32,536	57,855,777
February	32,544	62,106,203
March	32,585	38,065,622
April	32,526	28,948,422
May	32,623	31,997,162
Totals	390,012	497,282,380
Averages	32,501	41,440,198
Average Usage =		1,275

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

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 Nolin	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Nolin	EKPC 12-months Ended Average Monthly Revenue from Sales to Nolin	Nolin Revenue Requirement	Amortization of (Over)/Under Recovery	Nolin Net Revenue Revenue Requirement	Nolin Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Nolin Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Nolin 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)
Sep-13	14.93%	0.00%	14.93%	$ 3,625,994		$ 3,625,994	$ 4,023,310	$ 600,680	$ 89,429	$ 690,109	$ 4,666,789		$ 4,666,789	$ 5,344,992	12.97%
Oct-13	16.69%	0.00%	16.69%	$ 3,336,337		$ 3,336,337	$ 4,026,043	$ 671,947	$ 89,429	$ 761,376	$ 4,556,035		$ 4,556,035	$ 5,348,915	14.24%
Nov-13	17.43%	0.00%	17.43%	$ 4,000,771		$ 4,000,771	$ 4,026,028	$ 701,737	$ 89,429	$ 791,166	$ 5,438,191		$ 5,438,191	$ 5,375,139	14.79%
Dec-13	14.54%	0.00%	14.54%	$ 4,802,382		$ 4,802,382	$ 4,056,381	$ 589,798	$ 89,429	$ 679,227	$ 6,618,531		$ 6,618,531	$ 5,423,019	12.64%
Jan-14	10.92%	0.00%	10.92%	$ 6,138,305		$ 6,138,305	$ 4,166,300	$ 454,960	$ 11,043	$ 466,003	$ 8,159,082		$ 8,159,082	$ 5,537,771	8.59%
Feb-14	5.44%	0.00%	5.44%	$ 5,179,183		$ 5,179,183	$ 4,226,088	$ 229,899	$ -	$ 229,899	$ 6,540,568		$ 6,540,568	$ 5,592,479	4.15%
Mar-14	11.62%	0.00%	11.62%	$ 4,569,156		$ 4,569,156	$ 4,230,311	$ 491,562	$ (2,429)	$ 489,133	$ 5,523,895		$ 5,523,895	$ 5,578,049	8.75%
Apr-14	13.47%	0.00%	13.47%	$ 3,449,261		$ 3,449,261	$ 4,232,678	$ 570,142	$ (2,429)	$ 567,713	$ 4,478,167		$ 4,478,167	$ 5,575,303	10.18%
May-14	15.84%	0.00%	15.84%	$ 3,680,230		$ 3,680,230	$ 4,238,002	$ 671,300	$ (2,429)	$ 668,871	$ 4,867,134		$ 4,867,134	$ 5,588,667	12.00%
Jun-14	15.67%	0.00%	15.67%	$ 4,152,773		$ 4,152,773	$ 4,253,613	$ 666,541	$ (2,429)	$ 664,112	$ 5,526,453		$ 5,526,453	$ 5,605,351	11.88%
Jul-14	14.38%	0.00%	14.38%	$ 4,240,099		$ 4,240,099	$ 4,273,244	$ 614,492	$ (2,429)	$ 612,063	$ 5,450,563		$ 5,450,563	$ 5,597,259	10.92%
Aug-14	12.62%	0.00%	12.62%	$ 4,391,710		$ 4,391,710	$ 4,297,183	$ 542,305	$ (2,429)	$ 539,876	$ 5,794,348		$ 5,794,348	$ 5,634,980	9.65%
Sep-14	13.53%	0.00%	13.53%	$ 3,804,317		$ 3,804,317	$ 4,312,044	$ 583,420	$ -	$ 583,420	$ 4,727,783		$ 4,727,783	$ 5,640,063	10.35%
Oct-14	15.57%	0.00%	15.57%	$ 3,261,026		$ 3,261,026	$ 4,305,768	$ 670,408	$ -	$ 670,408	$ 4,685,480		$ 4,685,480	$ 5,650,850	11.89%
Nov-14	16.95%	0.00%	16.95%	$ 4,245,684		$ 4,245,684	$ 4,326,177	$ 733,287	$ -	$ 733,287	$ 5,869,199		$ 5,869,199	$ 5,686,767	12.98%
Dec-14	13.88%	0.00%	13.88%	$ 4,427,516		$ 4,427,516	$ 4,294,938	$ 596,137	$ -	$ 596,137	$ 6,243,813		$ 6,243,813	$ 5,655,540	10.48%
Jan-15	13.67%	0.00%	13.67%	$ 5,233,089		$ 5,233,089	$ 4,219,504	$ 576,806	$ -	$ 576,806	$ 6,798,305		$ 6,798,305	$ 5,542,142	10.20%
Feb-15	11.49%	0.00%	11.49%	$ 5,240,879		$ 5,240,879	$ 4,224,645	$ 485,412	$ -	$ 485,412	$ 6,932,693		$ 6,932,693	$ 5,574,819	8.76%
Mar-15	10.90%	0.00%	10.90%	$ 4,210,329		$ 4,210,329	$ 4,194,743	$ 457,227	$ -	$ 457,227	$ 4,977,851		$ 4,977,851	$ 5,529,316	8.20%
Apr-15	14.44%	0.00%	14.44%	$ 2,830,770		$ 2,830,770	$ 4,143,202	$ 598,278	$ -	$ 598,278	$ 4,104,985		$ 4,104,985	$ 5,498,217	10.82%
May-15	18.09%	0.00%	18.09%	$ 3,027,301		$ 3,027,301	$ 4,088,791	$ 739,662	$ -	$ 739,662	$ 4,269,280		$ 4,269,280	$ 5,448,396	13.45%
Jun-15	18.44%	0.00%	18.44%	$ 3,846,754		$ 3,846,754	$ 4,063,290	$ 749,271	$ -	$ 749,271	$ 4,833,547		$ 4,833,547	$ 5,390,654	13.75%
Jul-15	15.91%	0.00%	15.91%	$ 4,192,404		$ 4,192,404	$ 4,059,315	$ 645,837	$ -	$ 645,837	$ 5,593,002		$ 5,593,002	$ 5,402,524	11.98%
Aug-15	16.25%	0.00%	16.25%	$ 3,903,725		$ 3,903,725	$ 4,018,650	$ 653,031	$ (82,842)	$ 570,189					10.55%

Notes:
Nolin Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

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

For the Month Ending August 2015

Surcharge Factor Expense Month	(1) EKPC CESF %	(2) EKPC BESF %	(3) EKPC MESF %	(4) EKPC Monthly Revenues from Sales to Nolin	(5) On-peak Revenue Adjustment	(6) EKPC Net Monthly Sales to Nolin	(7) EKPC 12-months Ended Average Monthly Revenue from Sales to Nolin	(8) Nolin Revenue Requirement	(9) Amortization of (Over)/Under Recovery	(10) Nolin Net Revenue Revenue Requirement	(11) Nolin Total Monthly Retail Revenues	(12) On-Peak Retail Revenue Adjustment	(13) Nolin Net Monthly Retail Revenues	(14) 12-months ended Avg. Retail Revenues, Net	(15) Nolin 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)
Sep-13	14.93%	0.00%	14.93%	$ 3,625,994		$ 3,625,994	$ 4,023,310	$ 600,680	$ 89,429	$ 690,109	$ 4,666,789		$ 4,666,789	$ 5,344,992	12.97%
Oct-13	16.69%	0.00%	16.69%	$ 3,336,337		$ 3,336,337	$ 4,026,043	$ 671,947	$ 89,429	$ 761,376	$ 4,556,035		$ 4,556,035	$ 5,348,915	14.24%
Nov-13	17.43%	0.00%	17.43%	$ 4,000,771		$ 4,000,771	$ 4,026,028	$ 701,737	$ 89,429	$ 791,166	$ 5,438,191		$ 5,438,191	$ 5,375,139	14.79%
Dec-13	14.54%	0.00%	14.54%	$ 4,802,382		$ 4,802,382	$ 4,056,381	$ 589,798	$ 89,429	$ 679,227	$ 6,618,531		$ 6,618,531	$ 5,423,019	12.64%
Jan-14	10.92%	0.00%	10.92%	$ 6,138,305		$ 6,138,305	$ 4,166,300	$ 454,960	$ 11,043	$ 466,003	$ 8,159,082		$ 8,159,082	$ 5,537,771	8.59%
Feb-14	5.44%	0.00%	5.44%	$ 5,179,183		$ 5,179,183	$ 4,226,088	$ 229,899	$ -	$ 229,899	$ 6,540,568		$ 6,540,568	$ 5,592,479	4.15%
Mar-14	11.62%	0.00%	11.62%	$ 4,569,156		$ 4,569,156	$ 4,230,311	$ 491,562	$ (2,429)	$ 489,133	$ 5,523,895		$ 5,523,895	$ 5,578,049	8.75%
Apr-14	13.47%	0.00%	13.47%	$ 3,449,261		$ 3,449,261	$ 4,232,678	$ 570,142	$ (2,429)	$ 567,713	$ 4,478,167		$ 4,478,167	$ 5,575,303	10.18%
May-14	15.84%	0.00%	15.84%	$ 3,680,230		$ 3,680,230	$ 4,238,002	$ 671,300	$ (2,429)	$ 668,871	$ 4,867,134		$ 4,867,134	$ 5,588,667	12.00%
Jun-14	15.67%	0.00%	15.67%	$ 4,152,773		$ 4,152,773	$ 4,253,613	$ 666,541	$ (2,429)	$ 664,112	$ 5,526,453		$ 5,526,453	$ 5,605,351	11.88%
Jul-14	14.38%	0.00%	14.38%	$ 4,240,099		$ 4,240,099	$ 4,273,244	$ 614,492	$ (2,429)	$ 612,063	$ 5,450,563		$ 5,450,563	$ 5,597,259	10.92%
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Nov-14	16.95%	0.00%	16.95%	$ 4,245,684		$ 4,245,684	$ 4,326,177	$ 733,287	$ -	$ 733,287	$ 5,869,199		$ 5,869,199	$ 5,686,767	12.98%
Dec-14	13.88%	0.00%	13.88%	$ 4,427,516		$ 4,427,516	$ 4,294,938	$ 596,137	$ -	$ 596,137	$ 6,243,813		$ 6,243,813	$ 5,655,540	10.48%
Jan-15	13.67%	0.00%	13.67%	$ 5,233,089		$ 5,233,089	$ 4,219,504	$ 576,806	$ -	$ 576,806	$ 6,798,305		$ 6,798,305	$ 5,542,142	10.20%
Feb-15	11.49%	0.00%	11.49%	$ 5,240,879		$ 5,240,879	$ 4,224,645	$ 485,412	$ -	$ 485,412	$ 6,932,693		$ 6,932,693	$ 5,574,819	8.76%
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Apr-15	14.44%	0.00%	14.44%	$ 2,830,770		$ 2,830,770	$ 4,143,202	$ 598,278	$ -	$ 598,278	$ 4,104,985		$ 4,104,985	$ 5,498,217	10.82%
May-15	18.09%	0.00%	18.09%	$ 3,027,301		$ 3,027,301	$ 4,088,791	$ 739,662	$ (24,806)	$ 714,856	$ 4,269,280		$ 4,269,280	$ 5,448,396	13.00%
Jun-15	18.44%	0.00%	18.44%	$ 3,846,754		$ 3,846,754	$ 4,063,290	$ 749,271	$ -	$ 749,271	$ 4,833,547		$ 4,833,547	$ 5,390,654	13.75%
Jul-15	15.91%	0.00%	15.91%	$ 4,192,404		$ 4,192,404	$ 4,059,315	$ 645,837	$ -	$ 645,837	$ 5,593,002		$ 5,593,002	$ 5,402,524	11.98%
Aug-15	16.25%	0.00%	16.25%	$ 3,903,725		$ 3,903,725	$ 4,018,650	$ 653,031	$ (82,842)	$ 570,189					10.55%

Notes:
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Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

Nolin RECC - 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	$ 684,372	$ 716,736	$ (32,364)	$ (32,364)
Aug-13	$ 647,268	$ 708,841	$ (61,573)	$ (93,937)
Sep-13	$ 561,666	$ 623,479	$ (61,813)	$ (155,750)
Oct-13	$ 498,116	$ 590,920	$ (92,804)	$ (248,554)
Nov-13	$ 667,728	$ 774,399	$ (106,671)	$ (355,225)
Dec-13	$ 837,054	$ 978,879	$ (141,825)	$ (497,051)
Jan-14	$ 892,511	$ 1,031,319	$ (138,808)	$ (138,808)
Feb-14	$ 565,566	$ 562,104	$ 3,462	$ (135,345)
Mar-14	$ 248,562	$ 229,247	$ 19,315	$ (116,030)
Apr-14	$ 400,802	$ 391,831	$ 8,971	$ (107,059)
May-14	$ 495,729	$ 495,476	$ 253	$ (106,806)
Jun-14	$ 657,665	$ 663,167	$ (5,502)	$ (112,308)
Jul-14	$ 664,557	$ 647,523	$ 17,034	$ (95,274)
Aug-14	$ 631,526	$ 632,749	$ (1,223)	$ (96,498)
Sep-14	$ 480,103	$ 456,239	$ 23,864	$ (72,634)
Oct-14	$ 441,217	$ 484,949	$ (43,732)	$ (116,365)
Nov-14	$ 661,053	$ 697,847	$ (36,794)	$ (153,159)
Dec-14	$ 750,462	$ 810,445	$ (59,983)	$ (213,142)
Jan-15	$ 726,351	$ 712,464	$ 13,887	$ (199,255)
Feb-15	$ 716,429	$ 707,134	$ 9,295	$ (189,960)
Mar-15	$ 483,764	$ 436,056	$ 47,708	$ (142,252)
Apr-15	$ 308,554	$ 336,608	$ (28,054)	$ (170,307)
May-15	$ 437,143	$ 461,950	$ (24,807)	$ (195,114)
Jun-15	$ 696,386	$ 650,107	$ 46,279	$ (148,835)
Jul-15	$ 775,299	$ 769,039	$ 6,260	$ (142,575)
Aug-15	$ 621,080	$ -	$ 621,080	$ 478,505

Cumulative 18-months (Over)/Under Recovery	$ (148,835)
Monthly Recovery (per month for six months)	$ (24,806)
Total Net (Over)/Under Recovery for 2-Year Period	$ (645,886)