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RECEIVED

MAY 4 2018

PUBLIC SERVICE  
COMMISSION

May 4, 2018

Ms. Gwen Pinson  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: PSC Case No. 2018-00075

Dear Ms. Pinson:

Please find enclosed for filing with the Commission in the above-referenced case, an original and six copies of the responses of East Kentucky Power Cooperative, Inc., ("EKPC") to the Commission's Appendix B First Request for Information, contained in the Commission's Order dated April 6, 2018, and the Prepared Testimony of Isaac S. Scott on behalf of EKPC. Documents contained in this filing are also being filed on behalf of EKPC's member systems.

Please return a file-stamped copy to my office.

Very truly yours,

A handwritten signature in black ink that reads "David S. Samford (My Reg. R. License)". The signature is written in a cursive style and is enclosed in large parentheses.

David S. Samford

Enclosures

**RECEIVED**

**MAY 04 2018**

**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 PERIOD )  
ENDING DECEMBER 31, 2017, AND THE PASS )  
THROUGH MECHANISM FOR ITS SIXTEEN )  
MEMBER DISTRIBUTION COOPERATIVES )**

**CASE NO.  
2018-00075**

**DIRECT TESTIMONY OF ISAAC S. SCOTT**

**ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.**

**Filed: May 4, 2018**

1 **Q. Please state your name, business address, and occupation.**

2 A. My name is Isaac S. Scott and my business address is East Kentucky Power Cooperative,  
3 Inc. ("EKPC"), 4775 Lexington Road, Winchester, Kentucky 40391. I am the Manager of  
4 Pricing for EKPC.

5 **Q. Please state your education and professional experience.**

6 A. I received a B.S. degree in Accounting, with distinction, from the University of Kentucky  
7 in 1979. After graduation I was employed by the Kentucky Auditor of Public Accounts,  
8 where I performed audits of numerous state agencies. In December 1985, I transferred to  
9 the Kentucky Public Service Commission ("Commission") as a public utilities financial  
10 analyst, concentrating on the electric and natural gas industries. In August 2001, I became  
11 manager of the Electric and Gas Revenue Requirements Branch in the Division of Financial  
12 Analysis at the Commission. In this position, I supervised the preparation of revenue  
13 requirement determinations for electric and natural gas utilities as well as determined the  
14 revenue requirements for the major electric and natural gas utilities in Kentucky. I retired  
15 from the Commission effective August 1, 2008. In November 2008, I became the Manager  
16 of Pricing at EKPC.

17 **Q. Please provide a brief description of your duties at EKPC.**

18 A. As Manager of Pricing, I am responsible for rate-making activities which include designing  
19 and developing wholesale and retail electric rates and developing pricing concepts and  
20 methodologies. I report directly to the Director of Regulatory and Compliance Services.

21 **Q. What is the purpose of your testimony in this proceeding?**

22 A. The purpose of my testimony is to address the following topics:

- 23 • Describe how EKPC has applied the environmental surcharge mechanism in a  
24 reasonable manner during the period under review; and

- Describe how EKPC and the Member Cooperatives have applied the pass-through mechanism in a reasonable manner during the period under review.

**Q. Is EKPC preparing testimony and responding to data requests on behalf of its Member Cooperatives?**

A. Pursuant to the Commission’s April 6, 2018 Order, EKPC is preparing testimony on behalf of each Member Cooperative. The Member Cooperatives are: Big Sandy Rural Electric Cooperative Corporation (“RECC”), Blue Grass Energy Cooperative Corporation, Clark Energy Cooperative, Inc., Cumberland Valley Electric, Inc., Farmers RECC, Fleming-Mason Energy Cooperative, Grayson RECC, Inter-County Energy Cooperative Corporation, Jackson Energy Cooperative, Licking Valley RECC, Nolin RECC, Owen Electric Cooperative, Salt River Electric Cooperative Corporation, Shelby Energy Cooperative, Inc., South Kentucky RECC, and Taylor County RECC. EKPC is also providing Response 2 to the Commission Staff’s First Request for Information (“Staff’s First Request”).

**Q. Have other EKPC representatives provided responses to Commission Staff’s First Request for Information in this proceeding?**

A. Yes. Mark Horn, Manager of Fuel and Emissions, has provided emission allowance information in Response 3 to the Staff’s First Request. Thomas Stachnik, Vice President – Finance and Treasurer, has provided the debt and average interest rate information in Response 5 to the Staff’s First Request.

**Q. Previous Commission Orders required EKPC to incorporate certain provisions into the calculation of the monthly environmental surcharge factors. Please comment on how EKPC has addressed the most significant aspects of these Orders during the periods under review.**

1 A. A brief description of each component of the environmental surcharge calculation, applied  
2 consistently with Commission Orders, is discussed below.

3 • **Compliance Plan Projects**

4 As of the end of the six-month review period, EKPC has 14 projects in its  
5 Environmental Compliance Plan. These projects were approved by the Commission in  
6 Case Nos. 2004-00321,<sup>1</sup> 2008-00115,<sup>2</sup> 2010-00083,<sup>3</sup> 2013-00259,<sup>4</sup> and 2014-00252.<sup>5</sup>

7 In conjunction with the establishment of a regulatory asset for the undepreciated  
8 balance of the William C. Dale Generating Station assets that were being retired early,  
9 EKPC was required in Case No. 2015-00302 to remove Project 5, Dale Low Nitrogen  
10 Oxide Burners, and Project 10, Dale Continuous Monitoring Equipment, from the  
11 environmental surcharge.<sup>6</sup> The monthly environmental surcharge reports, incorporated  
12 by reference in this case, show the capital costs for the remaining projects.

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<sup>1</sup> See *In the Matter of Application of East Kentucky Power Cooperative, Inc. for Approval of an Environmental Compliance Plan and Authority to Implement an Environmental Surcharge*, Order, Case No. 2004-00321, (Ky. P.S.C., Mar. 17, 2005).

<sup>2</sup> See *In the Matter of the Application of East Kentucky Power Cooperative, Inc. for Approval of an Amendment to Its Environmental Compliance Plan and Environmental Surcharge*, Order, Case No. 2008-00115, (Ky. P.S.C., Sep. 29, 2008).

<sup>3</sup> See *In the Matter of Application of East Kentucky Power Cooperative, Inc. for Approval of an Amendment to Its Environmental Compliance Plan and Environmental Surcharge*, Order, Case No. 2010-00083, (Ky. P.S.C., Sep. 24, 2010).

<sup>4</sup> See *In the Matter of Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for Alteration of Certain Equipment at the Cooper Station and Approval of a Compliance Plan Amendment for Environmental Surcharge Cost Recovery*, Order, Case No. 2013-00259, (Ky. P.S.C., Feb. 20, 2014).

<sup>5</sup> See *In the Matter of Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for construction of an Ash Landfill at J.K. Smith Station, the Removal of Impounded Ash from William C. Dale Station for Transport to J.K. Smith and Approval of a Compliance Plan Amendment for Environmental Surcharge Recovery*, Order, Case No. 2014-00252, (Ky. P.S.C., Mar. 6, 2015).

<sup>6</sup> See *In the Matter of Application of East Kentucky Power Cooperative, Inc. for an Order Approving the Establishment of a Regulatory Asset for the Undepreciated Balance of the William C. Dale Generating Station*, Order, Case No. 2015-00302, (Ky. P.S.C. Feb. 11, 2016). Projects 5 and 10 were originally approved as part of EKPC's environmental compliance plan and eligible for surcharge recovery in Case No. 2008-00115.

1           • **Base/Current Method**

2           The surcharge mechanism, as shown in EKPC’s Rate ES – Environmental Surcharge,  
3           reflects the base/current method through the formula  $MESF = CESF - BESF$ .<sup>7</sup> As  
4           shown in Response 1 to the Staff’s First Request, EKPC’s BESF is 0%.

5           • **Actual Emission Allowance Expense**

6           EKPC included only actual sulfur dioxide (“SO<sub>2</sub>”) and nitrogen oxide (“NO<sub>x</sub>”)  
7           emission allowance expense in the monthly filings.

8           • **Return on Emission Allowance Inventory and Limestone Inventory**

9           EKPC has included a return on all environmental surcharge assets, including emission  
10          allowances. This is addressed in Response 3 to the Staff’s First Request. EKPC has  
11          also included a return on its limestone inventory.

12          EKPC’s emission allowance inventories for SO<sub>2</sub> and NO<sub>x</sub> reflect operations under the  
13          Cross-State Air Pollution Rules (“CSAPR”) along with a continuation of the Acid Rain  
14          program. Under CSAPR, SO<sub>2</sub> and NO<sub>x</sub> allowances are awarded annually with carry-  
15          forward of unused balances from prior years. The allowances allocated to EKPC by  
16          the Environmental Protection Agency under CSAPR have a dollar value of \$0, which  
17          is consistent with the valuation afforded EPA allocated allowances under prior  
18          programs. EKPC’s SO<sub>2</sub> inventory as of the end of the review period reflects the  
19          allowances remaining from the Acid Rain program. The NO<sub>x</sub> inventory as of the end  
20          of the review period has a \$0 balance as all the allowances were issued under CSAPR.

21          • **Return on Construction Work in Progress (“CWIP”), Net of Allowance for Funds**  
22          **Used During Construction**

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<sup>7</sup> MESF is the Monthly Environmental Surcharge Factor; CESF is the Current Environmental Surcharge Factor; and BESF is the Base Environmental Surcharge Factor.

1 As approved in Case No. 2008-00115, EKPC has included a return on CWIP during  
2 the period under review.

3 • **Rate of Return**

4 One rate of return was in effect during the period under review. For the expense months  
5 of June through November 2017, the rate of return was 6.068%, which was approved  
6 by the Commission in Case No. 2017-00071.<sup>8</sup> The Commission approved EKPC's  
7 request to incorporate a Times Interest Earned Ratio ("TIER") of 1.50 in the  
8 determination of the rate of return.

9 EKPC's rate of return on environmental compliance rate base is determined by  
10 multiplying the weighted average debt cost for the debt issuances directly related to  
11 projects in the approved compliance plan times a stated TIER. The rate of return on  
12 the environmental compliance rate base is updated to reflect current average debt cost  
13 at the conclusion of the six-month and two-year surcharge reviews.<sup>9</sup> The use of debt  
14 costs is based on the fact that all of EKPC's environmental compliance investments are  
15 financed with long-term debt.<sup>10</sup> The use of a 1.50 TIER was first approved by the  
16 Commission in Case No. 2011-00032.<sup>11</sup> This rate-making methodology is different

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<sup>8</sup> See *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 Period Ending December 31, 2016 and the Pass Through Mechanism for Its Sixteen Member Distribution Cooperatives*, Order, Case No. 2017-00071, (Ky. P.S.C., Jul. 7, 2017).

<sup>9</sup> The determination of the rate of return was a provision in the settlement agreement filed in Case No. 2004-00321, which the Commission approved in ordering paragraph 4 of the March 17, 2005 Order authorizing an environmental surcharge for EKPC.

<sup>10</sup> Many of EKPC's environmental compliance investments are initially funded through existing general funds or short-term debt; however, these forms of financing are later replaced by long-term debt.

<sup>11</sup> See *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 Period Ending December 31, 2010; and the Pass-Through Mechanism for Its Sixteen Member Distribution Cooperatives*, Order, Case No. 2011-00032, (Ky. P.S.C., Aug. 2, 2011). EKPC requested authority to use the 1.50 TIER as it was consistent with the TIER authorized by the Commission in EKPC's last base rate case, Case No. 2010-00167. The Commission found the request reasonable and approved the use of the 1.50 TIER.

1 from that employed by investor-owned utilities. The rate of return for the  
2 environmental compliance rate base for investor-owned utilities reflects a weighted  
3 average cost of capital approach. The weighted average cost of capital reflects the  
4 blended interest rates for the investor-owned utilities' long-term and short-term debt  
5 and a return on the common equity. The weighted average cost of capital is then  
6 "grossed up" for income taxes. Consequently, the rate of return for the investor-owned  
7 utilities is higher than the rate of return proposed by or authorized for EKPC.<sup>12</sup>

8 When determining a reasonable TIER for the environmental surcharge rate of return,  
9 consideration first must be given to the Debt Service Coverage Ratio ("DSC"), which  
10 is EKPC's critical financial metric. This metric evaluates EKPC's ability to service  
11 principal and interest payments and thus is more relevant to lenders than TIER, which  
12 only considers interest payment. The two metrics can be related in that the margin  
13 required to achieve an acceptable DSC implies a TIER level.

14 EKPC's target annual DSC range is set forth in Board Policy 203, which states, "The  
15 Debt Service Coverage Ratio (DSC) is a financial measurement of EKPC's ability to  
16 repay its long-term debt and is computed as depreciation plus interest on long-term debt  
17 plus net margins divided by interest on long-term debt plus principal payments. EKPC  
18 shall strive to maintain an average DSC of at least 1.15 – 1.35 for two of every three  
19 successive years and not less than a DSC of 1.10 in any given year. DSC above 1.20  
20 is preferred."

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<sup>12</sup> See *In the Matter of Electronic Examination by the Public Service Commission of the Environmental Surcharge Mechanism of Kentucky Utilities Company for the Six-Month Billing Period Ending October 31, 2016*, Order, Case No. 2016-00437 (Ky. P.S.C., Jun. 23, 2017). Utilizing the weighted average cost of capital approach with a gross up for income taxes, the Commission authorized a rate of return for the Kentucky Utilities Company of 10.35%.

Further, the credit rating agencies, Fitch Ratings (“Fitch”) and Standard & Poor’s (“S&P”), both prefer high DSC ratios to support EKPC’s A- Stable and A Stable credit ratings respectively, which in turn result in lower cost of borrowings. In its October 2015 report on EKPC, Fitch had set a DSC of 1.25 as a threshold that would support EKPC’s upgrade to A-, which occurred in October 2016. The median DSC for A- rated Generation and Transmission Cooperatives as of Fitch’s June 16, 2017 Public Power Peer Study was 1.49. S&P does not publish medians for ratings because its ratings are based on several factors. However, S&P has repeatedly praised EKPC’s DSC ratio being at or above 1.25 for several years in its reports on EKPC announcing the upgrade to an A rating. Moody’s, which does not rate EKPC, targets a DSC of 1.2 – 1.4 for “A” rated companies.

Based on the Board Policy and Rating Agency input, EKPC management targets a DSC ratio of 1.30 each year. This target recognizes that the DSC will vary each year as its components vary (for example, mild weather would result in lower margins and a lower DSC) and thus allows for some decline without crossing the 1.25 threshold discussed above. An actual DSC below this level, and forecasted to remain low, would be a primary indicator of the need for a base rate increase.

EKPC’s achieved DSC and TIER<sup>13</sup> were as follows for calendar years 2014 through 2017:

Calendar Year Ending	DSC	TIER
December 31, 2014	1.30	1.56
December 31, 2015	1.26	1.44
December 31, 2016	1.33	1.48
December 31, 2017	1.26	1.19
Four-Year Averages	1.29	1.42

<sup>13</sup> DSC is calculated by dividing the sum of depreciation, interest expense, and net margins by the sum of interest expense and principal payments. TIER is calculated by dividing the sum of interest expense and net margins by interest expense.

1 Note that because interest expense and depreciation change from year to year, the  
2 relationship between DSC and TIER is not locked in but should be recalculated. That  
3 is, a DSC of 1.30 will not always imply a TIER of 1.50. Because DSC is the critical  
4 metric, but not the only metric, for credit evaluation and financial performance, EKPC  
5 will strive to maintain the DSC near target and adjust the TIER accordingly over time.  
6 Based upon the foregoing, EKPC proposes no change to the TIER component of the  
7 rate of return. EKPC is proposing a rate of return of 6.023% in this proceeding, as  
8 shown in Response 5 to the Staff's First Request. EKPC's proposed rate of return is  
9 consistent with the Settlement Agreement approved in Case No. 2004-00321, which  
10 provided that the rate of return on compliance-related capital expenditures would be  
11 updated to reflect current average debt cost as of the end of each six-month review  
12 period.

13 • **Operation and Maintenance ("O&M") Expenses**

14 EKPC has continued to use a 12-month rolling average for O&M expenses associated  
15 with the compliance plan projects. For those instances where the change in the level  
16 of O&M expenses exceeded 10 percent, EKPC has provided an explanation. These  
17 explanations are provided in Response 4 to the Staff's First Request.

18 **Q. Were the environmental-related amounts included in the monthly surcharge**  
19 **calculation based on booked costs?**

20 A. Yes. EKPC continues to use the amounts booked for the various cost categories included  
21 in the surcharge calculation and these costs were actual costs and incurred in a prudent  
22 manner.

23 **Q. Did EKPC incur any over- or under-recoveries during the period under review?**

1 A. Yes. However, as shown in Response 1 to the Staff's First Request, EKPC applied its  
2 November 2017 under-recovery to the December 2017 expense month, which was billed  
3 in January 2018. Thus, from the normal operation of the surcharge mechanism, no  
4 adjustment is needed in this proceeding to collect any under-recovery from the Member  
5 Cooperatives.

6 **Q. Previous Commission Orders also required EKPC's Member Cooperatives to**  
7 **incorporate certain provisions into the calculation of the monthly pass-through**  
8 **factors. Please comment on how the Member Cooperatives have addressed the most**  
9 **significant aspects of these Orders during the periods under review.**

10 A. Under the pass-through mechanism the environmental surcharge factors computed for  
11 retail customers were billed by EKPC's Member Cooperatives at approximately the same  
12 time as EKPC billed the Member Cooperatives at wholesale. The calculation of the  
13 monthly factors for each Member Cooperative was provided in the monthly reports filed  
14 with the Commission. EKPC and the Member Cooperatives adhered to these and all other  
15 requirements and provisions of the Commission's Orders for the periods under review.

16 **Q. Did the Member Cooperatives incur any over- or under-recoveries during the review**  
17 **period?**

18 A. Yes. The over- or under-recovery amounts for each Member Cooperative are shown in  
19 Response 2 to the Staff's First Request. The determination of the over- or under-recovery  
20 amounts has been prepared utilizing the revised methodology approved by the Commission  
21 in Case No. 2015-00281.<sup>14</sup>

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<sup>14</sup> See *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*, Order, Case No. 2015-00281, (Ky. P.S.C., Apr. 8, 2016).

1 **Q. How will the Member Cooperatives reflect recovery of these over- or under-recovery**  
2 **amounts?**

3 A. As approved in the Commission's November 5, 2010 Order in Case No. 2010-00021,<sup>15</sup> the  
4 Member Cooperatives propose that the over- or under-recovery amounts be amortized over  
5 a period of six months beginning in the first month after the Commission's Order in this  
6 proceeding.

7 **Q. Has EKPC updated the rate of return to be used prospectively?**

8 A. Yes. As previously discussed, EKPC proposes an updated rate of return of 6.023%. This  
9 updated rate of return reflects an average debt cost as of November 30, 2017 of 4.015%  
10 and a TIER of 1.50. The determination of the average debt cost as of November 30, 2017  
11 is shown in Response 5 to the Staff's First Request. EKPC notes that its weighted average  
12 debt cost in the five previous surcharge review cases and as reported in this case are  
13 relatively constant, fluctuating on average no more than 0.003 of a percent between cases.  
14 While this is due in part to a favorable interest rate environment, EKPC's ability to build  
15 equity is also a major contributor to this trend.

16 **Q. When does EKPC propose to apply the updated rate of return in its surcharge**  
17 **calculations?**

18 A. EKPC proposes to use the updated rate of return in the surcharge calculations in the first  
19 month following the Commission's final Order in this proceeding.

20 **Q. Does EKPC have a request concerning the timing of the issuance of the final Order**  
21 **in this surcharge review proceeding?**

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<sup>15</sup> See *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 Period Ending December 31, 2009 and the Pass-Through Mechanism for Its Sixteen Member Distribution Cooperatives*, Order, Case No. 2010-00021, (Ky. P.S.C., Nov. 5, 2010).

1 A. Yes. EKPC is requesting that the Commission issue its final Order in this case either within  
2 the first 10 days of the month or after the 21<sup>st</sup> day of the month. This is due to the  
3 processing procedure for the monthly surcharge factor filing and the critical processing  
4 period between the 11<sup>th</sup> and 20<sup>th</sup> of the month.

5 **Q. Does this conclude your testimony?**

6 A. Yes it does.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In re the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE )  
 COMMISSION OF THE ENVIRONMENTAL )  
 SURCHARGE MECHANISM OF EAST KENTUCKY )  
 POWER COOPERATIVE, INC. FOR THE SIX- ) CASE NO.  
 MONTH BILLING PERIOD ENDING ) 2018-00075  
 DECEMBER 31, 2017, AND THE PASS THROUGH )  
 MECHANISM FOR ITS SIXTEEN MEMBER )  
 DISTRIBUTION COOPERATIVES )

AFFIDAVIT

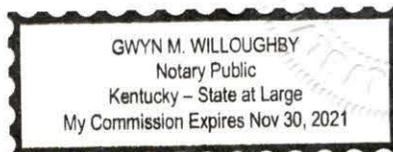
STATE OF KENTUCKY )  
 )  
 COUNTY OF CLARK )

Isaac S. Scott, being duly sworn, states that he has read the foregoing prepared testimony and that he would respond in the same manner to the questions if so asked upon taking the stand and that the matters and things set forth therein are true and correct, to the best of his knowledge, information and belief.

*Isaac S. Scott*

Subscribed and sworn before me on this 4<sup>th</sup> day of May 2018.

*Gwyn M. Willoughby #590567*  
 Notary Public





**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 PERIOD ENDING )  
DECEMBER 31, 2017 AND THE PASS THROUGH )  
MECHANISM FOR ITS SIXTEEN MEMBER )  
DISTRIBUTION COOPERATIVES )**

**CASE NO.  
2018-00075**

**RESPONSES TO COMMISSION STAFF'S FIRST REQUEST FOR  
INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC.  
DATED APRIL 6, 2018**

**EAST KENTUCKY POWER COOPERATIVE, INC.**

**PSC CASE NO. 2018-00075**

**PUBLIC SERVICE COMMISSION REQUEST DATED 04/06/18**

East Kentucky Power Cooperative, Inc. ("EKPC") hereby submits responses to the information requests contained in Appendix B to the Order of the Public Service Commission ("Commission") in this case dated April 6, 2018. Each response with its associated supportive reference materials is individually tabbed.



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-	)	CASE NO.
MONTH BILLING PERIOD ENDING	)	2018-00075
DECEMBER 31, 2017, AND THE PASS THROUGH	)	
MECHANISM FOR ITS SIXTEEN MEMBER	)	
DISTRIBUTION COOPERATIVES	)	

CERTIFICATE

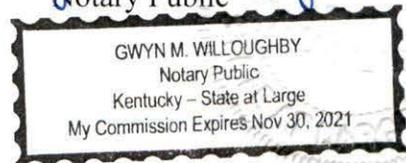
STATE OF KENTUCKY )  
 )  
 COUNTY OF CLARK )

Isaac S. Scott, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's First Request for Information contained in Appendix B in the above-referenced case dated April 6, 2018, 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.

*Isaac S. Scott*  
 \_\_\_\_\_

Subscribed and sworn before me on this 4<sup>th</sup> day of May, 2018.

*Gwyn M. Willoughby #590567*  
 \_\_\_\_\_  
 Notary Public





**EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC CASE NO. 2018-00075  
ENVIRONMENTAL SURCHARGE MECHANISM  
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18  
REQUEST 1**

**RESPONSIBLE PARTY: Isaac S. Scott**

**Request 1.** This question is addressed to EKPC. Prepare a summary schedule showing the calculation of E(m) and the surcharge factor for the expense months covered by the applicable billing period. Form 1.1 can be used as a model for this summary. Include the two expense months subsequent to the billing period in order to show the over- and under-recovery adjustments for the months included for the billing period. Include a calculation of any additional over- or under-recovery amount EKPC believes needs to be recognized for the six-month review. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

**Response 1.** Please see the response to Request 1 included on the attached CD. As shown in the response, EKPC is not proposing any additional over- or under-recovery to be recognized for the six-month review.

**EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC CASE NO. 2018-00075  
ENVIRONMENTAL SURCHARGE MECHANISM  
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18  
REQUEST 2**

**RESPONSIBLE PARTY: Isaac S. Scott**

**Request 2.** This question is addressed to EKPC and the Member Cooperatives. For each of the 16-Member Cooperatives, prepare a summary schedule showing the Member Cooperative's pass-through revenue requirement for the months corresponding with the six-month review. Include a calculation of any additional over- or under-recovery amount the distribution cooperative believes needs to be recognized for the six-month review. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

**Response 2.** Please see the response to Request 2 included on the attached CD. The calculations follow the revised methodology approved by the Commission in Case No. 2015-00281. Concerning the amortization periods for the resulting over- or under-recoveries, all of the Member Cooperatives have notified EKPC that they are proposing six-month amortization periods.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2018-00075**  
**ENVIRONMENTAL SURCHARGE MECHANISM**  
**RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18**  
**REQUEST 3**

**RESPONSIBLE PARTY:**           **Mark Horn**

**Request 3.**           This question is addressed to EKPC. Refer to Form 2.3, Inventory and Expense of Emission Allowances, for each of the expense months covered by the applicable billing period.

a.       For the sulfur dioxide emission allowance inventory, explain the reason(s) for all purchases of allowances reported during these expense months.

b.       For the nitrogen oxide emission allowance inventory, explain the reason(s) for all purchases of allowances reported during these expense months.

c.       Explain how the purchases of allowances in the expense months covered by the applicable billing periods comply with EKPC's emissions allowance strategy plan.

**Response 3a-c.**       No SO<sub>2</sub> or NO<sub>x</sub> allowance purchases were made during the period of June 1, 2017 through November 30, 2017.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2018-00075**  
**ENVIRONMENTAL SURCHARGE MECHANISM**  
**RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18**  
**REQUEST 4**

**RESPONSIBLE PARTY: Isaac S. Scott**

**Request 4.** This question is addressed to EKPC. Refer to Form 2.5, Operating and Maintenance Expenses, for each of the expense months covered by the applicable billing period. For each of the expense account numbers listed on this schedule, explain the reason(s) for any change in the expense levels from month to month if that change is greater than plus or minus 10 percent.

**Response 4.** Please see pages 2 through 9 of this response.

East Kentucky Power Cooperative, Inc.  
 Environmental Surcharge Operating and Expense Month over Month Analysis  
 For the Expense Period June 2017 to November 2017

501010 - SP03	Fuel Coal Gilbert	May	June	July	Aug	Sept	Oct	Nov
400-2610	Expense Dollars	\$ 1,225	\$ 92,373	\$ 64,145	\$ 108,340	\$ 107,293	\$ 67,901	\$ 147,661
	Expense Dollars Change		\$ 91,148	\$ (28,228)	\$ 44,194	\$ (1,046)	\$ (39,392)	\$ 79,760
	Percent Change		7440.65%	-30.56%	68.90%	-0.97%	-36.71%	117.47%

Monthly expense changes are due to increases or decreases in contractor payments for ash removal.

501010 - SP04	Fuel Coal Spurlock 4	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 119,837	\$ 119,201	\$ 109,124	\$ 100,150	\$ 32,184	\$ 101,241	\$ 29,970
	Expense Dollars Change		\$ (636)	\$ (10,077)	\$ (8,973)	\$ (67,966)	\$ 69,057	\$ (71,271)
	Percent Change		-0.53%	-8.45%	-8.22%	-67.86%	214.57%	-70.40%

Monthly expense changes are due to increases or decreases in contractor payments for ash removal.

501010 - CPxx	Fuel Coal Cooper (Unit 2 AQCS)	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 77,000
	Expense Dollars Change		\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 76,500
	Percent Change		0.00%	0.00%	0.00%	0.00%	0.00%	15300.00%

Monthly expense changes are due to increases or decreases in contractor payments for ash removal.

512000 - CPxx	Maintenance of Cooper (Unit 2 AQCS)	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 37,271	\$ 57,030	\$ 36,213	\$ 15,798	\$ 24,133	\$ 207,291	\$ 32,776
	Expense Dollars Change		\$ 19,759	\$ (20,817)	\$ (20,414)	\$ 8,335	\$ 183,158	\$ (174,515)
	Percent Change		53.01%	-36.50%	-56.37%	52.76%	758.95%	-84.19%

Project 03350 is Bag House, Dry Scrub, SNCR & SCR, Project 03351 is Ammonia Handling System and Project 03520 is Common Scrubber Maintenance

June17-

Project 03350- Contractor payments decreased \$4k, EKPC Payroll & Benefits decreased \$1.3k, Materials decreased \$3.5k, Accruals increased \$0.7k  
 Project 03351- Contractor payments increased \$2.8k, EKPC Payroll & Benefits increased \$5.4k, Materials increased \$3.3k,  
 Adjustment to accruals to match actual resulted in an increase of \$16.4k.

July17-

Project 03350- Contractor payments decreased \$3.9k, EKPC Payroll & Benefits increased \$6.7k, Materials decreased \$0.2k, Accruals decreased \$1.7k  
 Project 03351- Contractor payments decreased \$4.6k, EKPC Payroll & Benefits decreased \$4.2k, Materials decreased \$3.3k,  
 Adjustment to accruals to match actual resulted in a decrease of \$9.6k.

August17-

Project 03350- Contractor payments increased \$4.9k, EKPC Payroll & Benefits decreased \$11.2k, Accruals decreased \$3.6k  
 Project 03351- Contractor payments decreased \$2.9k, EKPC Payroll & Benefits increased \$1.8k, Materials increased \$0.9k,  
 Adjustment to accruals to match actual resulted in a decrease of \$10.3k.

September17-

Project 03350- Contractor payments decreased \$5.6k, EKPC Payroll & Benefits increased \$1.9k, Materials increased \$1k, Accruals increased \$3.9k  
 Project 03351- Contractor payments increased \$0.6k, EKPC Payroll & Benefits decreased \$0.9k, Materials decreased \$0.9k,  
 Adjustment to accruals to match actual resulted in an increase of \$8.3k.

October17-

Project 03350- Contractor payments increased \$0.3k, EKPC Payroll & Benefits decreased \$0.9k, Materials increased \$0.3k, Accruals decreased \$1.8k  
 Project 03351- Contractor payments increased \$0.5k, EKPC Payroll & Benefits decreased \$0.7k,  
 Adjustment to accruals to match actual resulted in an increase of \$185.4k.

**East Kentucky Power Cooperative, Inc.**  
**Environmental Surcharge Operating and Expense Month over Month Analysis**  
**For the Expense Period June 2017 to November 2017**

November17-

Project 03350- Contractor payments increased \$2k, EKPC Payroll & Benefits decreased \$0.6k, Materials decreased \$1.3k, Accruals decreased \$1.8k

Project 03351- Contractor payments decreased \$1.1k, EKPC Payroll & Benefits increased \$0.5k, Materials increased \$0.1k,

Adjustment to accruals to match actual resulted in a decrease of \$172.3k.

512000 - SP01	Maintenance of Boiler Plant Spurlock 1	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 17,602	\$ 11,075	\$ 12,654	\$ 38,955	\$ 61,972	\$ 19,451	\$ 49,394
	Expense Dollars Change		\$ (6,527)	\$ 1,579	\$ 26,301	\$ 23,017	\$ (42,521)	\$ 29,943
	Percent Change		-37.08%	14.26%	207.85%	59.08%	-68.61%	153.94%

Project 03330 is for the Spurlock 1 Electrostatic Precipitator and Project 03501 is for Spurlock 1 SCR maintenance.

June17-

Project 03330- Contractor payments decreased \$2.6k, EKPC Payroll & Benefits increased \$2.9k, Materials increased \$0.4k, Accruals increased \$2.6k

Project 03501- Contractor payments decreased \$1.8k, EKPC Payroll & Benefits decreased \$2.7k, Materials decreased \$1.1k, Accruals decreased \$1.6k

Adjustment to accruals to match actual resulted in a decrease of \$2.6k.

July17-

Project 03330- Contractor payments increased \$3.8k, EKPC Payroll & Benefits decreased \$4.7k, Materials decreased \$0.2k,

Project 03501- Contractor payments increased \$3.3k, EKPC Payroll & Benefits increased \$1.6k, Materials increased \$0.2k, Accruals decreased \$2.8k

Adjustment to accruals to match actual resulted in an increase of \$0.3k.

August17-

Project 03330- Contractor payments decreased \$3.8k, EKPC Payroll & Benefits increased \$2.1k, Materials increased \$5.6k,

Project 03501- Contractor payments increased \$4.4k, EKPC Payroll & Benefits decreased \$0.4k, Materials increased \$15.6k, Accruals increased \$2.4k

Adjustment to accruals to match actual resulted in an increase of \$0.4k.

September17-

Project 03330- Contractor payments increased \$21.8k, EKPC Payroll & Benefits increased \$1.1k, Materials increased \$5.7k,

Project 03501- Contractor payments decreased \$1.9k, EKPC Payroll & Benefits increased \$1.6k, Materials decreased \$7.9k, Accruals increased \$3.3k

Adjustment to accruals to match actual resulted in a decrease of \$0.7k.

October17-

Project 03330- Contractor payments decreased \$15.1k, EKPC Payroll & Benefits decreased \$0.7k, Materials decreased \$16.7k,

Project 03501- Contractor payments decreased \$2.4k, EKPC Payroll & Benefits increased \$0.7k, Materials decreased \$7.9k, Accruals decreased \$6.7k

Adjustment to accruals to match actual resulted in an increase of \$6.3k.

November17-

Project 03330- Contractor payments increased \$30.5k, EKPC Payroll & Benefits decreased \$1.9k, Materials increased \$5.2k,

Project 03501- Contractor payments increased \$0.1k, EKPC Payroll & Benefits decreased \$1.5k, Accruals increased \$3.3k

Adjustment to accruals to match actual resulted in a decrease of \$5.8k.

**East Kentucky Power Cooperative, Inc.**  
**Environmental Surcharge Operating and Expense Month over Month Analysis**  
**For the Expense Period June 2017 to November 2017**

512000 - SP02	Maintenance of Boiler Plant Spurlock 2	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 23,684	\$ 45,168	\$ 32,266	\$ 24,788	\$ 352,360	\$ 906,752	\$ 249,774
	Expense Dollars Change		\$ 21,484	\$ (12,902)	\$ (7,478)	\$ 327,572	\$ 554,392	\$ (656,978)
	Percent Change		90.71%	-28.57%	-23.18%	1321.51%	157.34%	-72.45%

Project 03330 is for the Spurlock 2 Electrostatic Precipitator and Project 03501 is for Spurlock 2 SCR maintenance.

June17-

Project 03330- Contractor payments decreased \$11.5k, EKPC Payroll & Benefits increased \$0.8k, Materials decreased \$0.9k, Accruals increased \$15.5k  
 Project 03501- Contractor payments decreased \$8.2k, EKPC Payroll & Benefits increased \$10.8k, Materials increased \$14.2k, Accruals increased \$4.3k  
 Adjustment to accruals to match actual resulted in a decrease of \$3.5k.

July17-

Project 03330- Contractor payments decreased \$2.7k, EKPC Payroll & Benefits decreased \$3k, Materials increased \$14.7k, Accruals increased \$0.5k  
 Project 03501- Contractor payments decreased \$2.9k, EKPC Payroll & Benefits decreased \$6.1k, Materials decreased \$13.8k,  
 Adjustment to accruals to match actual resulted in an increase of \$0.4k.

August17-

Project 03330- Contractor payments increased \$6.8k, EKPC Payroll & Benefits increased \$0.4k, Materials decreased \$14.1k, Accruals increased \$0.3k  
 Project 03501- EKPC Payroll & Benefits decreased \$3.1k, Materials decreased \$0.4k,  
 Adjustment to accruals to match actual resulted in an increase of \$2.7k.

September17-

Project 03330- Contractor payments decreased \$13.1k, EKPC Payroll & Benefits increased \$3.7k, Materials increased \$7.1k, Accruals increased \$245.3k  
 Project 03501- Contractor payments increased \$66k, EKPC Payroll & Benefits increased \$12.2k, Materials increased \$10.4k,  
 Adjustment to accruals to match actual resulted in a decrease of \$4.1k.

October17-

Project 03330- Contractor payments increased \$14.9k, EKPC Payroll & Benefits increased \$9.4k, Materials decreased \$3.7k, Accruals increased \$386.2k  
 Project 03501- Contractor payments increased \$104.5k, EKPC Payroll & Benefits decreased \$6.2k, Materials decreased \$10.4k, Accruals increased \$59.9k  
 Adjustment to accruals to match actual resulted in a decrease of \$0.2k.

November17-

Project 03330- Contractor payments increased \$312.5k, EKPC Payroll & Benefits decreased \$9.1k, Materials decreased \$3.4k, Accruals decreased \$755.4k  
 Project 03501- Contractor payments decreased \$83.1k, EKPC Payroll & Benefits decreased \$6.4k, Accruals decreased \$112.2k  
 Adjustment to accruals to match actual resulted in an increase of \$0.2k.

512000 - SP03	Maintenance of Boiler Plant Gilbert	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	3,353,806	275,616	249,050	146,481	66,488	41,799	103,546
	Expense Dollars Change		(3,078,190)	(26,566)	(102,569)	(79,993)	(24,689)	61,747
	Percent Change		-91.78%	-9.64%	-41.18%	-54.61%	-37.13%	147.72%

Project 03206 is for Spurlock 3 Boiler Pollution Control equipment and Project 03350 is for Spurlock 3 Bag House, SNCR and FDA equipment.

June17-

Project 03206- Contractor payments decreased \$1555.4k, EKPC Payroll & Benefits decreased \$100.4k, Materials decreased \$79.5k, Accruals decreased \$757.4k  
 Project 03350- Contractor payments decreased \$239.3k, EKPC Payroll & Benefits decreased \$53.8k, Materials decreased \$0.6k, Accruals decreased \$291.5k  
 Adjustment to accruals to match actual resulted in a decrease of \$0.2k.

**East Kentucky Power Cooperative, Inc.  
Environmental Surcharge Operating and Expense Month over Month Analysis  
For the Expense Period June 2017 to November 2017**

August17-

Project 03206- Contractor payments increased \$73.2k, EKPC Payroll & Benefits decreased \$16.8k, Materials decreased \$25.9k, Accruals decreased \$85.8k  
Project 03350- Contractor payments decreased \$59.6k, EKPC Payroll & Benefits decreased \$4.8k, Materials increased \$26.3k, Accruals decreased \$10.8k  
Adjustment to accruals to match actual resulted in an increase of \$1.7k.

September17-

Project 03206- Contractor payments decreased \$143.5k, EKPC Payroll & Benefits decreased \$0.1k, Materials increased \$8.2k, Accruals increased \$100.5k  
Project 03350- Contractor payments decreased \$34.8k, EKPC Payroll & Benefits decreased \$17.4k, Materials decreased \$26.8k, Accruals increased \$35.6k  
Adjustment to accruals to match actual resulted in a decrease of \$1.6k.

October17-

Project 03206- Contractor payments decreased \$22.1k, EKPC Payroll & Benefits decreased \$5.5k, Materials decreased \$11k, Accruals increased \$19.3k  
Project 03350- Contractor payments increased \$43.2k, EKPC Payroll & Benefits increased \$10.5k, Materials increased \$3k, Accruals decreased \$26.8k  
Adjustment to accruals to match actual resulted in a decrease of \$35.2k.

November17-

Project 03206- Contractor payments increased \$4.3k, EKPC Payroll & Benefits increased \$3.4k, Materials increased \$0.8k, Accruals increased \$28.8k  
Project 03350- Contractor payments decreased \$10.6k, EKPC Payroll & Benefits decreased \$3.2k, Materials increased \$1.3k, Accruals increased \$2.9k  
Adjustment to accruals to match actual resulted in an increase of \$34k.

512000 - SP04	Maintenance of Boiler Plant Spurlock 4	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	166,702	127,660	186,133	140,323	77,872	84,032	297,592
	Expense Dollars Change		(39,042)	58,473	(45,811)	(62,451)	6,160	213,560
	Percent Change		-23.42%	45.80%	-24.61%	-44.51%	7.91%	254.14%

Project 03206 is for Spurlock 4 Boiler Pollution Control equipment and Project 03350 is for Spurlock 4 Bag House, SNCR and FDA equipment.

June17-

Project 03206- Contractor payments decreased \$82.2k, EKPC Payroll & Benefits increased \$13.9k, Materials increased \$35.2k, Accruals increased \$11.3k  
Project 03350- Contractor payments increased \$12.5k, EKPC Payroll & Benefits increased \$15.9k, Materials decreased \$4.3k, Accruals decreased \$37.7k  
Adjustment to accruals to match actual resulted in a decrease of \$3.6k.

July17-

Project 03206- Contractor payments decreased \$23.9k, EKPC Payroll & Benefits decreased \$8.8k, Materials decreased \$4.1k, Accruals increased \$21.6k  
Project 03350- Contractor payments increased \$41k, EKPC Payroll & Benefits increased \$4k, Accruals increased \$28.4k  
Adjustment to accruals to match actual resulted in an increase of \$0.2k.

August17-

Project 03206- Contractor payments increased \$15k, EKPC Payroll & Benefits increased \$8.6k, Materials decreased \$20.2k, Accruals decreased \$12.5k  
Project 03350- Contractor payments decreased \$37.8k, EKPC Payroll & Benefits decreased \$0.5k, Materials increased \$1.1k, Accruals increased \$0.1k  
Adjustment to accruals to match actual resulted in an increase of \$0.4k.

September17-

Project 03206- Contractor payments decreased \$33.3k, EKPC Payroll & Benefits decreased \$16.1k, Materials decreased \$6.3k, Accruals increased \$11.8k  
Project 03350- Contractor payments decreased \$44.3k, EKPC Payroll & Benefits increased \$2.3k, Materials increased \$19.5k, Accruals increased \$5.2k  
Adjustment to accruals to match actual resulted in a decrease of \$1.2k.

November17-

Project 03206- Contractor payments increased \$206.3k, EKPC Payroll & Benefits increased \$14.7k, Materials decreased \$1.4k, Accruals decreased \$32.2k  
Project 03350- Contractor payments increased \$7.6k, EKPC Payroll & Benefits decreased \$4.1k, Materials decreased \$1.6k, Accruals increased \$28.1k  
Adjustment to accruals to match actual resulted in a decrease of \$3.9k.

East Kentucky Power Cooperative, Inc.  
**Environmental Surcharge Operating and Expense Month over Month Analysis**  
**For the Expense Period June 2017 to November 2017**

512000 - SP21	Maintenance of Boiler Plant Scrubber 1	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 256,475	\$ 50,699	\$ 103,700	\$ 189,240	\$ 45,005	\$ 276,927	\$ 256,059
	Expense Dollars Change		\$ (205,776)	\$ 53,001	\$ 85,540	\$ (144,235)	\$ 231,922	\$ (20,868)
	Percent Change		-80.23%	104.54%	82.49%	-76.22%	515.33%	-7.54%

June17-

Project 03521- Contractor payments increased \$53.5k, EKPC Payroll & Benefits increased \$4.8k, Materials decreased \$145.9k, Accruals decreased \$117.6k  
Adjustment to accruals to match actual resulted in a decrease of \$0.5k.

July17-

Project 03521- Contractor payments increased \$12k, EKPC Payroll & Benefits decreased \$7.5k, Materials increased \$44.3k, Accruals decreased \$5.7k  
Adjustment to accruals to match actual resulted in an increase of \$9.9k.

August17-

Project 03521- Contractor payments decreased \$42.1k, EKPC Payroll & Benefits increased \$1.4k, Materials increased \$81.6k, Accruals increased \$25k  
Adjustment to accruals to match actual resulted in an increase of \$19.6k.

September17-

Project 03521- Contractor payments decreased \$5.5k, EKPC Payroll & Benefits increased \$6k, Materials decreased \$119.1k, Accruals decreased \$7.8k  
Adjustment to accruals to match actual resulted in a decrease of \$17.8k.

October17-

Project 03521- Contractor payments increased \$2.2k, EKPC Payroll & Benefits decreased \$8.3k, Materials increased \$20.6k, Accruals increased \$91k  
Adjustment to accruals to match actual resulted in an increase of \$126.4k.

512000 - SP22	Maintenance of Boiler Plant Scrubber 2	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 49,463	\$ 199,159	\$ 146,637	\$ 276,347	\$ 325,518	\$ 568,370	\$ 178,389
	Expense Dollars Change		\$ 149,696	\$ (52,522)	\$ 129,711	\$ 49,170	\$ 242,852	\$ (389,981)
	Percent Change		302.64%	-26.37%	88.46%	17.79%	74.61%	-68.61%

June17-

Project 03521- Contractor payments decreased \$75.4k, EKPC Payroll & Benefits increased \$3.9k, Materials increased \$31.8k, Accruals increased \$163.3k  
Adjustment to accruals to match actual resulted in an increase of \$26k.

July17-

Project 03521- Contractor payments increased \$53.7k, EKPC Payroll & Benefits decreased \$7.1k, Materials decreased \$15k, Accruals decreased \$95.2k  
Adjustment to accruals to match actual resulted in an increase of \$11.1k.

August17-

Project 03521- Contractor payments increased \$11.8k, EKPC Payroll & Benefits increased \$3.8k, Materials decreased \$7.8k, Accruals increased \$19.7k  
Adjustment to accruals to match actual resulted in an increase of \$102.2k.

September17-

Project 03521- Contractor payments increased \$61.8k, EKPC Payroll & Benefits increased \$1.1k, Materials increased \$81.9k, Accruals increased \$43.1k  
Adjustment to accruals to match actual resulted in a decrease of \$138.7k.

October17-

Project 03521- Contractor payments increased \$200.4k, EKPC Payroll & Benefits increased \$9.2k, Materials decreased \$77.8k, Accruals increased \$119.7k  
Adjustment to accruals to match actual resulted in a decrease of \$8.7k.

East Kentucky Power Cooperative, Inc.  
 Environmental Surcharge Operating and Expense Month over Month Analysis  
 For the Expense Period June 2017 to November 2017

November 17-

Project 03521- Contractor payments decreased \$0.5k, EKPC Payroll & Benefits decreased \$4k, Materials decreased \$3.5k, Accruals decreased \$383.5k  
 Adjustment to accruals to match actual resulted in an increase of \$1.6k.

**Air Permit Fees**

506002 - DA00	Misc Stm Pwr Env - Dale	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense Dollars Change		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Percent Change		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
506002 - CP00	Misc Stm Pwr Env - Cooper	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 4,981	\$ 6,446	\$ 4,514	\$ 888	\$ 33,526	\$ 30,431	\$ -
	Expense Dollars Change		\$ 1,465	\$ (1,932)	\$ (3,626)	\$ 32,638	\$ (3,095)	\$ (30,431)
	Percent Change		29.41%	-29.97%	-80.33%	3675.54%	-9.23%	0.00%
506002 - SP00	Misc Stm Pwr Env - Spurlock	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 12,166	\$ 33,952	\$ 9,823	\$ 1,024	\$ 757	\$ 62,345	\$ 60
	Expense Dollars Change		\$ 21,786	\$ (24,129)	\$ (8,799)	\$ (267)	\$ 61,588	\$ (62,285)
	Percent Change		179.07%	-71.07%	-89.58%	-26.05%	8135.80%	-99.90%

Air permit fees paid for Dale, Cooper and Spurlock for calendar 2017 emissions.

**Operating Expense- Ammonia**

506001 - CPxx	Misc Stm Pwr Exp - Cooper	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 39,320	\$ (7,585)	\$ 19,585	\$ 24,759	\$ 11,648	\$ 9,197	\$ 2,928
	Expense Dollars Change		\$ (46,905)	\$ 27,170	\$ 5,174	\$ (13,111)	\$ (2,451)	\$ (6,269)
	Percent Change		-119.29%	-358.21%	26.42%	-52.95%	-21.04%	-68.16%

The monthly change in expense is due to the increase or decrease in payments for Ammonia receipts.

**Operating Expense- Ammonia**

506001 - CP22	Misc Stm Pwr Exp - Cooper Unit #2 AQCS	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 115,171	\$ 139,249	\$ 74,837	\$ 125,886	\$ 95,030	\$ 49,149	\$ 91,489
	Expense Dollars Change		\$ 24,078	\$ (64,412)	\$ 51,049	\$ (30,856)	\$ (45,881)	\$ 42,340
	Percent Change		20.91%	-46.26%	68.21%	-24.51%	-48.28%	86.15%

The monthly change in expense is due to the increase or decrease in payments for Ammonia receipts.

**Operating Expense- Ammonia**

506001 - SP01	Misc Stm Pwr Exp - Spurlock 1	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 45,849	\$ 15,341	\$ 30,300	\$ 23,749	\$ 41,122	\$ 40,271	\$ 55,596
	Expense Dollars Change		\$ (30,508)	\$ 14,959	\$ (6,551)	\$ 17,373	\$ (851)	\$ 15,325
	Percent Change		-66.54%	97.51%	-21.62%	73.15%	-2.07%	38.05%

The monthly change in expense is due to the increase or decrease in payments for Ammonia receipts.

East Kentucky Power Cooperative, Inc.  
Environmental Surcharge Operating and Expense Month over Month Analysis  
For the Expense Period June 2017 to November 2017

506001 -SP02	Misc Steam Power Exp - Spurlock 2	May	June	July	Aug	Sept	Oct	Nov
	Expense Dollars	\$ 30,448	\$ 43,060	\$ 36,197	\$ 39,427	\$ 8,128	\$ -	\$ 948
	Expense Dollars Change		\$ 12,612	\$ (6,863)	\$ 3,230	\$ (31,299)	\$ (8,128)	\$ 948
	Percent Change		41.42%	-15.94%	8.92%	-79.38%	-100.00%	0.00%

The monthly change in expense is due to the increase or decrease in payments for Ammonia receipts.

**Operating Expense- Ammonia and Limestone**

506001 - SP03	Misc Steam Power Expense- Gilbert	May	June	July	Aug	Sept	Oct	Nov
	Ammonia Expense	\$ 2,570	\$ 20,903	\$ (37,239)	\$ 33,460	\$ 32,628	\$ 30,056	\$ 31,913
	Limestone Expense	\$ 69,142	\$ 265,929	\$ 283,792	\$ 302,258	\$ 300,778	\$ 361,815	\$ 292,753
	Limestone Tons Used	5,309	20,421	21,841	23,220	23,087	27,588	22,280
	Total Expense Dollars	\$ 71,712	\$ 286,832	\$ 246,553	\$ 335,718	\$ 333,406	\$ 391,871	\$ 324,666
	Expense Dollars Change		\$ 215,120	\$ (40,279)	\$ 89,165	\$ (2,312)	\$ 58,465	\$ (67,205)
	Percent Change		299.98%	-14.04%	36.16%	-0.69%	17.54%	-17.15%

Limestone is stockpiled throughout the year and taken from the stockpile for usage. There may be slight variances in the cost according to fluctuations in contract prices and freight cost per shipment of limestone, but the noted change in limestone primarily reflects the level of stockpile usage by the unit for the month indicated.

June- Limestone expenses increased by \$196.8k and Ammonia expenses increased by \$18.3k

July- Limestone expenses increased by \$17.9k and Ammonia expenses decreased by \$58.1k  
Unit Outage 07/13 to 07/19

August- Limestone expenses increased by \$18.5k and Ammonia expenses increased by \$70.7k

October- Limestone expenses increased by \$61k and Ammonia expenses decreased by \$2.6k

November- Limestone expenses decreased by \$69.1k and Ammonia expenses increased by \$1.9k

**Operating Expense- Limestone and Magnesium**

506001 - SP21	Misc Stm Pwr Exp- Spurlock 1	May	June	July	Aug	Sept	Oct	Nov
	Magnesium Expense	\$ 7,803	\$ 52,760	\$ 25,212	\$ 29,570	\$ 20,801	\$ 4,159	\$ 16,642
	Limestone Expense	\$ 59,092	\$ 18,038	\$ 39,800	\$ 36,445	\$ 67,218	\$ 91,634	\$ 102,283
	Limestone Tons Used	5,836	1,782	3,929	3,610	6,647	9,031	10,032
	Expense Dollars	\$ 66,895	\$ 70,798	\$ 65,013	\$ 66,015	\$ 88,019	\$ 95,793	\$ 118,925
	Expense Dollars Change		\$ 3,903	\$ (5,785)	\$ 1,002	\$ 22,004	\$ 7,774	\$ 23,132
	Percent Change		5.83%	-8.17%	1.54%	33.33%	8.83%	24.15%

Limestone is stockpiled throughout the year and taken from the stockpile for usage. There may be slight variances in the cost according to fluctuations in contract prices and freight cost per shipment of limestone, but the noted change in limestone primarily reflects the level of stockpile usage by the unit for the month indicated.

September- Limestone expenses increased by \$30.8k and Ammonia expenses decreased by \$8.8k

November- Limestone expenses increased by \$10.6k and Ammonia expenses increased by \$12.5k

East Kentucky Power Cooperative, Inc.  
Environmental Surcharge Operating and Expense Month over Month Analysis  
For the Expense Period June 2017 to November 2017

**Operating Expense-Limestone and Magnesium**

506001 - SP22	Misc Stm Pwr Exp- Spurlock 2	May	June	July	Aug	Sept	Oct	Nov
	Magnesium Expense	\$ 61,902	\$ 114,377	\$ 162,496	\$ 122,050	\$ 17,798	\$ (4,163)	\$ 6,744
	Limestone Expense	\$ 109,742	\$ 145,945	\$ 133,244	\$ 166,029	\$ 37,810	\$ -	\$ 4,262
	Limestone Tons Used	10,839	14,414	13,155	16,448	3,739	-	418
	Expense Dollars	\$ 171,644	\$ 260,322	\$ 295,740	\$ 288,079	\$ 55,608	\$ (4,163)	\$ 11,006
	Expense Dollars Change		\$ 88,678	\$ 35,418	\$ (7,661)	\$ (232,471)	\$ (59,771)	\$ 15,169
	Percent Change		51.66%	13.61%	-2.59%	-80.70%	-107.49%	-364.38%

Limestone is stockpiled throughout the year and taken from the stockpile for usage. There may be slight variances in the cost according to fluctuations in contract prices and freight cost per shipment of limestone, but the noted change in limestone primarily reflects the level of stockpile usage by the unit for the month indicated.

June- Limestone expenses increased by \$36.2k and Ammonia expenses increased by \$52.5k

July- Limestone expenses decreased by \$12.7k and Ammonia expenses increased by \$48.1k

September- Limestone expenses decreased by \$128.2k and Ammonia expenses decreased by \$104.3k

October- Limestone expenses decreased by \$37.8k and Ammonia expenses decreased by \$22k

November- Limestone expenses increased by \$4.3k and Ammonia expenses increased by \$11k

**Operating Expense- Ammonia and Limestone**

506001 - SP04	Misc Stm Pwr Exp- Spurlock 4	May	June	July	Aug	Sept	Oct	Nov
	Ammonia Expense	\$ 27,782	\$ 25,230	\$ (41,822)	\$ 30,194	\$ 25,724	\$ 24,479	\$ 25,167
	Limestone Expense	\$ 394,793	\$ 360,350	\$ 445,409	\$ 253,640	\$ 185,862	\$ 223,083	\$ 194,364
	Limestone Tons Used	30,323	27,672	34,269	19,479	14,252	17,035	14,792
	Expense Dollars	\$ 422,575	\$ 385,580	\$ 403,587	\$ 283,834	\$ 211,586	\$ 247,562	\$ 219,531
	Expense Dollars Change		\$ (36,995)	\$ 18,007	\$ (119,753)	\$ (72,248)	\$ 35,976	\$ (28,031)
	Percent Change		-8.75%	4.67%	-29.67%	-25.45%	17.00%	-11.32%

Limestone is stockpiled throughout the year and taken from the stockpile for usage. There may be slight variances in the cost according to fluctuations in contract prices and freight cost per shipment of limestone, but the noted change in limestone primarily reflects the level of stockpile usage by the unit for the month indicated.

August- Limestone expenses decreased by \$191.8k and Ammonia expenses increased by \$72k  
Unit Outage- 08/18-08/19, 08/25-08/31

September- Limestone expenses decreased by \$67.8k and Ammonia expenses decreased by \$4.5k  
Unit Outage- 09/01-09/15

October- Limestone expenses increased by \$37.2k and Ammonia expenses decreased by \$1.2k  
Unit Outage- 10/18-10/21, 10/23-10/31

November- Limestone expenses decreased by \$28.7k and Ammonia expenses increased by \$0.7k  
Unit Outage - 11/01-11/15

EAST KENTUCKY POWER COOPERATIVE, INC.  
PSC CASE NO. 2018-00075  
ENVIRONMENTAL SURCHARGE MECHANISM  
RESPONSE TO INFORMATION REQUEST

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18  
REQUEST 5

RESPONSIBLE PARTY: Thomas J. Stachnik

**Request 5.** This question is addressed to EKPC. The Settlement Agreement approved in Case No. 2004-00321 provides that EKPC's rate of return on compliance-related capital expenditures will be updated to reflect current average debt cost at the conclusion of the surcharge review period. Provide the following information as of November 30, 2017:

- a. The debt issuances directly related to projects in the approved compliance plan and corresponding outstanding balances of each debt issuance.
- b. The debt cost for each debt issuance directly related to the projects in the approved compliance plan, and whether the debt cost is a fixed or variable rate.
- c. EKPC's calculation of the weighted average debt cost and the rate of return resulting from multiplying the weighted average debt cost by a 1.50 Times Interest Earned Ratio. Include all supporting calculations showing how the weighted average debt cost was determined.
- d. Provide all schedules and supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

**Responses 5a-d.** Please see the response to Request 5 on the attached CD. The debt cost for each debt issuance is at a fixed interest rate. EKPC is proposing a weighted average cost of debt of 4.015% based on the debt cost for each debt issuance directly related to the projects in the environmental compliance plan as of November 30, 2017. Using a weighted average cost of debt and a TIER of 1.50 produces a rate of return on the environmental compliance related capital expenditures of 6.023%.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2018-00075**  
**ENVIRONMENTAL SURCHARGE MECHANISM**  
**RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18**  
**REQUEST 7**

**RESPONSIBLE PARTY: Isaac S. Scott**

**Request 7.** This question is addressed to EKPC and the Member Cooperatives. State whether you would be amenable to the use of electronic filing procedures for environmental surcharge review cases.

**Response 7.** EKPC has carefully considered this filing option. As established in the April 6, 2018 Order, EKPC is to file an original and six copies, with copies to all parties of record, of the responses to the first request for information. In addition, three of the seven requests require the submission of original Excel spreadsheets, which will be submitted on CDs, again an original and six copies, with copies to all parties of record. It is EKPC's understanding that had this review case been processed using the Commission's electronic filing procedures, only one hard copy of the responses would have been required to be filed. All spreadsheets would have been submitted electronically and all copies to the parties of record would have been forwarded by e-mail. EKPC believes there would be benefits from having to prepare and process fewer hard copies and preparing no CDs. Based on this understanding, EKPC is amenable to the

use of electronic filing procedures for the environmental surcharge review cases as set forth in the Commission's regulation.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2018-00075**  
**ENVIRONMENTAL SURCHARGE MECHANISM**  
**RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED 04/06/18**  
**REQUEST 8**

**RESPONSIBLE PARTY: Isaac S. Scott**

**Request 8.** This question is addressed to EKPC. Refer to Case No. 2017-00326.<sup>1</sup> EKPC's response to Staff's First Request for Information, Item 8. Confirm that the expense months of June 2017 through November 2017 correspond to the billing period of July 2017 through December 2017. If this cannot be confirmed, provide the billing period that corresponds to the expense months of June 2017 through November 2017.

**Response 8.** Confirmed. The surcharge factors determined from the expense months of June through November 2017 were applied to service rendered on and after the first day of July through December 2017. The bills were physically issued in August 2017 through January 2018.

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<sup>1</sup> See *In the Matter of an Examination by the Public Service Commission of the Environmental Surcharge Mechanism of East Kentucky Power Cooperative, Inc. for the Two-Year Billing Period Ending June 30, 2017, and the Pass-Through Mechanism of Its Sixteen Member Distribution Cooperatives*, Order, Case No. 2017-00326 (Ky. P.S.C. Jan. 5, 2018).

Line	Description	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
1	<b>E(m) = RORB + OE - BAS</b>									
2	Rate Base	\$681,940,450	\$679,208,543	\$676,233,565	\$686,325,116	\$684,105,737	\$682,104,621	\$679,297,142	\$676,639,378	\$674,053,865
3	Rate Base / 12	\$56,828,371	\$56,600,712	\$56,352,797	\$57,193,760	\$57,008,811	\$56,842,052	\$56,608,095	\$56,386,615	\$56,171,155
4	Rate of Return	= 6.059%	6.068%	6.068%	6.068%	6.068%	6.068%	6.068%	6.075%	6.075%
5	Return on Rate Base (RORB)	+ \$3,443,231	\$3,434,531	\$3,419,488	\$3,470,517	\$3,459,295	\$3,449,176	\$3,434,979	\$3,425,487	\$3,412,398
6	Operating Expenses (OE)	+ \$6,618,047	\$6,067,097	\$6,485,706	\$6,470,993	\$6,694,195	\$6,659,417	\$5,749,811	\$5,763,666	\$5,825,584
7	By-Product and Emission Allowance Sales (BAS)	- \$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Sub-Total E(m)	\$10,061,278	\$9,501,629	\$9,905,194	\$9,941,511	\$10,153,490	\$10,108,593	\$9,184,790	\$9,189,153	\$9,237,982
8a	<b>Prior Periods Adjustments</b>									
9	Member System Allocation Ratio for the Month (Form 3.0)	99.30%	99.36%	99.55%	99.60%	99.54%	99.55%	99.53%	99.64%	99.45%
10	Subtotal E(m) = Subtotal E(m) x Member System Allocation Ratio	\$9,990,619	\$9,440,931	\$9,861,112	\$9,901,745	\$10,106,784	\$10,063,104	\$9,141,621	\$9,156,072	\$9,187,173
11	Adjustment for (Over)/Under Recovery, as applicable	(\$171,563)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12a	E(m) = Subtotal E(m) plus (Over)/Under Recovery	\$9,819,056	\$9,440,931	\$9,861,112	\$9,901,745	\$10,106,784	\$10,063,104	\$9,141,621	\$9,156,072	\$9,187,173
12b	1-month true up adjustment	\$1,762,340	\$1,105,069	\$431,444	(\$782,230)	(\$191,897)	\$1,595,253	\$1,057,691	\$229,821	(\$2,863,002)
12c	E(m)= Ln 12a + Ln 12 b	\$11,581,396	\$10,546,000	\$10,292,556	\$9,119,515	\$9,914,887	\$11,658,357	\$10,199,312	\$9,385,893	\$6,324,171
13	R(m) = Average Monthly Wholesale Revenue for the 12 Months Ending with the Current Expense Month (Form 3.0)	\$58,305,344	\$58,171,866	\$57,977,755	\$57,392,931	\$56,559,452	\$56,844,697	\$57,064,133	\$57,254,769	\$58,609,367
14	CESF: Line 12 c / Line 13 E(m) / R(m); as a % of Revenue	19.86%	18.13%	17.75%	15.89%	17.53%	20.51%	17.87%	16.39%	10.79%
15	BESF	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	MESF	19.86%	18.13%	17.75%	15.89%	17.53%	20.51%	17.87%	16.39%	10.79%
17	Authorized Recovery Amount: Line 13 x Line 16	\$11,581,396	\$10,546,000	\$10,292,556	\$9,119,515	\$9,914,887	\$11,658,357	\$10,199,312	\$9,385,893	\$6,324,171
18	Environmental Surcharge Revenues Billed	\$7,847,085	\$11,149,952	\$11,328,230	\$10,484,453	\$7,524,262	\$8,857,196	\$11,428,536	\$13,062,314	\$14,250,277
19	Monthly (Over)/Under = Previous Month Line 17 Minus Current Month Line 18	\$1,105,069	\$431,444	(\$782,230)	(\$191,897)	\$1,595,253	\$1,057,691	\$229,821	(\$2,863,002)	(\$4,864,384)

**Big Sandy - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$7,727)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$1,519
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$921)
1d	Total Previous (Over)/Under-Recovery				(\$7,129)
2	Jul-17	\$210,613	\$215,844	(\$5,231)	(\$12,360)
3	Aug-17	\$188,542	\$186,135	\$2,407	(\$9,953)
4	Sep-17	\$130,756	\$135,306	(\$4,550)	(\$14,503)
5	Oct-17	\$163,575	\$153,176	\$10,399	(\$4,104)
6	Nov-17	\$232,249	\$237,383	(\$5,134)	(\$9,238)
7	Dec-17	\$269,616	\$266,702	\$2,914	(\$6,324)
Post Review	Jan-18	\$306,876	\$292,364	\$14,512	\$8,187
	Feb-18	\$139,038	\$127,120	\$11,918	\$20,105
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery	\$7,727	(\$7,727)		\$0
8b	Case No. 2017-00071 Recovery	(\$1,519)	\$1,519		\$0
8c	Case No. 2017-00326 Recovery	\$921	\$0		\$921
8d	Total Order amounts remaining - Over/(Under):				\$921
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$5,403)
10	Monthly recovery (per month for six months)				(\$901)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$7,129)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$921
13	Total Amortization during Review Period				(\$6,208)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$5,403)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$805
16	Difference				(\$6,208)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$1,932)	\$253	\$0
Aug-17	(\$1,932)	\$253	\$0
Sep-17	(\$1,932)	\$253	\$0
Oct-17	(\$1,931)	\$253	\$0
Nov-17	\$0	\$253	\$0
Dec-17	\$0	\$254	\$0
Totals	(\$7,727)	\$1,519	\$0

**Blue Grass - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$71,113)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$242,975
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$188,871)
1d	Total Previous (Over)/Under-Recovery				(\$17,009)
2	Jul-17	\$1,251,686	\$1,288,796	(\$37,110)	(\$54,119)
3	Aug-17	\$1,151,866	\$1,259,394	(\$107,528)	(\$161,647)
4	Sep-17	\$828,837	\$1,066,860	(\$238,023)	(\$399,670)
5	Oct-17	\$946,760	\$887,732	\$59,028	(\$340,642)
6	Nov-17	\$1,253,425	\$982,406	\$271,019	(\$69,624)
7	Dec-17	\$1,476,925	\$1,435,150	\$41,775	(\$27,849)
Post Review	Jan-18	\$1,619,915	\$1,709,872	(\$89,957)	(\$117,806)
	Feb-18	\$818,731	\$1,371,244	(\$552,513)	(\$670,319)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$71,113	(\$71,113)	\$0
8b	Case No. 2017-00071 Recovery		(\$242,975)	\$202,480	(\$40,495)
8c	Case No. 2017-00326 Recovery		\$188,871	\$0	\$188,871
8d	Total Order amounts remaining - Over/(Under):				\$148,376
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$120,527
10	Monthly recovery (per month for six months)				\$20,088
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$17,009)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$148,376
13	Total Amortization during Review Period				\$131,367
14	(Over)/Under-Recovery from Column 5, Line 9				\$120,527
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$10,840)
16	Difference				\$131,367

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$14,223)	\$0	\$0
Aug-17	(\$14,223)	\$40,496	\$0
Sep-17	(\$14,223)	\$40,496	\$0
Oct-17	(\$14,223)	\$40,496	\$0
Nov-17	(\$14,221)	\$40,496	\$0
Dec-17	\$0	\$40,496	\$0
Totals	(\$71,113)	\$202,480	\$0

**Clark - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$26,700
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$46,680)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$61,310
1d	Total Previous (Over)/Under-Recovery				\$41,330
2	Jul-17	\$401,212	\$423,530	(\$22,318)	\$19,012
3	Aug-17	\$419,911	\$415,107	\$4,804	\$23,816
4	Sep-17	\$376,570	\$348,236	\$28,334	\$52,150
5	Oct-17	\$258,599	\$277,581	(\$18,982)	\$33,168
6	Nov-17	\$313,400	\$301,007	\$12,393	\$45,561
7	Dec-17	\$442,616	\$487,959	(\$45,343)	\$218
Post Review	Jan-18	\$534,444	\$548,857	(\$14,413)	(\$14,194)
	Feb-18	\$583,473	\$547,287	\$36,186	\$21,992
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$26,700)	\$26,700	\$0
8b	Case No. 2017-00071 Recovery		\$46,680	(\$38,900)	\$7,780
8c	Case No. 2017-00326 Recovery		(\$61,310)	\$0	(\$61,310)
8d	Total Order amounts remaining - Over/(Under):				(\$53,530)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$53,312)
10	Monthly recovery (per month for six months)				(\$8,885)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$41,330
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$53,530)
13	Total Amortization during Review Period				(\$12,200)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$53,312)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$41,112)
16	Difference				(\$12,200)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$5,340	\$0	\$0
Aug-17	\$5,340	(\$7,780)	\$0
Sep-17	\$5,340	(\$7,780)	\$0
Oct-17	\$5,340	(\$7,780)	\$0
Nov-17	\$5,340	(\$7,780)	\$0
Dec-17	\$0	(\$7,780)	\$0
Totals	\$26,700	(\$38,900)	\$0

**Cumberland Valley - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books	Billed to Retail Consumer & recorded on Member's Books	Monthly (Over) or Under	Cumulative (Over) or Under
		(2)	(3)	(4)	(5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$53,854)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$16,570
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$105,030)
1d	Total Previous (Over)/Under-Recovery				(\$142,314)
2	Jul-17	\$409,290	\$442,797	(\$33,507)	(\$175,821)
3	Aug-17	\$377,890	\$395,150	(\$17,260)	(\$193,081)
4	Sep-17	\$264,994	\$323,114	(\$58,120)	(\$251,201)
5	Oct-17	\$336,768	\$253,586	\$83,182	(\$168,018)
6	Nov-17	\$450,342	\$382,618	\$67,724	(\$100,294)
7	Dec-17	\$518,840	\$587,893	(\$69,053)	(\$169,348)
Post Review	Jan-18	\$582,793	\$596,861	(\$14,068)	(\$183,416)
	Feb-18	\$269,599	\$416,280	(\$146,681)	(\$330,097)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$53,854	(\$53,854)	\$0
8b	Case No. 2017-00071 Recovery		(\$16,570)	\$13,810	(\$2,760)
8c	Case No. 2017-00326 Recovery		\$105,030	\$0	\$105,030
8d	Total Order amounts remaining - Over/(Under):				\$102,270
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$67,078)
10	Monthly recovery (per month for six months)				(\$11,180)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$142,314)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$102,270
13	Total Amortization during Review Period				(\$40,044)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$67,078)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$27,034)
16	Difference				(\$40,044)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$10,771)	\$0	\$0
Aug-17	(\$10,771)	\$2,762	\$0
Sep-17	(\$10,771)	\$2,762	\$0
Oct-17	(\$10,771)	\$2,762	\$0
Nov-17	(\$10,770)	\$2,762	\$0
Dec-17	\$0	\$2,762	\$0
Totals	(\$53,854)	\$13,810	\$0

**Farmers - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$44,586)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$53,793
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$18,185)
1d	Total Previous (Over)/Under-Recovery				(\$8,978)
2	Jul-17	\$501,289	\$527,378	(\$26,089)	(\$35,067)
3	Aug-17	\$462,408	\$503,351	(\$40,943)	(\$76,010)
4	Sep-17	\$325,522	\$452,200	(\$126,678)	(\$202,688)
5	Oct-17	\$376,222	\$338,911	\$37,311	(\$165,377)
6	Nov-17	\$479,358	\$382,653	\$96,705	(\$68,671)
7	Dec-17	\$540,864	\$574,325	(\$33,461)	(\$102,132)
Post Review	Jan-18	\$597,727	\$625,735	(\$28,008)	(\$130,140)
	Feb-18	\$306,201	\$498,299	(\$192,098)	(\$322,237)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$44,586	(\$44,586)	\$0
8b	Case No. 2017-00071 Recovery		(\$53,793)	\$44,830	(\$8,963)
8c	Case No. 2017-00326 Recovery		\$18,185	\$0	\$18,185
8d	Total Order amounts remaining - Over/(Under):				\$9,222
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$92,910)
10	Monthly recovery (per month for six months)				(\$15,485)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$8,978)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$9,222
13	Total Amortization during Review Period				\$244
14	(Over)/Under-Recovery from Column 5, Line 9				(\$92,910)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$93,154)
16	Difference				\$244

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$8,917)	\$0	\$0
Aug-17	(\$8,917)	\$8,966	\$0
Sep-17	(\$8,917)	\$8,966	\$0
Oct-17	(\$8,917)	\$8,966	\$0
Nov-17	(\$8,918)	\$8,966	\$0
Dec-17	\$0	\$8,966	\$0
Totals	(\$44,586)	\$44,830	\$0

Fleming Mason - Calculation of (Over)/Under Recovery					
		Rate E	Rate E		
Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$39,187)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$77,998
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$191,141
1d	Total Previous (Over)/Under-Recovery				\$229,952
2	Jul-17	\$397,306	\$551,784	(\$154,478)	\$75,474
3	Aug-17	\$369,604	\$342,699	\$26,905	\$102,379
4	Sep-17	\$261,243	\$310,172	(\$48,929)	\$53,450
5	Oct-17	\$321,557	\$233,842	\$87,715	\$141,165
6	Nov-17	\$440,870	\$502,515	(\$61,645)	\$79,520
7	Dec-17	\$513,704	\$700,303	(\$186,599)	(\$107,079)
Post Review	Jan-18	\$560,538	\$560,612	(\$74)	(\$107,153)
	Feb-18	\$278,959	\$366,905	(\$87,946)	(\$195,099)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$39,187	(\$39,187)	\$0
8b	Case No. 2017-00071 Recovery		(\$77,998)	\$64,995	(\$13,003)
8c	Case No. 2017-00326 Recovery		(\$191,141)	\$0	(\$191,141)
8d	Total Order amounts remaining - Over/(Under):				(\$204,144)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$311,223)
10	Monthly recovery (per month for six months)				(\$51,871)
Reconciliation:					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$229,952
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$204,144)
13	Total Amortization during Review Period				\$25,808
14	(Over)/Under-Recovery from Column 5, Line 9				(\$311,223)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$337,031)
16	Difference				\$25,808

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$7,838)	\$0	\$0
Aug-17	(\$7,838)	\$12,999	\$0
Sep-17	(\$7,838)	\$12,999	\$0
Oct-17	(\$7,838)	\$12,999	\$0
Nov-17	(\$7,835)	\$12,999	\$0
Dec-17	\$0	\$12,999	\$0
Totals	(\$39,187)	\$64,995	\$0

**Grayson - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$4,959
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$19,631)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$3,904
1d	Total Previous (Over)/Under-Recovery				(\$10,768)
2	Jul-17	\$239,827	\$227,033	\$12,794	\$2,026
3	Aug-17	\$220,369	\$193,435	\$26,934	\$28,960
4	Sep-17	\$155,814	\$61,483	\$94,331	\$123,291
5	Oct-17	\$188,523	\$202,233	(\$13,710)	\$109,581
6	Nov-17	\$252,707	\$207,230	\$45,477	\$155,058
7	Dec-17	\$289,046	\$333,737	(\$44,691)	\$110,367
Post Review	Jan-18	\$312,156	\$356,755	(\$44,599)	\$65,768
	Feb-18	\$154,976	\$239,466	(\$84,490)	(\$18,722)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$4,959)	\$4,959	\$0
8b	Case No. 2017-00071 Recovery		\$19,631	(\$16,360)	\$3,271
8c	Case No. 2017-00326 Recovery		(\$3,904)	\$0	(\$3,904)
8d	Total Order amounts remaining - Over/(Under):				(\$633)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$109,734
10	Monthly recovery (per month for six months)				\$18,289
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$10,768)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$633)
13	Total Amortization during Review Period				(\$11,401)
14	(Over)/Under-Recovery from Column 5, Line 9				\$109,734
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$121,135
16	Difference				(\$11,401)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$992	\$0	\$0
Aug-17	\$992	(\$3,272)	\$0
Sep-17	\$992	(\$3,272)	\$0
Oct-17	\$992	(\$3,272)	\$0
Nov-17	\$991	(\$3,272)	\$0
Dec-17	\$0	(\$3,272)	\$0
Totals	\$4,959	(\$16,360)	\$0

**Inter-County - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$912
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$50,227)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$52,185
1d	Total Previous (Over)/Under-Recovery				\$2,870
2	Jul-17	\$421,379	\$454,415	(\$33,036)	(\$30,166)
3	Aug-17	\$437,161	\$423,483	\$13,678	(\$16,488)
4	Sep-17	\$400,436	\$365,885	\$34,551	\$18,063
5	Oct-17	\$282,749	\$278,465	\$4,284	\$22,347
6	Nov-17	\$339,602	\$339,795	(\$193)	\$22,154
7	Dec-17	\$469,332	\$520,929	(\$51,597)	(\$29,443)
Post Review	Jan-18	\$573,123	\$643,592	(\$70,469)	(\$99,912)
	Feb-18	\$642,846	\$600,263	\$42,583	(\$57,329)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery	(\$912)	\$912		\$0
8b	Case No. 2017-00071 Recovery	\$50,227	(\$41,855)		\$8,372
8c	Case No. 2017-00326 Recovery	(\$52,185)	\$0		(\$52,185)
8d	Total Order amounts remaining - Over/(Under):				(\$43,813)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$73,256)
10	Monthly recovery (per month for six months)				(\$12,209)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$2,870
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$43,813)
13	Total Amortization during Review Period				(\$40,943)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$73,256)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$32,313)
16	Difference				(\$40,943)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$183	\$0	\$0
Aug-17	\$183	(\$8,371)	\$0
Sep-17	\$183	(\$8,371)	\$0
Oct-17	\$183	(\$8,371)	\$0
Nov-17	\$180	(\$8,371)	\$0
Dec-17	\$0	(\$8,371)	\$0
Totals	\$912	(\$41,855)	\$0

**Jackson - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$204,501)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$57,889)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$6,420)
1d	Total Previous (Over)/Under-Recovery				(\$268,810)
2	Jul-17	\$817,529	\$762,427	\$55,102	(\$213,708)
3	Aug-17	\$744,187	\$696,743	\$47,444	(\$166,264)
4	Sep-17	\$525,274	\$509,349	\$15,925	(\$150,339)
5	Oct-17	\$661,548	\$572,394	\$89,154	(\$61,185)
6	Nov-17	\$902,968	\$822,685	\$80,283	\$19,099
7	Dec-17	\$1,072,512	\$1,035,696	\$36,816	\$55,915
Post Review	Jan-18	\$1,208,455	\$1,150,923	\$57,532	\$113,447
	Feb-18	\$560,929	\$531,970	\$28,959	\$142,406
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$204,501	(\$204,501)	\$0
8b	Case No. 2017-00071 Recovery		\$57,889	(\$57,889)	\$0
8c	Case No. 2017-00326 Recovery		\$6,420	\$0	\$6,420
8d	Total Order amounts remaining - Over/(Under):				\$6,420
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$62,335
10	Monthly recovery (per month for six months)				\$10,389
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$268,810)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$6,420
13	Total Amortization during Review Period				(\$262,390)
14	(Over)/Under-Recovery from Column 5, Line 9				\$62,335
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$324,725
16	Difference				(\$262,390)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$51,126)	(\$9,648)	\$0
Aug-17	(\$51,126)	(\$9,648)	\$0
Sep-17	(\$51,126)	(\$9,648)	\$0
Oct-17	(\$51,123)	(\$9,648)	\$0
Nov-17	\$0	(\$9,648)	\$0
Dec-17	\$0	(\$9,649)	\$0
Totals	(\$204,501)	(\$57,889)	\$0

**Licking Valley - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$1,209
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$17,415)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$24,540)
1d	Total Previous (Over)/Under-Recovery				(\$40,746)
2	Jul-17	\$238,438	\$239,337	(\$899)	(\$41,645)
3	Aug-17	\$212,955	\$200,831	\$12,124	(\$29,521)
4	Sep-17	\$147,561	\$163,152	(\$15,591)	(\$45,112)
5	Oct-17	\$185,270	\$185,583	(\$313)	(\$45,426)
6	Nov-17	\$253,209	\$287,062	(\$33,853)	(\$79,279)
7	Dec-17	\$293,991	\$326,014	(\$32,023)	(\$111,301)
Post Review	Jan-18	\$324,791	\$282,915	\$41,876	(\$69,425)
	Feb-18	\$153,143	\$128,043	\$25,100	(\$44,325)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$1,209)	\$1,209	\$0
8b	Case No. 2017-00071 Recovery		\$17,415	(\$17,415)	\$0
8c	Case No. 2017-00326 Recovery		\$24,540	\$0	\$24,540
8d	Total Order amounts remaining - Over/(Under):				\$24,540
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$86,761)
10	Monthly recovery (per month for six months)				(\$14,460)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$40,746)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$24,540
13	Total Amortization during Review Period				(\$16,206)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$86,761)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$70,555)
16	Difference				(\$16,206)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$302	(\$2,903)	\$0
Aug-17	\$302	(\$2,903)	\$0
Sep-17	\$302	(\$2,903)	\$0
Oct-17	\$303	(\$2,903)	\$0
Nov-17	\$0	(\$2,903)	\$0
Dec-17	\$0	(\$2,900)	\$0
Totals	\$1,209	(\$17,415)	\$0

**Nolin - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$8,048
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$7,617
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$3,188
1d	Total Previous (Over)/Under-Recovery				\$18,853
2	Jul-17	\$726,866	\$791,634	(\$64,768)	(\$45,915)
3	Aug-17	\$662,529	\$696,136	(\$33,607)	(\$79,522)
4	Sep-17	\$483,754	\$545,153	(\$61,399)	(\$140,921)
5	Oct-17	\$547,305	\$567,554	(\$20,249)	(\$161,169)
6	Nov-17	\$709,628	\$814,446	(\$104,818)	(\$265,987)
7	Dec-17	\$823,059	\$902,690	(\$79,631)	(\$345,618)
Post Review	Jan-18	\$911,260	\$907,828	\$3,432	(\$342,186)
	Feb-18	\$474,581	\$445,265	\$29,316	(\$312,870)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$8,048)	\$8,048	\$0
8b	Case No. 2017-00071 Recovery		(\$7,617)	\$7,617	\$0
8c	Case No. 2017-00326 Recovery		(\$3,188)	\$0	(\$3,188)
8d	Total Order amounts remaining - Over/(Under):				(\$3,188)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$348,806)
10	Monthly recovery (per month for six months)				(\$58,134)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$18,853
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$3,188)
13	Total Amortization during Review Period				\$15,665
14	(Over)/Under-Recovery from Column 5, Line 9				(\$348,806)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$364,471)
16	Difference				\$15,665

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$2,012	\$1,270	\$0
Aug-17	\$2,012	\$1,270	\$0
Sep-17	\$2,012	\$1,270	\$0
Oct-17	\$2,012	\$1,270	\$0
Nov-17	\$0	\$1,270	\$0
Dec-17	\$0	\$1,267	\$0
Totals	\$8,048	\$7,617	\$0

**Owen - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$224,293
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$411,719
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$104,745
1d	Total Previous (Over)/Under-Recovery				\$740,757
2	Jul-17	\$1,058,951	\$1,263,019	(\$204,068)	\$536,689
3	Aug-17	\$970,849	\$1,004,818	(\$33,969)	\$502,721
4	Sep-17	\$697,722	\$982,220	(\$284,498)	\$218,223
5	Oct-17	\$735,450	\$643,209	\$92,241	\$310,464
6	Nov-17	\$952,280	\$885,386	\$66,894	\$377,358
7	Dec-17	\$1,110,776	\$1,262,612	(\$151,836)	\$225,522
Post Review	Jan-18	\$1,181,323	\$1,272,899	(\$91,576)	\$133,946
	Feb-18	\$628,437	\$1,010,343	(\$381,906)	(\$247,960)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$224,293)	\$224,293	\$0
8b	Case No. 2017-00071 Recovery		(\$411,719)	\$343,100	(\$68,619)
8c	Case No. 2017-00326 Recovery		(\$104,745)	\$0	(\$104,745)
8d	Total Order amounts remaining - Over/(Under):				(\$173,364)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$52,158
10	Monthly recovery (per month for six months)				\$8,693
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				\$740,757
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$173,364)
13	Total Amortization during Review Period				\$567,393
14	(Over)/Under-Recovery from Column 5, Line 9				\$52,158
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$515,235)
16	Difference				\$567,393

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	\$44,859	\$0	\$0
Aug-17	\$44,859	\$68,620	\$0
Sep-17	\$44,859	\$68,620	\$0
Oct-17	\$44,859	\$68,620	\$0
Nov-17	\$44,857	\$68,620	\$0
Dec-17	\$0	\$68,620	\$0
Totals	\$224,293	\$343,100	\$0

**Shelby - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$7,574)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$32,454
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$41,754)
1d	Total Previous (Over)/Under-Recovery				(\$16,874)
2	Jul-17	\$449,891	\$480,957	(\$31,066)	(\$47,940)
3	Aug-17	\$430,582	\$475,889	(\$45,307)	(\$93,248)
4	Sep-17	\$319,529	\$387,952	(\$68,423)	(\$161,670)
5	Oct-17	\$363,271	\$342,722	\$20,549	(\$141,121)
6	Nov-17	\$458,207	\$401,869	\$56,338	(\$84,783)
7	Dec-17	\$498,738	\$597,514	(\$98,776)	(\$183,560)
Post Review	Jan-18	\$528,597	\$592,456	(\$63,859)	(\$247,419)
	Feb-18	\$294,534	\$421,080	(\$126,546)	(\$373,965)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$7,574	(\$7,574)	\$0
8b	Case No. 2017-00071 Recovery		(\$32,454)	\$32,454	\$0
8c	Case No. 2017-00326 Recovery		\$41,754	\$0	\$41,754
8d	Total Order amounts remaining - Over/(Under):				\$41,754
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$141,806)
10	Monthly recovery (per month for six months)				(\$23,634)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$16,874)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$41,754
13	Total Amortization during Review Period				\$24,880
14	(Over)/Under-Recovery from Column 5, Line 9				(\$141,806)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				(\$166,686)
16	Difference				\$24,880

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$1,893)	\$5,409	\$0
Aug-17	(\$1,893)	\$5,409	\$0
Sep-17	(\$1,893)	\$5,409	\$0
Oct-17	(\$1,895)	\$5,409	\$0
Nov-17	\$0	\$5,409	\$0
Dec-17	\$0	\$5,409	\$0
Totals	(\$7,574)	\$32,454	\$0

**South Kentucky - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				(\$91,367)
1b	From Case No. 2017-00071 (Over)/Under-Recovery				\$218,727
1c	From Case No. 2017-00326 (Over)/Under-Recovery				(\$205,728)
1d	Total Previous (Over)/Under-Recovery				(\$78,368)
2	Jul-17	\$1,208,258	\$1,209,394	(\$1,136)	(\$79,504)
3	Aug-17	\$1,113,070	\$1,240,929	(\$127,859)	(\$207,363)
4	Sep-17	\$775,950	\$1,065,116	(\$289,166)	(\$496,529)
5	Oct-17	\$975,796	\$847,206	\$128,590	(\$367,940)
6	Nov-17	\$1,278,426	\$956,883	\$321,543	(\$46,397)
7	Dec-17	\$1,514,257	\$1,458,817	\$55,440	\$9,043
Post Review	Jan-18	\$1,717,064	\$1,795,516	(\$78,452)	(\$69,409)
	Feb-18	\$808,773	\$1,377,894	(\$569,121)	(\$638,530)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		\$91,367	(\$91,367)	\$0
8b	Case No. 2017-00071 Recovery		(\$218,727)	\$182,275	(\$36,452)
8c	Case No. 2017-00326 Recovery		\$205,728	\$0	\$205,728
8d	Total Order amounts remaining - Over/(Under):				\$169,276
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				\$178,319
10	Monthly recovery (per month for six months)				\$29,720
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$78,368)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				\$169,276
13	Total Amortization during Review Period				90,908
14	(Over)/Under-Recovery from Column 5, Line 9				\$178,319
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				87,411
16	Difference (reflects rounding differences)				90,908

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jul-17	(\$18,274)	\$0	\$0
Aug-17	(\$18,274)	\$36,455	\$0
Sep-17	(\$18,274)	\$36,455	\$0
Oct-17	(\$18,274)	\$36,455	\$0
Nov-17	(\$18,271)	\$36,455	\$0
Dec-17	\$0	\$36,455	\$0
Totals	(\$91,367)	\$182,275	\$0

**Taylor - Calculation of (Over)/Under Recovery**

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2016-00335 (Over)/Under-Recovery				\$7,999
1b	From Case No. 2017-00071 (Over)/Under-Recovery				(\$24,559)
1c	From Case No. 2017-00326 (Over)/Under-Recovery				\$10,013
1d	Total Previous (Over)/Under-Recovery				(\$6,547)
2	Jul-17	\$467,605	\$463,110	\$4,495	(\$2,052)
3	Aug-17	\$494,964	\$512,919	(\$17,955)	(\$20,007)
4	Sep-17	\$439,396	\$438,523	\$873	(\$19,134)
5	Oct-17	\$315,765	\$333,374	(\$17,609)	(\$36,743)
6	Nov-17	\$368,692	\$336,718	\$31,974	(\$4,769)
7	Dec-17	\$492,531	\$487,090	\$5,441	\$672
Post Review	Jan-18	\$574,501	\$556,357	\$18,144	\$18,816
	Feb-18	\$625,001	\$624,159	\$842	\$19,658
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2017					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2016-00335 Recovery		(\$7,999)	\$7,999	\$0
8b	Case No. 2017-00071 Recovery		\$24,559	(\$24,559)	\$0
8c	Case No. 2017-00326 Recovery		(\$10,013)	\$0	(\$10,013)
8d	Total Order amounts remaining - Over/(Under):				(\$10,013)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]				(\$9,341)
10	Monthly recovery (per month for six months)				(\$1,557)
<b>Reconciliation:</b>					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period				(\$6,547)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$10,013)
13	Total Amortization during Review Period				(\$16,560)
14	(Over)/Under-Recovery from Column 5, Line 9				(\$9,341)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)				\$7,219
16	Difference				(\$16,560)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2016-00335	Case No. 2017-00071	Case No. 2017-00326
Jan-17	\$2,000	(\$4,093)	\$0
Feb-17	\$2,000	(\$4,093)	\$0
Mar-17	\$2,000	(\$4,093)	\$0
Apr-17	\$1,999	(\$4,093)	\$0
May-17	\$0	(\$4,093)	\$0
Jun-17	\$0	(\$4,094)	\$0
Totals	\$7,999	(\$24,559)	\$0

## Weighted Average Cost of Debt

	Loan Source	CWIP	NBV 11/30/2017 (2)	Cost (3)	Weights (4)=(2)*(3)	Rate of Return (5) = (4)*
Compliance Project	(1)					
1 Gilbert (Environmental Portion)	Z-8		\$47,072,178	4.71%	0.337%	
2 Spurlock 1 - Precipitator	Y-8		\$14,030,025	4.92%	0.105%	
3 Spurlock 1 - SCR	Y-8		\$46,565,080	4.92%	0.348%	
4 Spurlock 2 - SCR	Y-8		\$22,720,623	4.92%	0.170%	
5 Dale 1&2 - Low Nox Burners	AH-8		\$0	0.00%	0.000%	
6 Spurlock 1 Low Nox Burners	AH-8		\$2,268,300	2.51%	0.009%	
7 Spurlock #2 Scrubber	AG-8		\$152,734,244	4.39%	1.019%	
8 Spurlock #1 Scrubber	AG-8		\$111,805,543	4.29%	0.729%	
9 Spurlock #4 (Environmental Portion)	AD-8		\$66,716,356	4.49%	0.455%	
9 Spurlock #4 (Ash Silo Portion)	AH-8		\$9,657,420	2.51%	0.037%	
10 Spurlock, Cooper& Dale CEM Equip	AH-8		\$2,006,907	2.51%	0.008%	
11 Air Quality Control System (CRP)	AL-8		\$157,366,094	2.92%	0.699%	
12 Spurlock Landfill Expansion	AH-8		\$6,046,319	2.51%	0.023%	
14 Cooper 1 Tie in to Cooper Air Quality	AN-8	\$0	\$12,834,249	2.68%	0.052%	
15 Smith Special Waste Landfill	AN-8	\$0	\$5,848,744	2.68%	0.024%	
		<u>\$0</u>	<u>\$657,672,082</u>		4.015%	6.023%

The debt cost for each debt issuance directly related to the projects in the approved compliance plan are at fixed interest rates.

### NOTES:

Project #13 Spurlock 2 Ductwork Replacement WO OS312 was funded with general funds.

Y-8 30 year

<u>Note Number</u>	<u>Current liability 11-30-17</u>	<u>Interest Rate</u>	<u>Yearly Interest</u>
H0720	17,181,799	4.460%	766,308
H0725	17,450,730	4.819%	840,951
H0730	17,407,192	4.950%	861,656
H0750	17,651,020	5.091%	898,613
H0755	17,693,333	5.149%	911,030
H0760	17,632,006	5.065%	893,061
H0765	17,592,428	5.011%	881,557
H0770	19,108,799	5.149%	983,912
H0885	4,658,405	4.890%	227,796
H0960	8,048,100	4.338%	349,127
H1005	3,124,390	4.306%	134,536
11	<u>157,548,203</u>	<b>4.92%</b>	<u>7,748,547</u>

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Z-8 30 year

<u>Note Number</u>	<u>Current liability 11-30-17</u>	<u>Interest Rate</u>	<u>Yearly Interest</u>
H0810	39,920,846	4.744%	1,893,845
H0815	40,034,059	4.825%	1,931,643
H0820	40,201,576	4.946%	1,988,370
H0825	19,899,853	4.658%	926,935
H0830	19,785,162	4.497%	889,739
H0835	19,933,015	4.705%	937,848
H0840	19,665,877	4.332%	851,926
H0845	14,941,637	4.324%	646,076
H0855	23,717,189	4.468%	1,059,684
H0860	23,718,916	4.470%	1,060,236
H0870	23,973,529	4.769%	1,143,298
H0890	12,301,146	5.345%	657,496
H0895	8,197,670	5.333%	437,182
H0915	18,743,205	4.776%	895,175
H0920	18,964,915	4.812%	912,592
H1025	2,947,961	3.801%	112,052
16	<u>346,946,555</u>	<b>4.71%</b>	<u>16,344,097</u>

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AD-8 30 year

<u>Note Number</u>	<u>Current liability 11-30-17</u>	<u>Interest Rate</u>	<u>Yearly Interest</u>
H0925	42,856,261.10	4.821%	2,066,100
H0930	21,382,306.18	4.736%	1,012,666
H0935	42,691,790.48	4.669%	1,993,280
H0940	21,188,152.62	4.384%	928,889
H0945	42,668,860.39	4.648%	1,983,249
H0955	42,621,751.28	4.605%	1,962,732
H0965	6,782,364.23	4.396%	298,153
H0975	16,937,473.77	4.355%	737,627
H0980	16,943,327.57	4.368%	740,085
H0985	21,267,879.61	4.527%	962,797
H0990	21,392,044.43	4.754%	1,016,978
H0995	21,320,748.50	4.623%	985,658
H1000	6,680,127.58	4.298%	287,112
H1010	21,167,334.13	4.347%	920,144
H1015	21,199,934.08	4.405%	933,857
H1020	5,996,246.71	2.846%	170,653
H1030	20,729,416.15	3.651%	756,831
H1065	12,376,270.84	4.252%	526,239
H1215	1,578,781.97	3.954%	62,425
H1275	1,445,045.62	2.369%	34,233
20	409,226,117	<b>4.49%</b>	18,379,706

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<u>AG-8 30 year</u> <u>Spurlock #2 Scrubber</u>	<u>Note</u> <u>Number</u>	<u>Current</u> <u>liability</u> <u>11-30-17</u>	<u>Interest</u> <u>Rate</u>	<u>Yearly</u> <u>Interest</u>
	H1035	29,964,144	3.988%	1,194,970
	H1040	21,597,854	4.374%	944,690
	H1045	21,606,265	4.391%	948,731
	H1050	21,710,910	4.605%	999,787
	H1055	34,737,457	4.605%	1,599,660
	H1060	21,708,492	4.600%	998,591
<b>Split between Spur 1 &amp; 2</b>	H1070	9,783,592	4.262%	416,977
<b>Split between Spur 1 &amp; 2</b>	H1115	1,411,889	4.175%	58,946
	H1130	5,136,957	3.990%	204,965
<b>Split between Spur 1 &amp; 2</b>	H1170	9,327,116	4.508%	420,466
	H1190	779,591	3.922%	30,576
<b>Split between Spur 1 &amp; 2</b>	H1220	2,854,475	3.954%	112,866
	H1320	375,512	2.432%	9,132
	13	180,994,254	<b>4.39%</b>	7,940,357

<u>AG-8 30 year</u> <u>Spurlock #1 Scrubber</u>	<u>Note</u> <u>Number</u>	<u>Current</u> <u>liability</u> <u>11-30-17</u>	<u>Interest</u> <u>Rate</u>	<u>Yearly</u> <u>Interest</u>
<b>Split between Spur 1 &amp; 2</b>	H1070	11,758,483	4.262%	501,147
	H1075	21,460,280	4.100%	879,871
	H1085	21,642,220	4.464%	966,109
	H1100	21,693,467	4.569%	991,175
	H1095	21,605,771	4.390%	948,493
<b>Split between Spur 1</b>	H1105	6,238,037	4.142%	258,379
<b>Split between Spur 1</b>	H1110	507,346	4.194%	21,278
<b>Split between Spur 1 &amp; 2</b>	H1115	15,786,761	4.175%	659,097
<b>Split between Spur 1 &amp; 2</b>	H1170	3,199,934	4.508%	144,253
<b>Split between Spur 1 &amp; 2</b>	H1220	4,097,420	3.954%	162,012
<b>Split between Spur 1 &amp; 2</b>	H1320	2,171,116	2.432%	52,802
	11	130,160,834	<b>4.29%</b>	5,584,616

**AH-8 30 year**

<b>Note Number</b>	<b>Current liability 11-30-17</b>	<b>Interest Rate</b>	<b>Yearly Interest</b>
H1200	367,170	3.913%	14,367
H1280	21,448,283	2.302%	493,739
H1285	20,745,301	2.338%	485,025
H1305	11,283,068	2.510%	283,205
H1310	6,149,969	2.393%	147,169
H1325	3,435,985	3.338%	114,693
H1345	5,460,474	3.513%	191,826
6	68,890,250	<b>2.51%</b>	1,730,025

**AL-8 30 year**

<b>Note Number</b>	<b>Current liability 11-30-17</b>	<b>Interest Rate</b>	<b>Yearly Interest</b>
H1210	21,556,127	4.067%	876,688
H1245	26,596,847	2.791%	742,318
H1250	26,703,942	2.916%	778,687
H1255	26,769,910	3.094%	828,261
H1265	16,937,110	2.928%	495,919
H1270	26,217,750	2.495%	654,133
H1290	24,263,459	2.724%	660,937
H1315	12,391,988	2.573%	318,846
H1355	20,267,731	2.656%	538,311
9	201,704,864	<b>2.92%</b>	5,894,098

**AN-8 30 year**

**Cooper 1 Duct Reroute  
Smith Landfill**

<b>Note Number</b>	<b>Current liability 11-30-17</b>	<b>Interest Rate</b>	<b>Yearly Interest</b>
F1395	14,959,125	2.679%	400,755
F1395	6,050,425	2.679%	162,091
2	21,009,550	<b>2.68%</b>	562,845.84