

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

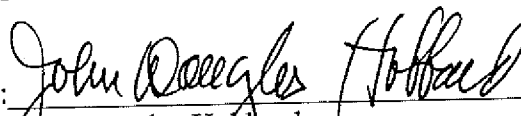
THE APPLICATION OF SOUTH KENTUCKY RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR) Case No. 2018-00050
APPROVAL OF MASTER POWER PURCHASE AND)
SALE AGREEMENT AND TRANSACTIONS THEREUNDER)

RESPONSE OF SALT RIVER ELECTRIC COOPERATIVE
CORPORATION TO COMMISSION STAFF'S
FIRST REQUESTS FOR INFORMATION

Respectfully submitted,

FULTON, HUBBARD & HUBBARD, PLLC
117 E. Stephen Foster Avenue
P.O. Box 88
Bardstown, KY 40004-0088
Phone: (502)348-6457
Fax: (502)348-8748

Attorneys for Salt River Electric Cooperative
Corporation

BY: 
John Douglas Hubbard
Jason P. Floyd

CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Section 6, the undersigned certifies that consistent with 807 KAR 5:001 Section 4(8)(d)(3), a copy of this document has been electronically served upon the following on this the 27 day of April, 2018:

Ms. Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
2011 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615

Matthew R. Malone, Esq.
William H. May, III, Esq.
Hurt, Deckard & May, PLLC
mmalone@hdmfirm.com
bmay@hdmfirm.com

Scott B. Grover, Esq.
S. Michael Madison, Esq.
Balch & Bingham, LLP
sgrover@balch.com
mmadison@balch.com

Kent A. Chandler, Esq.
Rebecca W. Goodman, Esq.
ASSISTANT ATTORNEYS GENERAL
Kent.chandler@ky.gov
Rebecca.Goodman@ky.gov

W. Patrick Hauser, Esq.
W. PATRIC HAUSER, PSC
phauser@barbourville.com

Michael L. Kurtz, Esq.
BOEHM, KURTZ & LOWRY
mkurtz@bklawfirm.com

W. Jeffrey Scott, Esq.
Brandon M. Music, Esq.
W. JEFFREY SCOTT, P.S.C.
wjscott@windstream.net

James M. Miller, Esq.
R. Michael Sullivan, Esq.
SULLIVAN MOUNTJOY, PSC
jmiller@smlegal.com
msullivan@smlegal.com

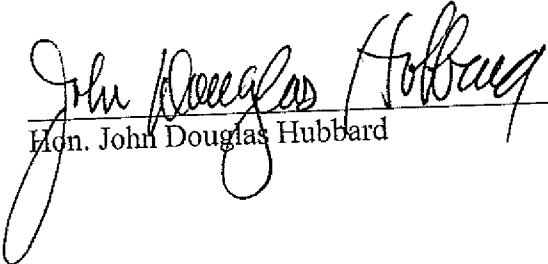
James M. Crawford, Esq.
Ruth H. Baxter, Esq.
Jake A. Thompson, Esq.
CRAWFORD & BAXTER, P.S.C.
Jcrawford@cbkylaw.com
Rbaxter@cbkylaw.com
Jthompson@cbkylaw.com

Clayton O. Oswald, Esq.
TAYLOR, KELLER & OSWALD, PLLC
coswald@tkolegal.com

Robert Spragens, Jr., Esq.
SPRAGENS & HIGDON, P.S.C.
rspragens@spragenhigdonlaw.com

David T. Royse, Esq.
RANDSDELL ROACH & ROYSE PLLC
david@rrrfirm.com

David A. Smart, Esq.
Roger R. Cowden, Esq.
EKPC
David.smart@ekpc.coop
Roger.cowden@ekpc.coop


Hon. John Douglas Hubbard

Witness: Tim Sharp

Salt River Electric Cooperative Corporation

Case No. 2018-00050

South Kentucky Rural Electric Cooperative Corporation

1. Refer to the Direct Testimony of Mark A. Stallons (“Stallons Testimony”), page 7-8, Explain in detail the steps Salt River Electric Cooperative Corporation has taken pursuant to its notice of election to reduce its purchases of electric power from East Kentucky Power Cooperative, Inc., and the current status of those sections.

Response: Salt River and several other cooperatives in response to South Kentucky’s alternate source notice of November 28, 2017, engaged a consultant, namely EnerVision, Inc., to provide consulting support related to economic and operational viability regarding the purchase of energy from a non-EKPC source in accordance with Amendment 3 and the MOU. Salt River entered into a professional services agreement with EnerVision, Inc. Thereafter, EnerVision obtained some preliminary energy pricing from the market in the form of request for proposals, and these were shared with Salt River and the other cooperatives. However, Salt River and the other cooperatives requested that EnerVision do nothing further pending a ruling by the PSC in the above captioned case and South Kentucky’s response to same.

Witness: Tim Sharp

Salt River Electric Cooperative Corporation

Case No. 2018-00050

South Kentucky Rural Electric Cooperative Corporation

2. Refer to the Stallons testimony, page 11, line 2. Provide a copy of the minutes or other documentation of the described board action.

Response: See attached April 5, 2018, Salt Electric Cooperative, Inc., regular Board meeting minutes marked as Attachment #1.

DDS:LITIGATION:SALT RIVER-SO KY042718.RESPONSE TO REQUESTS OF COMMISSION

SALT RIVER ELECTRIC COOPERATIVE CORPORATION
MINUTES OF FEBRUARY 1, 2018
REGULAR MEETING OF THE BOARD OF DIRECTORS

Pursuant to the Notice, the regular meeting of the Board of Directors of Salt River Electric Cooperative Corporation was held at the Nelson District Main Office of Salt River ECC, Bardstown, Kentucky on February 1, 2018 at 8:30 AM.

The following Directors and Staff were present:

Mr. Jimmy Longmire, Chairman
Mr. Gayle Troutman, Treasurer
Mrs. Linda West, Secretary
Mr. Garry Mann, Director
Mr. Darrell Tingle, Director
Mr. Tim Sharp, President/CEO
Hon. Douglas Hubbard, Corporate Attorney
Mrs. Jan Hedgepeth, Assistant Secretary

INVOCATION

Gayle Troutman led the board in an invocation.

APPROVAL OF
REVISED AGENDA

On a motion by Linda West and a second by Garry Mann, the Board of Directors voted to approve the revised agenda. . . All in favor.

MINUTES

On a motion by Gayle Troutman and a second by Darrell Tingle, the board voted to approve the Regular Board Minutes of January 4, 2018 as e-mailed on January 22, 2018. . . All in favor.

CEO's REPORT

The CEO presented to the Board of Directors as information:

- Review of December 2017 RUS Form 7
- Workers Comp Audit – 2/12/18
- Economic Development Update
- Update on Customer's High Bills
- RUS Audit completed
- PSC – ETS Rates – 3/1/2018
- KY Living Magazine
- Flaget Recognition for Donation
- Co-op Connection Cards
- Update on Reliability
- GainShare Bonus
- Update on EKP Amendment 3

LETTER TO EKP
"AMEDNMENT NO. 3"

On a motion by Gayle Troutman and a second by Garry Mann, the Board of Directors voted to file an "Alternative Source Notice Pursuant to Amendment No. 3 to the Wholesale Power Contract Between East Kentucky Power Cooperative and Salt River Electric Cooperative Corporation" effective February 1, 2018. (Copy of said Letter is made a part of the Board Minutes). . . All in favor.

On a motion by Gayle Troutman and a second by Garry Mann, the Board of Directors voted to accept the CEO's Report, including the January Safety Report... All in favor.

CORPORATE COUNSEL

⊗ No Activity to Report

FEBRUARY 1, 2018

SALT RIVER ELECTRIC COOPERATIVE CORPORATION
111 W. Brashear Avenue ♦♦ Bardstown, KY 40004

**DIRECTOR'S AND
CEO'S EXPENSES**

The Board reviewed the individual expense records with supporting vouchers as required by board policy. On a motion by Gayle Troutman and a second by Linda West, the Board of Directors voted to approve the payment of the CEO's and Director's Expenses of Darrell Tingle and Jimmy Longmire as submitted on January 4, 2018 . . . All in favor with Tingle, and Longmire abstaining.

And

The Board reviewed the individual expense records with supporting vouchers as required by board policy. On a motion by Darrell Tingle and a second by Garry Mann, the Board of Directors voted to approve the payment of Director's Expenses of Gayle Troutman and Linda West as submitted on January 4, 2018. . All in favor with Troutman and West abstaining.

The Board reviewed the individual expense records with supporting vouchers as required by board policy. On a motion by Jimmy Longmire and a second by Linda West, the Board of Directors voted to approve the payment of Director's Expenses of A.C. Cahoe and Garry Mann as submitted on January 4, 2018. . . All in favor with Cahoe and Mann abstaining.

MEMBERSHIPS

On a motion by Linda West and a second by Garry Mann, the Board of Directors voted to approve the Memberships for the month of January 2018. . . All in favor.

CAPITAL CREDITS TO DECEASED ESTATES

On a motion by Gayle Troutman and a second by Garry Mann, the Board of Directors voted to approve the payment of Capital Credits to Deceased Estates in the amount \$5,326.70... . All in favor.

WRITE-OFF-ACCOUNTS

On a motion by Garry Mann and a second by Gayle Troutman, the Board of Directors voted to approve the Write-Off Accounts in the total amount of \$9,634.24. . . All in favor.

**SALT RIVER ECC
APPOINTMENT OF THE
NOMINATING COMMITTEE**

On a motion by Garry Mann and a second by Darrell Tingle, the Board of Directors voted to appoint the following to serve on the 2018 Salt River ECC Annual Meeting Nominating Committee:

Bullitt County, District No. 2

David Chancellor

Charles Gaddie

Richard Rinkel

Timothy M. Kutz

Jesse E. Compton

All in favor.

**SALT RIVER'S BOARD
POLICY A-11**

On a motion by Linda West and a second by
Gayle Troutman, the Board of Directors
reviewed Board Policy A-11 with no changes. . .
All in favor.

APPOINT CFC DELEGATE

On a motion by Garry Mann, and a second by
Darrell Tingle, the Board of Directors voted to
appoint. . . Linda West as CFC Delegate and
Gayle Troutman to serve as CFC Alternate
Delegate. . . All in favor.

**SCHEDULE MARCH
BOARD MEETING**

On a motion made by Gayle Troutman and
seconded by Linda West the Board of Directors
voted to schedule March Board Meeting on
Thursday, March 1, 2018 at 8:30 AM at the
Main Office Office of Salt River Electric,
Bardstown, KY. . . All in favor.

There being no further business to come before the Board of Directors, and on motion made by Linda West and seconded by Garry Mann the meeting was adjourned . . . All in favor.

JIMMY LONGMIRE, President

JAN HEDGEPEETH, Recording Secretary

