

Hinton, Daniel E (PSC)

From: PSC - Tariffs
Sent: Thursday, May 18, 2017 1:43 PM
To: Isaac Scott
Cc: 'Gwyn Willoughby'
Subject: Initial Market Administration Fee (TFS2017-00179)

Importance: High

Isaac,

Staff requested that I contact you and request support for how the market administration fee was calculated.

We initially thought that was a fee calculated by PJM but later discovered that EKPC calculated that fee.

You can e-mail the support to us at psc.tariffs@ky.gov.

If you have any questions, please give us a call or respond to this e-mail.

Thanks.

Daniel

Hinton, Daniel E (PSC)

From: Isaac Scott
Sent: Thursday, May 18, 2017 2:07 PM
To: PSC - Tariffs
Cc: Gwyn Willoughby
Subject: RE: Initial Market Administration Fee (TFS2017-00179)

Daniel,

The market administration fee is calculated from EKPC expenses associated with our participation in PJM. The expenses and generation are from the 2016 calendar year. The calculation of the proposed market administration fee is as follows:

ACES expenses (budget center 066)	\$6,680,074
Market Operation Center expenses (budget center 132)	\$ 887,337
Total Market Administration Expenses	\$7,567,411
 Real Time Generation	 9,492,345 MWH
 Market Administration Fee (Expenses / Generation) kWh	 \$0.7972 per MWH or \$0.00080 per

Please let me know if you need further information. Thank you.

*Isaac S. Scott
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