



JACKSON ENERGY

A Touchstone Energy[®]
Cooperative



CASE NO. 2018-00306

An electronic examination by the Public Service Commission of the environmental surcharge mechanism of East Kentucky Power Cooperative, Inc. for the six-month billing period ending May 31, 2018, and the pass-through mechanism of its sixteen Member Distribution Cooperatives

*Response to Commission Staff's
First Request for Information*

October 12, 2018

115 Jackson Energy Lane ~ McKee, KY 40447 ~ 606-364-1000

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION BY THE)	
PUBLIC SERVICE COMMISSION OF THE)	
ENVIRONMENTALSURCHARGE MECHANISM)	CASE NO.
OF EAST KENTUCKY POWER COOPERATIVE,)	2018 - 00306
INC. FOR THE SIX-MONTH BILLING PERIOD)	
ENDING MAY 31, 2018, AND THE)	
PASS-THROUGH OF ITS SIXTEEN MEMBER)	
DISTRIBUTION COOPERATIVES)	

**JACKSON ENERGY COOPERATIVE CORPORATION RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

STATE OF KENTUCKY)

COUNTY OF JACKSON)

I, Ryan Henderson, state that I am the Vice President of Corporate Services, of Jackson Energy Cooperative, that I have personal knowledge of the matters set forth in this response to the Commission's request for information, and that the statements and calculations contained in each are true as I verily believe.

This 12 day of October 2018



Ryan Henderson

SUBSCRIBED AND SWORN to before me by Ryan Henderson this
12th day of October, 2018.



Notary Public, KY State at Large

My Commission Expires: 1/19/22

Request No. 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 No. 2:

Please see EKPC's response to Request 2 of the Commission Staff's First Request for Information dated September 20, 2018.

Request No. 6

This question is addressed to each of the 16-Member Cooperatives. For your particular Member Cooperative, provide the actual average residential customer's monthly usage for the 12 months ending May 31, 2018. Based on this usage amount, provide the dollar impact any over- or under-recovery will have on the average residential customer's monthly bill for the requested recovery period.

Response No. 6

Actual Average Residential Bill

<u>12-Month Average Residential KWH Usage as of May 31, 2018</u>	<u>1,148</u>
Energy @ \$0.09591	\$110.10
Customer Charge	\$16.44
Fuel Adjustment @ \$-0.00332	(\$3.81)
Environmental Surcharge @ 9.70% (May 2018)	\$11.91
Local School Tax @ 3.0%	<u>\$4.04</u>
 Total Bill Amount	 <u><u>\$138.68</u></u>

Recovery Period of Six Months

<u>12-Month Average Residential KWH Usage as of May 31, 2018</u>	<u>1,148</u>
Energy @ \$0.09591	\$110.10
Customer Charge	\$16.44
Fuel Adjustment @ \$-0.00332	(\$3.81)
Environmental Surcharge @ 9.71% (May 2018)	\$11.92
Local School Tax @ 3.0%	<u>\$4.04</u>
 Total Bill Amount	 <u><u>\$138.69</u></u>
 Dollar Impact on Average Residential Bill	 <u><u>\$0.01</u></u>

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

For the Month Ending May 2018

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Jackson	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Jackson	EKPC 12-months Ended Average Monthly Revenue from Sales to Jackson	Jackson Revenue Requirement	Amortization of (Over)/Under Recovery	Jackson Net Revenue Requirement	Jackson Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Jackson Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Jackson Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Jun-16	19.60%	0.00%	19.60%	\$ 4,154,742		\$ 4,154,742	\$ 4,376,311	\$ 857,757	\$ (8,493)	\$ 849,264	\$ 6,939,402		\$ 6,939,402	\$ 7,072,252	12.03%
Jul-16	16.50%	0.00%	16.50%	\$ 4,800,912		\$ 4,800,912	\$ 4,388,304	\$ 724,070	\$ (8,493)	\$ 715,577	\$ 7,743,808		\$ 7,743,808	\$ 7,124,644	10.12%
Aug-16	14.29%	0.00%	14.29%	\$ 4,861,440		\$ 4,861,440	\$ 4,432,358	\$ 633,384	\$ 34,393	\$ 667,777	\$ 8,074,691		\$ 8,074,691	\$ 7,205,547	9.37%
Sep-16	14.76%	0.00%	14.76%	\$ 4,129,057		\$ 4,129,057	\$ 4,452,542	\$ 657,195	\$ 42,886	\$ 700,081	\$ 6,841,666		\$ 6,841,666	\$ 7,258,307	9.72%
Oct-16	17.17%	0.00%	17.17%	\$ 3,308,131		\$ 3,308,131	\$ 4,427,690	\$ 760,234	\$ 42,886	\$ 803,120	\$ 5,908,692		\$ 5,908,692	\$ 7,424,326	11.06%
Nov-16	19.95%	0.00%	19.95%	\$ 4,178,726		\$ 4,178,726	\$ 4,415,289	\$ 880,850	\$ 42,886	\$ 923,736	\$ 6,990,630		\$ 6,990,630	\$ 7,421,699	12.44%
Dec-16	16.92%	0.00%	16.92%	\$ 5,617,135		\$ 5,617,135	\$ 4,499,889	\$ 761,381	\$ 42,886	\$ 804,267	\$ 9,219,405		\$ 9,219,405	\$ 7,580,549	10.84%
Jan-17	11.21%	0.00%	11.21%	\$ 5,584,084		\$ 5,584,084	\$ 4,426,449	\$ 496,205	\$ 42,883	\$ 539,088	\$ 8,682,406		\$ 8,682,406	\$ 7,401,030	7.11%
Feb-17	12.26%	0.00%	12.26%	\$ 4,590,054		\$ 4,590,054	\$ 4,350,533	\$ 533,375	\$ -	\$ 533,375	\$ 7,439,360		\$ 7,439,360	\$ 7,256,547	7.21%
Mar-17	15.73%	0.00%	15.73%	\$ 4,501,464		\$ 4,501,464	\$ 4,386,810	\$ 690,045	\$ -	\$ 690,045	\$ 7,739,874		\$ 7,739,874	\$ 7,316,242	9.51%
Apr-17	15.40%	0.00%	15.40%	\$ 3,371,343		\$ 3,371,343	\$ 4,381,216	\$ 674,707	\$ (51,126)	\$ 623,581	\$ 5,972,836		\$ 5,972,836	\$ 7,293,777	8.52%
May-17	19.86%	0.00%	19.86%	\$ 3,564,345		\$ 3,564,345	\$ 4,388,453	\$ 871,547	\$ (51,126)	\$ 820,421	\$ 6,007,347		\$ 6,007,347	\$ 7,296,676	11.25%
Jun-17	18.13%	0.00%	18.13%	\$ 3,866,495		\$ 3,866,495	\$ 4,364,432	\$ 791,272	\$ (60,774)	\$ 730,498	\$ 6,561,763		\$ 6,561,763	\$ 7,265,206	10.01%
Jul-17	17.75%	0.00%	17.75%	\$ 4,509,262		\$ 4,509,262	\$ 4,340,128	\$ 770,373	\$ (60,774)	\$ 709,599	\$ 7,564,728		\$ 7,564,728	\$ 7,250,283	9.77%
Aug-17	15.89%	0.00%	15.89%	\$ 4,192,595		\$ 4,192,595	\$ 4,284,391	\$ 680,790	\$ (60,774)	\$ 620,016	\$ 7,142,909		\$ 7,142,909	\$ 7,172,635	8.55%
Sep-17	17.53%	0.00%	17.53%	\$ 3,305,695		\$ 3,305,695	\$ 4,215,777	\$ 739,026	\$ (60,771)	\$ 678,255	\$ 5,913,408		\$ 5,913,408	\$ 7,095,280	9.46%
Oct-17	20.51%	0.00%	20.51%	\$ 3,773,798		\$ 3,773,798	\$ 4,254,583	\$ 872,615	\$ (9,648)	\$ 862,967	\$ 6,121,493		\$ 6,121,493	\$ 7,113,013	12.16%
Nov-17	17.87%	0.00%	17.87%	\$ 4,402,567		\$ 4,402,567	\$ 4,273,236	\$ 763,627	\$ (9,649)	\$ 753,978	\$ 6,933,227		\$ 6,933,227	\$ 7,108,230	10.60%
Dec-17	16.39%	0.00%	16.39%	\$ 6,001,723		\$ 6,001,723	\$ 4,305,285	\$ 705,636	\$ (1,070)	\$ 704,566	\$ 9,662,007		\$ 9,662,007	\$ 7,145,113	9.91%
Jan-18	10.79%	0.00%	10.79%	\$ 7,373,115		\$ 7,373,115	\$ 4,454,371	\$ 480,627	\$ (1,070)	\$ 479,557	\$ 11,561,946		\$ 11,561,946	\$ 7,385,075	6.71%
Feb-18	7.29%	0.00%	7.29%	\$ 5,198,616		\$ 5,198,616	\$ 4,505,085	\$ 328,421	\$ (1,070)	\$ 327,351	\$ 7,635,970		\$ 7,635,970	\$ 7,401,459	4.43%
Mar-18	13.52%	0.00%	13.52%	\$ 4,931,653		\$ 4,931,653	\$ 4,540,934	\$ 613,934	\$ (1,070)	\$ 612,864	\$ 8,274,150		\$ 8,274,150	\$ 7,445,982	8.28%
Apr-18	14.49%	0.00%	14.49%	\$ 4,065,056		\$ 4,065,056	\$ 4,598,743	\$ 666,358	\$ (1,070)	\$ 665,288	\$ 7,271,218		\$ 7,271,218	\$ 7,554,180	8.93%
May-18	15.84%	0.00%	15.84%	\$ 3,947,041		\$ 3,947,041	\$ 4,630,635	\$ 733,493	\$ (1,070)	\$ 732,423					9.70%

Witness: Ryan Henderson

Case No. 2018-00306

Page 2 of 3

Request No. 6

Appendix B

Original

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

For the Month Ending May 2018

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
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Mar-18	13.52%	0.00%	13.52%	\$ 4,931,653		\$ 4,931,653	\$ 4,540,934	\$ 613,934	\$ (52)	\$ 613,882	\$ 8,274,150		\$ 8,274,150	\$7,445,982	8.29%
Apr-18	14.49%	0.00%	14.49%	\$ 4,065,056		\$ 4,065,056	\$ 4,598,743	\$ 666,358	\$ (52)	\$ 666,306	\$ 7,271,218		\$ 7,271,218	\$7,554,180	8.95%
May-18	15.84%	0.00%	15.84%	\$ 3,947,041		\$ 3,947,041	\$ 4,630,635	\$ 733,493	\$ (52)	\$ 733,441					9.71%

Appendix B
 Request No. 6
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 Case No. 2018-00306
 Witness: Ryan Henderson

Adjusted