

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION  
PSC CASE NO. 2019-00380  
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

**Request 2.**

This question is addressed to EKPC and 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 two-year review. Include a calculation of an additional over- or under-recovery amount the Member Cooperative believes needs to be recognized for the two-year 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 refer to EKPC's responses to Request No. 2 of the Commission Staff's First Request for Information.

**FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION  
PSC CASE NO. 2019-00380  
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST**

**Request 7.**

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 ended May 31, 2019. 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 7.**

Please see the schedules attached to this response.

**Actual Average Bill**

30 Day Monthly Usage	1,123 kwh
Energy	\$ 101.13
Customer Charge	14.00
Fuel @ (\$0.006460)	(7.25)
Environmental Surcharge @ 10.79%	11.64 *
Local School Tax @ 3.0%	3.59
<b>Total Bill Amount</b>	<b>\$ 123.10</b>

\* See PSC Request 7, Page 4 of 5

**Recovery Period of Six Months**

30 Day Monthly Usage	1,123 kwh
Energy	\$ 101.13
Customer Charge	14.00
Fuel @ (\$0.006460)	(7.25)
Environmental Surcharge @ 10.78%	11.63 ***
Local School Tax @ 3.0%	3.59
<b>Total Bill Amount</b>	<b>\$ 123.09</b>

\*\*\* See PSC Request 7, Page 5 of 5

**Notes:**

- Fuel is calculated on kwh amount.
- Environmental Surcharge is calculated on energy, customer charge and fuel.
- School Tax is calculated on all charges.

12-month avg res cust

May '19	884
Apr '19	751
Mar '19	1201
Feb '19	1155
Jan '19	1515
Dec '18	1309
Nov '18	1228
Oct '18	905
Sept '18	1008
Aug '18	1165
Jul '18	1218
June '18	1141
	<u>1123</u>

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. 2018-00075 (Over)/Under-Recovery					(\$30,970)
1b	From Case No. 2018-00306 (Over)/Under-Recovery					(\$105,568)
1c	From Case No. 2019-00171 (Over)/Under-Recovery					(\$7,656)
1d	Total Previous (Over)/Under-Recovery					(\$144,194)
2	Jan-19	\$439,095	444,270	(\$5,175)	(\$149,369)	
3	Feb-19	\$304,745	443,506	(\$138,761)	(\$288,130)	
4	Mar-19	\$314,682	297,682	\$17,000	(\$271,130)	
5	Apr-19	\$308,486	246,197	\$62,289	(\$208,840)	
6	May-19	\$354,723	283,424	\$71,299	(\$137,541)	
7	Jun-19	\$448,876	358,228	\$90,648	(\$46,893)	
Post Review	Jul-19	\$501,623	441,475	\$60,148	\$13,255	
	Aug-19	\$483,461	478,987	\$4,474	\$17,729	
Less Adjustment for Order amounts remaining to be amortized at end of review period June 2019						
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. 2018-00075 Recovery	\$30,970	(\$30,970)		\$0	
8b	Case No. 2018-00306 Recovery	\$105,568	(\$70,380)		\$35,188	
8c	Case No. 2019-00171 Recovery	\$7,656	\$0		\$7,656	
8d	Total Order amounts remaining - Over/(Under):				\$42,844	
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8d)]					(\$4,049)
10	Monthly recovery (per month for six months)					(675)
Reconciliation:						
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period					(\$144,194)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period					\$42,844
13	Total Amortization during Review Period					(\$101,350)
14	(Over)/Under-Recovery from Column 5, Line 9					(\$4,049)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)					\$97,301
16	Difference					(\$101,350)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2018-00075	Case No. 2018-00306	Case No. 2019-00171
Jan-19	(\$15,485)	\$0	\$0
Feb-19	(\$15,485)	\$0	\$0
Mar-19	\$0	(\$17,595)	\$0
Apr-19	\$0	(\$17,595)	\$0
May-19	\$0	(\$17,595)	\$0
Jun-19	\$0	(\$17,595)	\$0
Totals	(\$30,970)	(\$70,380)	\$0

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

For the Month Ending October 2019

	(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 Farmers	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Farmers	EKPC 12-months Ended Average Monthly Revenue from Sales to Farmers	Farmers Revenue Requirement	Amortization of (Over)/Under Recovery	Farmers Net Revenue Requirement	Farmers Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Farmers Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Farmers 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)
Nov-17	17.87%	0.00%	17.87%	\$ 2,327,859		\$ 2,327,859	\$ 2,413,341	\$ 431,264	\$ 8,963	\$ 440,227	\$ 3,980,052		\$ 3,980,052	\$ 3,505,494	12.62%
Dec-17	16.39%	0.00%	16.39%	\$ 3,017,029		\$ 3,017,029	\$ 2,418,103	\$ 396,327	\$ (3,031)	\$ 393,296	\$ 4,958,169		\$ 4,958,169	\$ 3,588,653	11.22%
Jan-18	10.79%	0.00%	10.79%	\$ 3,637,276		\$ 3,637,276	\$ 2,475,887	\$ 267,148	\$ (3,031)	\$ 264,117	\$ 4,440,584		\$ 4,440,584	\$ 3,645,678	7.36%
Feb-18	7.29%	0.00%	7.29%	\$ 2,829,135		\$ 2,829,135	\$ 2,517,077	\$ 183,495	\$ (3,031)	\$ 180,464	\$ 3,740,565		\$ 3,740,565	\$ 3,666,782	4.95%
Mar-18	13.52%	0.00%	13.52%	\$ 2,577,620		\$ 2,577,620	\$ 2,536,923	\$ 342,992	\$ (3,031)	\$ 339,961	\$ 3,951,808		\$ 3,951,808	\$ 3,735,643	9.27%
Apr-18	14.49%	0.00%	14.49%	\$ 2,226,377		\$ 2,226,377	\$ 2,561,893	\$ 371,218	\$ (3,031)	\$ 368,187	\$ 3,284,376		\$ 3,284,376	\$ 3,778,677	9.86%
May-18	15.84%	0.00%	15.84%	\$ 2,441,908		\$ 2,441,908	\$ 2,586,043	\$ 409,629	\$ (3,030)	\$ 406,599	\$ 3,958,077		\$ 3,958,077	\$ 3,839,622	10.76%
Jun-18	15.59%	0.00%	15.59%	\$ 2,767,253		\$ 2,767,253	\$ 2,612,587	\$ 407,302	\$ -	\$ 407,302	\$ 4,091,946		\$ 4,091,946	\$ 3,860,061	10.61%
Jul-18	14.17%	0.00%	14.17%	\$ 2,634,565		\$ 2,634,565	\$ 2,602,523	\$ 368,778	\$ (15,485)	\$ 353,293	\$ 4,132,508		\$ 4,132,508	\$ 3,873,150	9.15%
Aug-18	15.19%	0.00%	15.19%	\$ 2,570,814		\$ 2,570,814	\$ 2,600,468	\$ 395,011	\$ (15,485)	\$ 379,526	\$ 3,830,945		\$ 3,830,945	\$ 3,887,515	9.80%
Sep-18	15.42%	0.00%	15.42%	\$ 2,328,426		\$ 2,328,426	\$ 2,624,564	\$ 404,708	\$ (15,485)	\$ 389,223	\$ 3,270,344		\$ 3,270,344	\$ 3,902,124	10.01%
Oct-18	16.16%	0.00%	16.16%	\$ 2,182,991		\$ 2,182,991	\$ 2,628,438	\$ 424,756	\$ (15,485)	\$ 409,271	\$ 3,397,245		\$ 3,397,245	\$ 3,919,718	10.49%
Nov-18	16.83%	0.00%	16.83%	\$ 2,572,751		\$ 2,572,751	\$ 2,648,845	\$ 445,801	\$ (15,485)	\$ 430,316	\$ 4,105,600		\$ 4,105,600	\$ 3,930,181	10.98%
Dec-18	14.68%	0.00%	14.68%	\$ 2,881,930		\$ 2,881,930	\$ 2,637,587	\$ 387,198	\$ (15,485)	\$ 371,713	\$ 4,045,565		\$ 4,045,565	\$ 3,854,130	9.46%
Jan-19	12.16%	0.00%	12.16%	\$ 2,978,339		\$ 2,978,339	\$ 2,582,676	\$ 314,053	\$ (17,595)	\$ 296,458	\$ 4,688,212		\$ 4,688,212	\$ 3,874,766	7.69%
Feb-19	12.10%	0.00%	12.10%	\$ 2,494,589		\$ 2,494,589	\$ 2,554,797	\$ 309,130	\$ (17,595)	\$ 291,535	\$ 3,871,157		\$ 3,871,157	\$ 3,885,648	7.52%
Mar-19	15.23%	0.00%	15.23%	\$ 2,587,904		\$ 2,587,904	\$ 2,555,654	\$ 389,226	\$ (17,595)	\$ 371,631	\$ 3,273,914		\$ 3,273,914	\$ 3,829,157	9.56%
Apr-19	15.77%	0.00%	15.77%	\$ 2,013,174		\$ 2,013,174	\$ 2,537,887	\$ 400,225	\$ (17,595)	\$ 382,630	\$ 2,964,584		\$ 2,964,584	\$ 3,802,508	9.99%
May-19	18.94%	0.00%	18.94%	\$ 2,236,568		\$ 2,236,568	\$ 2,520,775	\$ 477,435	\$ (17,595)	\$ 459,840	\$ 3,585,849		\$ 3,585,849	\$ 3,771,489	12.09%
Jun-19	18.62%	0.00%	18.62%	\$ 2,362,186		\$ 2,362,186	\$ 2,487,020	\$ 463,083	\$ (17,593)	\$ 445,490	\$ 3,651,593		\$ 3,651,593	\$ 3,734,793	11.81%
Jul-19	18.16%	0.00%	18.16%	\$ 2,685,943		\$ 2,685,943	\$ 2,491,301	\$ 452,420	\$ -	\$ 452,420	\$ 4,055,784		\$ 4,055,784	\$ 3,728,399	12.11%
Aug-19	15.49%	0.00%	15.49%	\$ 2,654,170		\$ 2,654,170	\$ 2,498,248	\$ 386,979	\$ (1,276)	\$ 385,703	\$ 3,945,903		\$ 3,945,903	\$ 3,737,979	10.34%
Sep-19	16.14%	0.00%	16.14%	\$ 2,440,174		\$ 2,440,174	\$ 2,507,560	\$ 404,720	\$ (1,276)	\$ 403,444	\$ 3,448,296		\$ 3,448,296	\$ 3,752,809	10.79%
Oct-19	17.60%	0.00%	17.60%	\$ 2,027,245		\$ 2,027,245	\$ 2,494,581	\$ 439,046	\$ (1,276)	\$ 437,770					11.67%

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Feb-19	12.10%	0.00%	12.10%	\$ 2,494,589		\$ 2,494,589	\$ 2,554,797	\$ 309,130	\$ (17,595)	\$ 291,535	\$ 3,871,157		\$ 3,871,157	\$ 3,885,648	7.52%
Mar-19	15.23%	0.00%	15.23%	\$ 2,587,904		\$ 2,587,904	\$ 2,555,654	\$ 389,226	\$ (17,595)	\$ 371,631	\$ 3,273,914		\$ 3,273,914	\$ 3,829,157	9.56%
Apr-19	15.77%	0.00%	15.77%	\$ 2,013,174		\$ 2,013,174	\$ 2,537,887	\$ 400,225	\$ (17,595)	\$ 382,630	\$ 2,964,584		\$ 2,964,584	\$ 3,802,508	9.99%
May-19	18.94%	0.00%	18.94%	\$ 2,236,568		\$ 2,236,568	\$ 2,520,775	\$ 477,435	\$ (17,595)	\$ 459,840	\$ 3,585,849		\$ 3,585,849	\$ 3,771,489	12.09%
Jun-19	18.62%	0.00%	18.62%	\$ 2,362,186		\$ 2,362,186	\$ 2,487,020	\$ 463,083	\$ (17,593)	\$ 445,490	\$ 3,651,593		\$ 3,651,593	\$ 3,734,793	11.81%
Jul-19	18.16%	0.00%	18.16%	\$ 2,685,943		\$ 2,685,943	\$ 2,491,301	\$ 452,420	\$ -	\$ 452,420	\$ 4,055,784		\$ 4,055,784	\$ 3,728,399	12.11%
Aug-19	15.49%	0.00%	15.49%	\$ 2,654,170		\$ 2,654,170	\$ 2,498,248	\$ 386,979	\$ (1,276)	\$ 385,703	\$ 3,945,903		\$ 3,945,903	\$ 3,737,979	10.34%
Sep-19	16.14%	0.00%	16.14%	\$ 2,440,174		\$ 2,440,174	\$ 2,507,560	\$ 404,720	\$ (1,951)	\$ 402,769	\$ 3,448,296		\$ 3,448,296	\$ 3,752,809	10.78% ***
Oct-19	17.60%	0.00%	17.60%	\$ 2,027,245		\$ 2,027,245	\$ 2,494,581	\$ 439,046	\$ (1,276)	\$ 437,770					11.67%