

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC TARIFF FILING OF EAST</b>	)	
<b>KENTUCKY POWER COOPERATIVE, INC. TO</b>	)	<b>CASE NO.</b>
<b>ESTABLISH ITS EARNINGS MECHANISM</b>	)	<b>2021-00429</b>
<b>TARIFF</b>	)	

**RESPONSES TO COMMISSION STAFF'S SECOND INFORMATION REQUEST  
TO EAST KENTUCKY POWER COOPERATIVE, INC.**

**DATED JANUARY 6, 2022**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. TO	)	CASE NO.
ESTABLISH ITS EARNINGS MECHANISM	)	2021-00429
TARIFF	)	

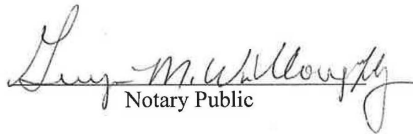
CERTIFICATE

STATE OF KENTUCKY )  
 )  
 COUNTY OF CLARK )

Ann Bridges, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staffs Second Request for Information in the above-referenced case dated January 6, 2022, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 18th day of January 2022.



Notary Public

Gwyn M. Willoughby  
 KYNP38003  
 Commission Expires: 11-30-2025

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

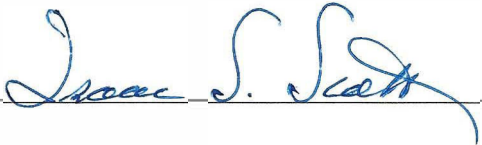
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ELECTRONIC TARIFF FILING OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. TO	)	CASE NO.
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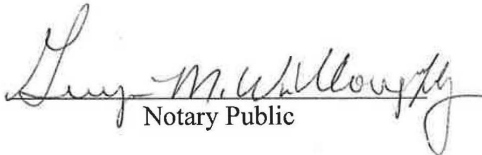
CERTIFICATE

STATE OF KENTUCKY )  
 )  
 COUNTY OF CLARK )

Isaac 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 Second Request for Information contained in the above-referenced case dated January 6, 2022, 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.

  
\_\_\_\_\_

Subscribed and sworn before me on this 18th day of January 2022.

  
Notary Public

Gwyn M. Willoughby  
KYNP38003  
Commission Expires: 11-30-2025

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC TARIFF FILING OF EAST</b>	)	
<b>KENTUCKY POWER COOPERATIVE, INC. TO</b>	)	<b>CASE NO.</b>
<b>ESTABLISH ITS EARNINGS MECHANISM</b>	)	<b>2021-00429</b>
<b>TARIFF</b>	)	

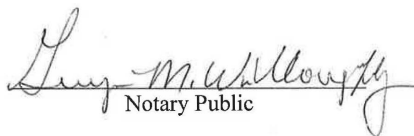
**CERTIFICATE**

**STATE OF KENTUCKY**    )  
                                          )  
**COUNTY OF CLARK**    )

Michelle Carpenter, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's Second Request for Information in the above-referenced case dated January 6, 2022, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_

Subscribed and sworn before me on this 18th day of January 2022.

  
Notary Public

Gwyn M. Willoughby  
KYNP38003  
Commission Expires: 11-30-2025

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2021-00429**  
**RESPONSE TO SECOND INFORMATION REQUEST**

**COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 1/6/2022**  
**REQUEST 1**

**RESPONSIBLE PARTY:** Ann Bridges

**Request 1.** Refer to EKPC's response to Commission Staff's First Request for Information (Staff's First Request), Item 2a.

**Request 1a.** Provide the approximate level of credit would be necessary to adversely affect EKPC's cash flows.

**Response 1a.** After further consideration, East Kentucky Power Cooperative, Inc. ("EKPC") believes that an extreme, unforeseen event would have to occur in order for the earnings sharing mechanism to adversely affect EKPC's cash flows. In the unlikely chance that such an event would arise, EKPC would file a modification to its tariff at that time, requesting that the payments be made over more than one month.

**Request 1b.** Explain whether the possibility to extend the bill credits over a longer period should be memorialized in EKPC's tariff.

**Response 1b.** As indicated in the response to Request 1a, EKPC believes such a circumstance would be rare and does not believe that a tariff modification is necessary.

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2021-00429**  
**RESPONSE TO SECOND INFORMATION REQUEST**

**COMMISSION STAFF'S INFORMATION REQUEST DATED 1/6/2022**  
**REQUEST 2**

**RESPONSIBLE PARTY:** Isaac Scott

**Request 2.** Refer to EKPC's response to Staff's First Request, Item 3. Provide this illustrative example formats in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

**Response 2.** Please see the Excel spreadsheet *PSC DR2 Response 2 Filing Illustration.xlsx*.

0 PSC DR2 Response 2 Filing Illustration.xlsx

Format 1.0

1  
2 **EAST KENTUCKY POWER COOPERATIVE, INC.**  
3 **RATE EM - ANNUAL FILING FORMATS**  
4 **For the Calendar Year 2020**  
5 *For Illustration Purposes Only*  
6

7 **Determination of Achieved Margin**

9	Total Operating Revenues <i>Adjusted for Illustration</i>	\$797,672,472
10	(FERC Form 1, page 114, line 2; see Note 1 below)	
11	Total Operating Expenses <i>Adjusted for Illustration</i>	\$660,122,153
12	(FERC Form 1, page 114, line 25)	
13	Net Utility Operating Income	\$137,550,319
14	[Row 9 minus Row 11]	
15	Net Other Income & Deductions	\$12,746,133
16	(FERC Form 1, page 117, line 56)	
17	Net Interest Charges	\$101,604,544
18	(FERC Form 1, page 117, line 66)	
19	Extraordinary Items	\$0
20	(FERC Form 1, page 117, line 73)	
21	Net Margins	\$48,691,908
22	[Row 13 plus Row 15 minus Row 17 plus Row 19]	

23  
24 **Determination of Achieved Times Interest Earned Ratio (TIER)**

26	Net Margins	\$48,691,908
27	Interest on Long Term Debt	\$100,921,595
28	(FERC Form 1, page 117, line 58)	
29		
30	Achieved TIER	1.48
31	[(Row 26 plus Row 27) / Row 27]	

32  
33 **Margins Necessary to Produce 1.40 TIER**

35	Interest on Long Term Debt	\$100,921,595
36		
37	Interest Multiplied by 1.40 TIER	\$141,290,233
38		
39	Less Interest on Long Term Debt	\$100,921,595
40		
41	Margins Necessary to Produce 1.40 TIER	\$40,368,638

42  
43 **Determination of Excess Margins**

45	Net Margin	\$48,691,908
46	[Row 21]	
47	Margins Necessary to Produce 1.40 TIER	\$40,368,638
48	[Row 41]	
49	Excess Margins for Year	\$8,323,270

50  
51 Note 1: Operating Revenues are shown exclusive of the contra electric and steam revenue  
52 account entries associated with the Regulatory Liability recorded in Account  
53 254004 for any margins in excess of 1.40 TIER for the reporting year.  
54

55 EKPC will file Format 1.0 each year with the Commission. In years where there are Excess  
56 Margins, EKPC will also file Formats 2.0 and 2.1 to provide the allocation of the Excess Margins  
57 to the Owner-Members.  
58



0 PSC DR2 Response 2 Filing Illustration.xlsx

EAST KENTUCKY POWER COOPERATIVE, INC.  
RATE EM - ANNUAL FILING - ALLOCATION OF EXCESS MARGINS  
For the Calendar Year 2020  
For Illustration Purposes Only

6 Margins in Excess of 1.40 TIER \$8,323,270 [From Format 1.0, Row 49]

8 Step 1: Allocation of Excess Margin to Rate Schedules

Rate Schedule	Percentage of Total Revenues, All	Allocation of Excess Margin
Rate E, Option 2	80.813%	\$6,726,284
Rate B	6.931%	\$576,886
Rate C	1.591%	\$132,423
Rate G	3.084%	\$256,690
Contract	5.093%	\$423,904
TGP	1.109%	\$92,305
Steam	1.380%	\$114,861
<b>Totals</b>	<b>100.001%</b>	<b>\$8,323,353</b>

24 Step 2: Further Allocation of Excess Margin by Rate Schedules to Owner-Members Note: Contract and Steam have only one customer each, so a further allocation is not necessary.

Rate E, Option 2			Rate B			Rate C		
Member	Percentage of Rate Schedule	Allocation of \$6,726,284	Member	Percentage of Rate Schedule	Allocation of \$576,886	Member	Percentage of Rate Schedule	Allocation of \$132,423
Big Sandy	2.292%	\$154,166	Big Sandy	0.640%	\$3,692	Farmers	17.021%	\$22,540
Blue Grass	11.335%	\$762,424	Blue Grass	17.236%	\$99,432	Fleming-Mason	33.317%	\$44,119
Clark	4.716%	\$317,212	Fleming-Mason	0.00858	\$4,950	Jackson	8.066%	\$10,681
Cumberland Valley	4.501%	\$302,750	Grayson	3.100%	\$17,883	South Kentucky	41.597%	\$55,084
Farmers	4.683%	\$314,992	Inter-County	5.873%	\$33,881			
Fleming-Mason	4.661%	\$313,512	Jackson	5.805%	\$33,488			
Grayson	2.402%	\$161,565	Nolin	1.429%	\$8,244			
Inter-County	4.525%	\$304,364	Owen	24.179%	\$139,485			
Jackson	8.950%	\$602,002	Salt River	14.504%	\$83,672			
Licking Valley	2.644%	\$177,843	Shelby	16.348%	\$94,309			
Nolin	6.481%	\$435,930	South Kentucky	7.065%	\$40,757			
Owen	11.242%	\$756,169	Taylor County	2.961%	\$17,082			
Salt River	11.217%	\$754,487						
Shelby	3.448%	\$231,922						
South Kentucky	12.154%	\$817,513						
Taylor County	4.748%	\$319,364						
<b>Total Rate E, Opt 2</b>	<b>99.999%</b>	<b>\$6,726,215</b>	<b>Total Rate B</b>	<b>99.998%</b>	<b>\$576,875</b>	<b>Total Rate C</b>	<b>100.001%</b>	<b>\$132,424</b>

Rate G			TGP		
Member	Percentage of Rate Schedule	Allocation of \$256,690	Member	Percentage of Rate Schedule	Allocation of \$92,305
Blue Grass	19.492%	\$50,034	Fleming-Mason	66.021%	\$60,941
Fleming-Mason	58.166%	\$149,306	Taylor County	33.979%	\$31,364
Inter-County	0.058%	\$149			
Nolin	22.284%	\$57,201			
<b>Total Rate G</b>	<b>100.000%</b>	<b>\$256,690</b>	<b>Total TGP</b>	<b>100.000%</b>	<b>\$92,305</b>

62 All Revenue Percentages come from calculations shown on Format 2.1.

63

EAST KENTUCKY POWER COOPERATIVE, INC.  
RATE EM - ANNUAL FILING - ALLOCATION OF EXCESS MARGINS  
For the Calendar Year 2020  
*For Illustration Purposes Only*

Summary of Allocation of Excess Margins by Owner-Member

10	Big Sandy	Rate E, Option 2	\$154,166	Jackson	Rate E, Option 2	\$602,002
11		Rate B	\$3,692		Rate B	\$33,488
12		Total	<u>\$157,858</u>		Rate C	\$10,681
13					Total	<u>\$646,171</u>
14	Blue Grass	Rate E, Option 2	\$762,424	Licking Valley	Rate E, Option 2	<u>\$177,843</u>
15		Rate B	\$99,432			
16		Rate G	\$50,034	Nolin	Rate E, Option 2	\$435,930
17		Total	<u>\$911,890</u>		Rate B	\$8,244
18					Rate G	\$57,201
19	Clark	Rate E, Option 2	<u>\$317,212</u>		Total	<u>\$501,375</u>
20				Owen	Rate E, Option 2	\$756,169
21	Cumberland Valley	Rate E, Option 2	<u>\$302,750</u>		Rate B	\$139,485
22					Contract	\$423,904
23	Farmers	Rate E, Option 2	\$314,992		Total	<u>\$1,319,558</u>
24		Rate C	\$22,540			
25		Total	<u>\$337,532</u>	Salt River	Rate E, Option 2	\$754,487
26					Rate B	\$83,672
27	Fleming-Mason	Rate E, Option 2	\$313,512		Total	<u>\$838,159</u>
28		Rate B	\$4,950	Shelby	Rate E, Option 2	\$231,922
29		Rate C	\$44,119		Rate B	\$94,309
30		Rate G	\$149,306		Total	<u>\$326,231</u>
31		TGP	\$60,941			
32		Steam	\$114,861	South Kentucky	Rate E, Option 2	\$817,513
33		Total	<u>\$687,689</u>		Rate B	\$40,757
34					Rate C	\$55,084
35	Grayson	Rate E, Option 2	\$161,565		Total	<u>\$913,354</u>
36		Rate B	\$17,883	Taylor County	Rate E, Option 2	\$319,364
37		Total	<u>\$179,448</u>		Rate B	\$17,082
38					TGP	\$31,364
39	Inter-County	Rate E, Option 2	\$304,364		Total	<u>\$367,810</u>
40		Rate B	\$33,881			
41		Rate G	\$149			
42		Total	<u>\$338,394</u>			
43						
44						
45						
46						
47		Total All Members				<u>\$8,323,274</u>
48		Rounding Differences:				
49		Format 2.0, page 1 of 2, Row 6				(\$4)
50		Format 2.0, page 1 of 2, Row 21				\$79

For Illustration Purposes Only

0 PSC DR2 Response 2 Filing Illustration.xlsx

EAST KENTUCKY POWER COOPERATIVE, INC.  
RATE EM - ANNUAL FILING - REVENUE DETAIL  
By Rate Schedule and Owner-Members  
For the Calendar Year 2020

		2020 EKPC Revenues						
Rate Schedule	Invoice Revenues	Panel Production Credit	Green Power Billing	Direct Load Control	Generator Credit	Total Revenues	Percentage of Rate Schedule	Percentage of Total Revenues, All
<b>Rate E, Option 2</b>								
Big Sandy	\$13,972,122	\$0	\$696	(\$17,438)	\$0	\$13,955,380	2.292%	1.852%
Blue Grass	\$69,240,238	(\$2,426)	\$5,414	(\$229,577)	\$0	\$69,013,649	11.335%	9.160%
Clark	\$28,732,254	(\$335)	\$849	(\$17,952)	\$0	\$28,714,816	4.716%	3.811%
Cumberland Valley	\$27,437,418	(\$81)	\$213	(\$30,186)	\$0	\$27,407,364	4.501%	3.638%
Farmers	\$28,568,674	(\$395)	\$348	(\$57,257)	\$0	\$28,511,370	4.683%	3.784%
Fleming-Mason	\$28,414,602	(\$1,199)	\$420	(\$31,142)	\$0	\$28,382,681	4.661%	3.767%
Grayson	\$14,643,871	(\$1,600)	\$1,241	(\$16,072)	\$0	\$14,627,440	2.402%	1.941%
Inter-County	\$27,603,582	(\$139)	\$11,178	(\$62,044)	\$0	\$27,552,577	4.525%	3.657%
Jackson	\$54,519,753	(\$575)	\$2,030	(\$24,854)	\$0	\$54,496,354	8.950%	7.233%
Licking Valley	\$16,107,860	(\$80)	\$600	(\$11,096)	\$0	\$16,097,284	2.644%	2.137%
Nolin	\$39,458,227	(\$313)	\$5,003	(\$3,336)	\$0	\$39,459,581	6.481%	5.237%
Owen	\$68,569,034	(\$3,098)	\$10,150	(\$128,122)	\$0	\$68,447,964	11.242%	9.085%
Salt River	\$68,912,075	(\$1,688)	\$1,784	(\$77,621)	(\$533,900)	\$68,300,650	11.217%	9.065%
Shelby	\$21,034,686	(\$754)	\$2,491	(\$39,448)	\$0	\$20,996,975	3.448%	2.787%
South Kentucky	\$74,122,183	(\$2,288)	\$4,158	(\$122,496)	\$0	\$74,001,557	12.154%	9.822%
Taylor County	\$28,926,797	\$0	\$0	(\$14,795)	\$0	\$28,912,002	4.748%	3.837%
<b>Total Rate E, Option 2</b>	<b>\$610,263,376</b>	<b>(\$14,971)</b>	<b>\$46,575</b>	<b>(\$883,436)</b>	<b>(\$533,900)</b>	<b>\$608,877,644</b>	<b>99.999%</b>	<b>80.813%</b>
<b>Rate B</b>								
Big Sandy	\$334,295	\$0	\$0	\$0	\$0	\$334,295	0.640%	0.044%
Blue Grass	\$9,000,059	\$0	\$0	\$0	\$0	\$9,000,059	17.236%	1.195%
Fleming-Mason	\$448,077	\$0	\$0	\$0	\$0	\$448,077	0.858%	0.059%
Grayson	\$1,619,004	\$0	\$0	\$0	\$0	\$1,619,004	3.100%	0.215%
Inter-County	\$3,066,881	\$0	\$0	\$0	\$0	\$3,066,881	5.873%	0.407%
Jackson	\$3,031,343	\$0	\$0	\$0	\$0	\$3,031,343	5.805%	0.402%
Nolin	\$746,254	\$0	\$0	\$0	\$0	\$746,254	1.429%	0.099%
Owen	\$12,626,004	\$0	\$0	\$0	\$0	\$12,626,004	24.179%	1.676%
Salt River	\$7,573,758	\$0	\$0	\$0	\$0	\$7,573,758	14.504%	1.005%
Shelby	\$8,536,733	\$0	\$0	\$0	\$0	\$8,536,733	16.348%	1.133%
South Kentucky	\$3,689,443	\$0	\$0	\$0	\$0	\$3,689,443	7.065%	0.490%
Taylor County	\$1,546,287	\$0	\$0	\$0	\$0	\$1,546,287	2.961%	0.205%
<b>Total Rate B</b>	<b>\$52,218,138</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$52,218,138</b>	<b>99.998%</b>	<b>6.931%</b>
<b>Rate C</b>								
Farmers	\$2,039,683	\$0	\$0	\$0	\$0	\$2,039,683	17.021%	0.271%
Fleming-Mason	\$3,992,546	\$0	\$0	\$0	\$0	\$3,992,546	33.317%	0.530%
Jackson	\$966,547	\$0	\$0	\$0	\$0	\$966,547	8.066%	0.128%
South Kentucky	\$4,984,849	\$0	\$0	\$0	\$0	\$4,984,849	41.597%	0.662%
<b>Total Rate C</b>	<b>\$11,983,625</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,983,625</b>	<b>100.001%</b>	<b>1.591%</b>

54

EAST KENTUCKY POWER COOPERATIVE, INC.  
 RATE EM - ANNUAL FILING - REVENUE DETAIL  
 By Rate Schedule and Owner-Members  
 For the Calendar Year 2020

For Illustration Purposes Only

2020 EKPC Revenues									
Rate Schedule	Invoice Revenues	Panel Production Credit	Green Power Billing	Direct Load Control	Generator Credit	Total Revenues	Percentage of Rate Schedule	Percentage of Total Revenues, All	
<u>Rate G</u>									
Blue Grass	\$4,528,675	\$0	\$0	\$0	\$0	\$4,528,675	19.492%	0.601%	
Fleming-Mason	\$13,514,333	\$0	\$0	\$0	\$0	\$13,514,333	58.166%	1.794%	
Inter-County	\$13,557	\$0	\$0	\$0	\$0	\$13,557	0.058%	0.002%	
Nolin	\$5,177,527	\$0	\$0	\$0	\$0	\$5,177,527	22.284%	0.687%	
<b>Total Rate G</b>	<b>\$23,234,092</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,234,092</b>	<b>100.000%</b>	<b>3.084%</b>	
<u>Contract</u>									
Owen	\$38,369,470	\$0	\$0	\$0	\$0	\$38,369,470	100.000%	5.093%	
<u>TGP</u>									
Fleming-Mason	\$5,517,382	\$0	\$0	\$0	\$0	\$5,517,382	66.021%	0.732%	
Taylor County	\$2,839,652	\$0	\$0	\$0	\$0	\$2,839,652	33.979%	0.377%	
<b>Total TGP</b>	<b>\$8,357,034</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,357,034</b>	<b>100.000%</b>	<b>1.109%</b>	
<u>Steam</u>									
Fleming-Mason	\$10,399,384	\$0	\$0	\$0	\$0	\$10,399,384	100.000%	1.380%	
<u>Totals</u>									
Big Sandy	\$14,306,417	\$0	\$696	(\$17,438)	\$0	\$14,289,675	1.897%	1.897%	
Blue Grass	\$82,768,972	(\$2,426)	\$5,414	(\$229,577)	\$0	\$82,542,383	10.955%	10.955%	
Clark	\$28,732,254	(\$335)	\$849	(\$17,952)	\$0	\$28,714,816	3.811%	3.811%	
Cumberland Valley	\$27,437,418	(\$81)	\$213	(\$30,186)	\$0	\$27,407,364	3.638%	3.638%	
Farmers	\$30,608,357	(\$395)	\$348	(\$57,257)	\$0	\$30,551,053	4.055%	4.055%	
Fleming-Mason	\$62,286,324	(\$1,199)	\$420	(\$31,142)	\$0	\$62,254,403	8.263%	8.263%	
Grayson	\$16,262,875	(\$1,600)	\$1,241	(\$16,072)	\$0	\$16,246,444	2.156%	2.156%	
Inter-County	\$30,684,020	(\$139)	\$11,178	(\$62,044)	\$0	\$30,633,015	4.066%	4.066%	
Jackson	\$58,517,643	(\$575)	\$2,030	(\$24,854)	\$0	\$58,494,244	7.764%	7.764%	
Licking Valley	\$16,107,860	(\$80)	\$600	(\$11,096)	\$0	\$16,097,284	2.137%	2.137%	
Nolin	\$45,382,008	(\$313)	\$5,003	(\$3,336)	\$0	\$45,383,362	6.023%	6.023%	
Owen	\$119,564,508	(\$3,098)	\$10,150	(\$128,122)	\$0	\$119,443,438	15.853%	15.853%	
Salt River	\$76,485,833	(\$1,688)	\$1,784	(\$77,621)	(\$533,900)	\$75,874,408	10.070%	10.070%	
Shelby	\$29,571,419	(\$754)	\$2,491	(\$39,448)	\$0	\$29,533,708	3.920%	3.920%	
South Kentucky	\$82,796,475	(\$2,288)	\$4,158	(\$122,496)	\$0	\$82,675,849	10.973%	10.973%	
Taylor County	\$33,312,736	\$0	\$0	(\$14,795)	\$0	\$33,297,941	4.419%	4.419%	
<b>Totals, All Members</b>	<b>\$754,825,119</b>	<b>(\$14,971)</b>	<b>\$46,575</b>	<b>(\$883,436)</b>	<b>(\$533,900)</b>	<b>\$753,439,387</b>	<b>100.000%</b>	<b>100.001%</b>	

**EAST KENTUCKY POWER COOPERATIVE, INC.**  
**PSC CASE NO. 2021-00429**  
**RESPONSE TO SECOND INFORMATION REQUEST**

**COMMISSION STAFF'S INFORMATION REQUEST DATED 1/6/2022**  
**REQUEST 3**

**RESPONSIBLE PARTY:** Michelle Carpenter

**Request 3.** Refer to EKPC's response to Staff's First Request, Item 4.

**Request 3a.** Provide an estimated timeline of the events explained in this response, assuming that no additional review is necessary.

**Response 3a.** An estimated timeline of the events explained in the response to Staff's First Request, Item 4 is provided below:

<b>On or Before</b>	<b>Event</b>
February 15	Preliminary closing process completed
February 15	Calculation performed to determine if TIER is in excess of 1.4
February 15	Adjustment made for TIER in excess of 1.4 and books are closed, subject to audit
March 31	Determine margin and TIER impact of required audit adjustments (if any)
March 31	Record audit adjustments and change to excess margin adjustment (if any)
March 31	Independent Auditor's Report issued
April 12	Board approves independent auditor's report
April 30	EKPC completes and files excess margin allocation with the Commission
June 6	Credit applied to Owner-Members' May billing

**Request 3b.** Provide an estimated timeline of the events explained in this response, assuming that additional review is necessary and is completed within 60 days.

**Response 3b.** The estimated timeline of events if the Commission's review is completed within 60 days of the date of filing would mirror the timeline noted in Response 3a except for the application of the billing credit. If the review results in no modification to the allocation as filed, the bill credit would be applied to the Owner-Members' June billing, which is typically completed on or before July 7. If modifications to the allocation are required, based on the Commission's review, the bill credit would be applied to the Owner-Members' July billing, which is typically completed on or before August 6.

**Request 3c.** Provide the date by which EKPC closes its books.

**Response 3c.** As indicated in the response to Request 3a, EKPC anticipates closing its books on or before February 15.