

**FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2022-00141
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST**

Request 2.

This question is addressed to EKPC and Member Cooperatives. For each of the Member Cooperatives, prepare a summary schedule showing the Member Cooperative's pass-through revenue requirement for the months corresponding with the six-month and two-year reviews. Include a calculation of an additional over- or under-recovery amount the Member Cooperative believes needs to be recognized for the six-month and two-year reviews. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

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. 2022-00141
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST**

Request 7.

This question is addressed to each of the Member Cooperatives. For your particular Member Cooperative, provide the actual average residential customer's monthly usage for the 12 months ending February 28, 2022. 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 | 1,112 kwh | |
| Energy | \$ 97.51 | |
| Customer Charge | 14.49 | |
| Fuel @ \$0.008540 | 9.50 | |
| Environmental Surcharge @ 11.39% | 13.84 * | |
| Local School Tax @ 3.0% | 4.06 | |
| Total Bill Amount | \$ 139.39 | |

* See PSC Request 7, Page 4 of 5

| |
|--------------------------------------|
| Recovery Period of Six Months |
|--------------------------------------|

| | | |
|-------------------------------------|------------------|--|
| 30 Day Monthly Usage | 1,112 kwh | |
| Energy | \$ 97.51 | |
| Customer Charge | 14.49 | |
| Fuel @ \$0.008540 | 9.50 | |
| Environmental Surcharge @ 12.85% | 15.61 *** | |
| Local School Tax @ 3.0% | 4.11 | |
| Total Bill Amount | \$ 141.22 | |

*** 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.

Farmers RECC

Net (Over)/Under-Recovery of Environmental Surcharge

| | <u>Amount</u> | |
|---|-------------------------|----------------|
| From: | | |
| November 30, 2019 | \$56,765.32 | Under-Recovery |
| May 31, 2020 | (\$131,228.90) | Over-Recovery |
| November 30, 2020 | \$181,308.09 | Under-Recovery |
| May 31, 2021 | \$1,862.20 | Under-Recovery |
| November 30, 2021 | <u>\$232,190.44</u> | Under-Recovery |
| Total Net (Over)/Under-Recovery for Review Period | <u><u>\$340,897</u></u> | Under-Recovery |

Total Net (Over)/Under-Recovery

6-Month Amortization Period \$56,816

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

For the Month Ending May 2022

| | (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) |
| Jun-20 | 23.36% | 0.00% | 23.36% | \$ 2,079,044 | | \$ 2,079,044 | \$ 2,255,731 | \$ 526,939 | \$ (675) | \$ 526,264 | \$ 3,350,783 | | \$ 3,350,783 | \$ 3,503,779 | 14.91% |
| Jul-20 | 22.37% | 0.00% | 22.37% | \$ 2,595,886 | | \$ 2,595,886 | \$ 2,248,227 | \$ 502,928 | \$ (675) | \$ 502,253 | \$ 3,818,871 | | \$ 3,818,871 | \$ 3,484,036 | 14.33% |
| Aug-20 | 16.03% | 0.00% | 16.03% | \$ 2,416,057 | | \$ 2,416,057 | \$ 2,228,384 | \$ 357,210 | \$ (675) | \$ 356,535 | \$ 3,530,631 | | \$ 3,530,631 | \$ 3,449,430 | 10.23% |
| Sep-20 | 17.43% | 0.00% | 17.43% | \$ 2,031,296 | | \$ 2,031,296 | \$ 2,194,311 | \$ 382,468 | \$ (674) | \$ 381,794 | \$ 3,008,952 | | \$ 3,008,952 | \$ 3,412,818 | 11.07% |
| Oct-20 | 20.85% | 0.00% | 20.85% | \$ 1,704,553 | | \$ 1,704,553 | \$ 2,167,420 | \$ 451,907 | \$ - | \$ 451,907 | \$ 3,007,583 | | \$ 3,007,583 | \$ 3,379,196 | 13.24% |
| Nov-20 | 23.61% | 0.00% | 23.61% | \$ 2,067,258 | | \$ 2,067,258 | \$ 2,136,488 | \$ 504,425 | \$ - | \$ 504,425 | \$ 3,433,541 | | \$ 3,433,541 | \$ 3,350,042 | 14.93% |
| Dec-20 | 20.88% | 0.00% | 20.88% | \$ 2,656,376 | | \$ 2,656,376 | \$ 2,132,498 | \$ 445,265 | \$ - | \$ 445,265 | \$ 4,414,166 | | \$ 4,414,166 | \$ 3,407,874 | 13.29% |
| Jan-21 | 14.00% | 0.00% | 14.00% | \$ 2,816,575 | | \$ 2,816,575 | \$ 2,145,720 | \$ 300,401 | \$ - | \$ 300,401 | \$ 4,597,920 | | \$ 4,597,920 | \$ 3,429,128 | 8.81% |
| Feb-21 | 13.21% | 0.00% | 13.21% | \$ 2,817,061 | | \$ 2,817,061 | \$ 2,182,260 | \$ 288,276 | \$ - | \$ 288,276 | \$ 3,867,680 | | \$ 3,867,680 | \$ 3,454,362 | 8.41% |
| Mar-21 | 16.29% | 0.00% | 16.29% | \$ 2,380,724 | | \$ 2,380,724 | \$ 2,223,965 | \$ 362,284 | \$ - | \$ 362,284 | \$ 3,068,448 | | \$ 3,068,448 | \$ 3,463,559 | 10.49% |
| Apr-21 | 17.88% | 0.00% | 17.88% | \$ 1,897,672 | | \$ 1,897,672 | \$ 2,254,549 | \$ 403,113 | \$ - | \$ 403,113 | \$ 3,170,381 | | \$ 3,170,381 | \$ 3,504,604 | 11.64% |
| May-21 | 25.51% | 0.00% | 25.51% | \$ 1,853,373 | | \$ 1,853,373 | \$ 2,276,323 | \$ 580,690 | \$ - | \$ 580,690 | \$ 3,052,794 | | \$ 3,052,794 | \$ 3,526,812 | 16.57% |
| Jun-21 | 23.02% | 0.00% | 23.02% | \$ 2,405,508 | | \$ 2,405,508 | \$ 2,303,528 | \$ 530,272 | \$ - | \$ 530,272 | \$ 3,688,363 | | \$ 3,688,363 | \$ 3,554,944 | 15.04% |
| Jul-21 | 20.99% | 0.00% | 20.99% | \$ 2,634,888 | | \$ 2,634,888 | \$ 2,306,778 | \$ 484,193 | \$ - | \$ 484,193 | \$ 3,972,808 | | \$ 3,972,808 | \$ 3,567,772 | 13.62% |
| Aug-21 | 18.92% | 0.00% | 18.92% | \$ 2,674,180 | | \$ 2,674,180 | \$ 2,328,289 | \$ 440,512 | \$ - | \$ 440,512 | \$ 3,765,910 | | \$ 3,765,910 | \$ 3,587,379 | 12.35% |
| Sep-21 | 17.77% | 0.00% | 17.77% | \$ 2,133,433 | | \$ 2,133,433 | \$ 2,336,800 | \$ 415,249 | \$ - | \$ 415,249 | \$ 3,281,745 | | \$ 3,281,745 | \$ 3,610,112 | 11.58% |
| Oct-21 | 21.18% | 0.00% | 21.18% | \$ 2,118,375 | | \$ 2,118,375 | \$ 2,371,285 | \$ 502,238 | \$ - | \$ 502,238 | \$ 3,397,393 | | \$ 3,397,393 | \$ 3,642,596 | 13.91% |
| Nov-21 | 20.42% | 0.00% | 20.42% | \$ 3,148,136 | | \$ 3,148,136 | \$ 2,461,358 | \$ 502,609 | \$ - | \$ 502,609 | \$ 3,864,854 | | \$ 3,864,854 | \$ 3,678,539 | 13.80% |
| Dec-21 | 13.88% | 0.00% | 13.88% | \$ 3,218,321 | | \$ 3,218,321 | \$ 2,508,187 | \$ 348,136 | \$ - | \$ 348,136 | \$ 4,896,135 | | \$ 4,896,135 | \$ 3,718,703 | 9.46% |
| Jan-22 | 13.64% | 0.00% | 13.64% | \$ 3,917,757 | | \$ 3,917,757 | \$ 2,599,952 | \$ 354,633 | \$ - | \$ 354,633 | \$ 5,888,047 | | \$ 5,888,047 | \$ 3,826,213 | 9.54% |
| Feb-22 | 10.49% | 0.00% | 10.49% | \$ 3,288,471 | | \$ 3,288,471 | \$ 2,639,237 | \$ 276,856 | \$ - | \$ 276,856 | \$ 4,168,035 | | \$ 4,168,035 | \$ 3,851,243 | 7.24% |
| Mar-22 | 15.38% | 0.00% | 15.38% | \$ 2,940,089 | | \$ 2,940,089 | \$ 2,685,850 | \$ 413,084 | \$ - | \$ 413,084 | \$ 3,827,908 | | \$ 3,827,908 | \$ 3,914,531 | 10.73% |
| Apr-22 | 16.33% | 0.00% | 16.33% | \$ 2,444,372 | | \$ 2,444,372 | \$ 2,731,409 | \$ 446,039 | \$ - | \$ 446,039 | \$ 3,686,737 | | \$ 3,686,737 | \$ 3,957,561 | 11.39% * |
| May-22 | 18.36% | 0.00% | 18.36% | \$ 2,645,706 | | \$ 2,645,706 | \$ 2,797,436 | \$ 513,609 | \$ - | \$ 513,609 | | | | | 12.98% |

Note:
Farmers Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.

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

For the Month Ending May 2022

| | (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 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) |
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| Feb-22 | 10.49% | 0.00% | 10.49% | \$ 3,288,471 | | \$ 3,288,471 | \$ 2,639,237 | \$ 276,856 | \$ - | \$ 276,856 | \$ 4,168,035 | | \$ 4,168,035 | \$ 3,851,243 | 7.24% |
| Mar-22 | 15.38% | 0.00% | 15.38% | \$ 2,940,089 | | \$ 2,940,089 | \$ 2,685,850 | \$ 413,084 | \$ - | \$ 413,084 | \$ 3,827,908 | | \$ 3,827,908 | \$ 3,914,531 | 10.73% |
| Apr-22 | 16.33% | 0.00% | 16.33% | \$ 2,444,372 | | \$ 2,444,372 | \$ 2,731,409 | \$ 446,039 | \$ 56,816 | \$ 502,855 | \$ 3,686,737 | | \$ 3,686,737 | \$ 3,957,561 | 12.85% *** |
| May-22 | 18.36% | 0.00% | 18.36% | \$ 2,645,706 | | \$ 2,645,706 | \$ 2,797,436 | \$ 513,609 | \$ - | \$ 513,609 | | | | | 12.98% |

Note:
Farmers Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
PSC CASE NO. 2022-00141
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST

Request 8.

This question is addressed to each of the Member Cooperatives. For your particular Member Cooperative, provide a summary schedule showing the Member Cooperative's pass-through revenue requirement for the months corresponding with the six-month and two-year reviews, which uses a 12-month rolling average of Column 3 – "EKPC MESF %" to calculate Column 8 – "Member Cooperative Revenue Requirement". Based on the recalculated factors, include a calculation of any additional over- or under-recovery amount that would need to be recognized for the six-month and two-year reviews. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response 8.

Please refer to EKPC's responses to Request No. 8 of the Commission Staff's First Request for Information.