

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**AN ELECTRONIC EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE ENVIRONMENTAL)
SURCHARGE MECHANISM OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR THE SIXTH-MONTH)
PERIODS ENDING NOVEMBER 30, 2019, MAY 31, 2020,)
NOVEMBER 30, 2020, AND NOVEMBER 30, 2021, THE)
TWO-YEAR EXPENSE PERIOD ENDING MAY 31, 2021,)
AND THE PASS-THROUGH MECHANISM FOR ITS)
SIXTEEN MEMBER DISTRIBUTION COOPERATIVES)**

**CASE NO.
2022-00141**

**LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION'S
RESPONSE TO COMMISSION STAFF'S FIRST INFORMATION REQUEST**

Request 2. This question is addressed to EKPC and the 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 six-month and two-year reviews. Include a calculation of any 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 dated June 3, 2022.

Witness: Travis Stacy

Request No. 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 November 30, 2021. 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. 7: Please see pages 1 through 4 attached to this response. In addition, please see EKPC's response to Request No. 2 of the Commission Staff's First Request for information dated June 3, 2022 for the calculation of the review period's over-recovery.

Witness: Travis Stacy

Average Residential Customer's Monthly Usage:

Month	Year	Consumers	KWH Sold
December	2020	16,367	22,124,132
January	2021	16,339	23,581,625
February	2021	16,340	18,806,594
March	2021	16,298	13,719,540
April	2021	16,310	12,097,308
May	2021	16,318	12,579,310
June	2021	16,327	14,731,443
July	2021	16,303	15,899,330
August	2021	16,390	15,201,327
September	2021	16,384	11,557,377
October	2021	16,405	13,581,303
November	2021	16,407	17,919,246
Totals		196,188	191,798,535
Averages		16,349	15,983,211
Average Usage			978

From EKPC's Response to Request No. 2:

Licking Valley's Total Net (Over) Recovery	(\$62,743)
Monthly Amortization, Six-Month Amortization Period	(\$10,457)

Impact of Over-Recovery on Average Residential Bill:Actual Average Residential Bill:

<u>12-Month Average Residential KWH usage as of November 30, 2021</u>	978
Energy @ 0.092002	\$89.98
Customer Charge	\$14.00
Fuel Adjustment @ (-.003696)	-\$3.61
Environmental Surcharge @ 12.32%	\$12.37
Total	\$112.74

Average Residential Bill with Amortization:

Energy @ 0.092002	\$89.98
Customer Charge	\$14.00
Fuel Adjustment @ (-.003696)	-\$3.61
Environmental Surcharge @ 11.82%	\$11.86
Total	\$112.23

Dollar Impact on Average Residential Bill	-\$0.51
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East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
 Pass Through Mechanism Report for Licking Valley RECC

For the Month Ending November 2021

	(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 Licking Valley	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Licking Valley	EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	Licking Valley Revenue Requirement	Amortization of (Over)/Under Recovery	Licking Valley Net Revenue Requirement	Licking Valley Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Licking Valley Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Licking Valley Pass Through Mechanism Factor
	Col. (1) - Col. (2)		Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col. (3) x Col. (7)		Col. (9) + Col. (9)			Col. (11) - Col. (12)	Col. (10) / Col. (14)	
Dec-19	16.68%	0.00%	16.68%	\$ 1,513,437	\$ -	\$ 1,513,437	\$ 1,239,036	\$ 206,671	\$ (1,966)	\$ 204,805	\$ 2,261,596	\$ -	\$ 2,261,596	\$ 2,040,320	10.00%
Jan-20	14.98%	0.00%	14.98%	\$ 1,417,229	\$ -	\$ 1,417,229	\$ 1,221,355	\$ 175,387	\$ (1,863)	\$ 173,524	\$ 2,475,099	\$ -	\$ 2,475,099	\$ 2,013,583	8.50%
Feb-20	15.18%	0.00%	15.18%	\$ 1,281,908	\$ -	\$ 1,281,908	\$ 1,222,204	\$ 185,531	\$ -	\$ 165,531	\$ 1,611,113	\$ -	\$ 1,611,113	\$ 1,985,343	9.21%
Mar-20	16.96%	0.00%	16.96%	\$ 1,043,006	\$ -	\$ 1,043,006	\$ 1,196,750	\$ 202,969	\$ -	\$ 202,969	\$ 1,728,147	\$ -	\$ 1,728,147	\$ 1,944,019	10.33%
Apr-20	19.98%	0.00%	19.98%	\$ 876,935	\$ -	\$ 876,935	\$ 1,183,146	\$ 236,993	\$ 1,163	\$ 237,556	\$ 1,665,331	\$ -	\$ 1,665,331	\$ 1,952,413	12.22%
May-20	22.60%	0.00%	22.60%	\$ 892,984	\$ -	\$ 892,984	\$ 1,171,270	\$ 264,707	\$ 1,163	\$ 265,870	\$ 1,677,434	\$ -	\$ 1,677,434	\$ 1,942,078	13.62%
Jun-20	23.36%	0.00%	23.36%	\$ 1,036,934	\$ -	\$ 1,036,934	\$ 1,166,977	\$ 272,606	\$ 1,163	\$ 273,769	\$ 1,789,234	\$ -	\$ 1,789,234	\$ 1,933,833	14.10%
Jul-20	22.37%	0.00%	22.37%	\$ 1,308,415	\$ -	\$ 1,308,415	\$ 1,168,262	\$ 261,340	\$ 1,163	\$ 262,503	\$ 2,129,815	\$ -	\$ 2,129,815	\$ 1,932,003	13.57%
Aug-20	16.03%	0.00%	16.03%	\$ 1,212,157	\$ -	\$ 1,212,157	\$ 1,166,524	\$ 186,994	\$ 1,163	\$ 188,157	\$ 1,988,040	\$ -	\$ 1,988,040	\$ 1,929,236	9.74%
Sep-20	17.43%	0.00%	17.43%	\$ 979,809	\$ -	\$ 979,809	\$ 1,154,742	\$ 201,272	\$ 1,166	\$ 202,438	\$ 1,578,307	\$ -	\$ 1,578,307	\$ 1,913,464	10.49%
Oct-20	20.85%	0.00%	20.85%	\$ 865,836	\$ -	\$ 865,836	\$ 1,144,588	\$ 238,647	\$ -	\$ 238,647	\$ 1,673,099	\$ -	\$ 1,673,099	\$ 1,900,523	12.47%
Nov-20	23.61%	0.00%	23.61%	\$ 1,082,935	\$ -	\$ 1,082,935	\$ 1,125,965	\$ 265,840	\$ -	\$ 266,840	\$ 2,069,856	\$ -	\$ 2,069,856	\$ 1,987,256	13.99%
Dec-20	20.88%	0.00%	20.88%	\$ 1,494,819	\$ -	\$ 1,494,819	\$ 1,124,414	\$ 234,778	\$ -	\$ 234,778	\$ 2,535,887	\$ -	\$ 2,535,887	\$ 1,910,113	12.44%
Jan-21	14.00%	0.00%	14.00%	\$ 1,535,543	\$ -	\$ 1,535,543	\$ 1,344,273	\$ 158,798	\$ -	\$ 158,798	\$ 2,787,413	\$ -	\$ 2,787,413	\$ 1,938,140	8.31%
Feb-21	13.21%	0.00%	13.21%	\$ 1,422,143	\$ -	\$ 1,422,143	\$ 1,145,960	\$ 151,381	\$ -	\$ 151,381	\$ 2,317,233	\$ -	\$ 2,317,233	\$ 2,003,323	7.82%
Mar-21	16.29%	0.00%	16.29%	\$ 1,289,542	\$ -	\$ 1,289,542	\$ 1,166,504	\$ 190,024	\$ -	\$ 190,024	\$ 1,828,232	\$ -	\$ 1,828,232	\$ 2,024,073	9.53%
Apr-21	17.88%	0.00%	17.88%	\$ 1,037,876	\$ -	\$ 1,037,876	\$ 1,179,916	\$ 210,969	\$ -	\$ 210,969	\$ 1,832,924	\$ -	\$ 1,832,924	\$ 2,017,289	10.53%
May-21	25.51%	0.00%	25.51%	\$ 929,968	\$ -	\$ 929,968	\$ 1,182,998	\$ 301,783	\$ -	\$ 301,783	\$ 1,758,832	\$ -	\$ 1,758,832	\$ 2,024,073	14.86%
Jun-21	23.02%	0.00%	23.02%	\$ 1,124,806	\$ -	\$ 1,124,806	\$ 1,190,321	\$ 274,012	\$ -	\$ 274,012	\$ 1,945,631	\$ -	\$ 1,945,631	\$ 2,037,106	13.54%
Jul-21	20.99%	0.00%	20.99%	\$ 1,224,341	\$ -	\$ 1,224,341	\$ 1,183,315	\$ 248,378	\$ -	\$ 248,378	\$ 2,112,677	\$ -	\$ 2,112,677	\$ 2,035,677	12.19%
Aug-21	18.92%	0.00%	18.92%	\$ 1,281,381	\$ -	\$ 1,281,381	\$ 1,189,083	\$ 224,975	\$ -	\$ 224,975	\$ 2,089,932	\$ -	\$ 2,089,932	\$ 2,044,168	11.05%
Sep-21	17.77%	0.00%	17.77%	\$ 1,023,541	\$ -	\$ 1,023,541	\$ 1,192,728	\$ 211,948	\$ -	\$ 211,948	\$ 1,754,070	\$ -	\$ 1,754,070	\$ 2,058,815	10.37%
Oct-21	21.18%	0.00%	21.18%	\$ 1,016,754	\$ -	\$ 1,016,754	\$ 1,205,304	\$ 255,283	\$ -	\$ 255,283	\$ 1,967,562	\$ -	\$ 1,967,562	\$ 2,085,354	12.40%
Nov-21	20.42%	0.00%	20.42%	\$ 1,707,528	\$ -	\$ 1,707,528	\$ 1,257,354	\$ 256,752	\$ -	\$ 256,752	\$ 1,967,562	\$ -	\$ 1,967,562	\$ 2,085,354	12.32%

Notes:
 Licking Valley Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
 Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

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Surcharge Factor Expense Month	(1) EKPC CESF %	(2) EKPC BESEF %	(3) EKPC MESF %	(4) EKPC Monthly Revenues from Sales to Licking Valley	(5) On-peak Revenue Adjustment	(6) EKPC Net Monthly Sales to Licking Valley	(7) EKPC 12-months Ended Average Monthly Revenue from Sales to Licking Valley	(8) Licking Valley Revenue Requirement	(9)* Amortization of (Over)/Under Recovery	(10) Licking Valley Net Revenue Requirement	(11) Licking Valley Total Monthly Retail Revenues	(12) On-Peak Retail Revenue Adjustment	(13) Licking Valley Net Monthly Retail Revenues	(14) 12-months ended Avg. Retail Revenues, Net	(15) Licking Valley Pass Through Mechanism Factor
	Col. (1) - Col. (2)	Col. (1) - Col. (2)	Col. (4) - Col. (5)	Col. (3) x Col. (7)	Col. (8) + Col. (9)	Col. (9) + Col. (10)	Col. (11) - Col. (12)	Col. (10) / Col. (14)							
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Notes:
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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 see EKPC's response to Request No. 8 of the Commission Staff's First Request for Information dated June 3, 2022.

Witness: Travis Stacy

VERIFICATION

The undersigned hereby verifies that the statements and information set forth in the foregoing application are true and correct to the best of my knowledge and belief.



Travis Stacy
Licking Valley Rural Electric Cooperative Corporation

STATE OF KENTUCKY
COUNTY OF Morgan

The foregoing was signed, acknowledged and sworn to before me by **TRAVIS STACY** on behalf of **Licking Valley Rural Electric Cooperative Corporation**, this 24th day of June, 2022.

My commission expires 07/16/2024



Notary Public, State of Kentucky at Large

(seal)