

FLEMING-MASON ENERGY COOPERATIVE, INC.

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PUBLIC SERVICE COMMISSION

September 11, 2007

Mr. Dennis G. Howard, II Assistant Attorney General Utility & Rate Intervention Division 1024 Capital Center Dr. Frankfort, KY 40601

RE: Case No. 2007-00022

Dear Mr. Howard:

Enclosed is the information requested in the Attorney General's Supplemental Requests for Information dated August 28 2007.

Also enclosed is a copy of the responses to the Kentucky Public Service Commission's "Third Data Request" dated August 28, 2007.

Sincerely,

Joni K. Hazelrigg

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CFO

Enclosures

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Item 1
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Witness: Chris Perry

Fleming-Mason Energy Case No. 2007-00022 Attorney General's Supplemental Data Requests

1. Please provide information regarding any subsidiary in which Fleming-Mason Energy Cooperative has any interest and identify the percentage of Fleming-Mason's interest in all such entities identified. Is any subsidiary co-owned with any other parties? If so, please identify the party or parties.

Response:

Fleming Mason Energy Cooperative currently has interest in two (2) subsidiaries:

Fleming-Mason Service Corporation Kentucky Wireless, LLC

Both subsidiaries are fully owned by Fleming-Mason Energy and there are no other parties involved. Fleming-Mason Service Corp. provides wireless internet to rural customers in the Fleming-Mason Energy service territory.

Please note that Kentucky Wireless, LLC does not have any assets or liabilities and is just a name at this time.

Also, it should be noted that Fleming-Mason Energy is in the process of selling all assets of Fleming-Mason Service Corporation and this subsidiary will be dissolved in the very near future.

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2. Please provide information regarding any resource sharing arrangements between Fleming-Mason Energy Cooperative and any subsidiary including by way of illustration but not of limitation, office space, mailboxes, employees, salary sharing, and accounting arrangements.

Response:

Fleming-Mason Energy has diligently maintained separate accounting records for Fleming-Mason Service Corporation and has allocated costs to the Service Corporation on a monthly basis. Please refer to Fleming-Mason Energy's response to the PSC Third Data Request, Items No.7a and 7b for details on this allocation.

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3. Please provide information regarding any and all costs or expenses that Fleming-Mason Energy Cooperative has incurred or may incur in the future on behalf of any subsidiary.

Response:

All costs regarding the subsidiary, Fleming-Mason Service Corp., have been booked on Fleming-Mason Energy's general ledger in accordance with generally accepted accounting procedures. Fleming-Mason Energy does not foresee incurring any additional costs after the sale of the subsidiary

All costs associated with the subsidiary have been excluded for rate-making purposes.

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4. Please identify the recipients of retirement benefits in 2005 – 2006. For such recipients, please identify the party, the amount of any payments, the nature of the recipient's responsibility with the company and the date of each payment.

Response:

Fleming-Mason Energy provides a defined benefit retirement plan for its employees. This plan is an IRS approved plan fully administered by a third party, Merrill Lynch. Upon normal retirement, employees are given a choice of a lump-sum payout, or an annuity. All employees to date have chosen the lump-sum payout. These payouts will vary year to year based upon the number of employees that retire in that given year. These payouts are calculated by an actuarial firm contracted by Merrill Lynch and are calculated based on strict IRS guidelines. The payouts for the past 9 years are as follows:

1998	\$131,500
1999	\$276,105
2000	\$210
2001	\$285,464
2002	\$541,286
2003	\$0
2004	\$315,009
2005	\$2,397
2006	\$540,649

In 2005, one employee terminated employment, and in 2006 two employees retired under normal retirement conditions after many years of service with Fleming-Mason Energy.

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5. Please identify the stock holders of Fleming-Mason Service Corporation and the Wireless subsidiaries and the percentage of share owned by all such parties identified.

Response:

Fleming-Mason Service Corp.:

100% owned by Fleming-Mason Energy

Kentucky Wireless LLC:

No shares of stock have been issued – company has no activity.

100% owned by Fleming-Mason Energy