

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF AN	)	
ALTERNATIVE RATE ADJUSTMENT FOR BLUE	)	CASE NO.
GRASS ENERGY COOPERATIVE	)	2025-00103
CORPORATION PURSUANT TO 807 KAR 5:078	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO BLUE GRASS ENERGY COOPERATIVE CORP.

Blue Grass Energy Cooperative Corp. (Blue Grass Energy), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on June 12, 2025. The Commission directs Blue Grass Energy to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Blue Grass Energy shall make timely amendment to any prior response if Blue Grass Energy obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Blue Grass Energy fails or refuses to furnish all or part of the requested information, Blue Grass Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Blue Grass Energy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State whether Blue Grass Energy has had any increase in Right-of-Way (ROW) Expense since the test year. If so, state the reason(s) for any increase.
2. Provide the number of miles of ROW maintenance, the cost per mile, and the total cost expended, individually, for each calendar year 2020, 2021, 2022, 2023, and 2024. Provide the projected cost for ROW maintenance for calendar year 2025.

3. Refer to the response provided in Item 2 of this request. Explain whether the 2025 projection include cost necessary to “catch up” the previous year’s ROW maintenance. If so, provide the projected expense and miles of ROW attributable to a previous calendar year.

4. State whether Blue Grass Energy is presently meeting its six-year clearing cycle. If not, explain why and indicate how long it will take to meet the cycle under the proposed revenue requirement.

5. State whether Blue Grass Energy has considered a four-year or five-year ROW clearing cycle. If not, explain why.

6. State the TIER and OTIER requirements for each of Blue Grass Energy’s debt covenants.

7. Refer to Exhibit 25 and Schedule 1.08. Provide the line items from Exhibit 25 that make up the expense lines 1–6 from Schedule 1.08.

8. Refer to Schedule 1.08. Explain the calculation of the Pro Forma Year Amount of \$25,381.

9. Refer to Exhibit 25 and Schedule 1.09. Provide the line items from Exhibit 25 that make up the Director Expense amounts being removed in Schedule 1.09.

10. Refer to Schedule 1.11 and Exhibit 15. Provide all documentation for the 2025 FFB loan for \$10,000,000.

11. Refer to Direct Testimony of Laura Logan, pages 9–10.

a. Provide the annual wage and salary surveys used for wage increases.

b. Describe the annual performance reviews used to determine wage increases.

c. Provide any written criteria or approved criteria by the Board regarding wage increases.

12. Refer to Schedule 1.12.

a. Provide the number of employees Blue Grass Energy would need to be fully staffed.

b. Provide the number of Blue Grass Energy employees as of the filing of this data request.

c. Explain why the regular hours worked over 2,080 for employees during the test year were not considered overtime.

13. Refer to the Wolfram Direct Testimony, Exhibit JW-3 at 1. The General Service Time-of-Day Rate shows a rate of return before rate revisions of 1.88 percent, which is less than the total rate of return of 1.95 percent. Explain why Blue Grass Energy did not propose an increase to the General Service Time-of-Day Rate, as it is currently a subsidized rate class.

14. Refer to the Wolfram Direct Testimony, page 24, lines 4 through 6, and Exhibit JW-3, pages 1 and 2. The Residential and Farm Time-of-Day Rate shows a negative rate of return after proposed rate revisions. The Residential and Farm Time-of-Day Rate also has a cost-based customer charge of \$23.25 per month. The current customer charge is \$25.91. Explain how the rate of return remains negative with a customer charge currently set over a cost-based customer charge rate.

15. Provide a detailed schedule of rate case expenses incurred to date for the categories listed below. For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation supporting charges incurred in preparing this rate case. Indicate any costs incurred for this case that occurred during the test year.

- a. Accounting;
- b. Engineering;
- c. Legal;
- d. Consultants; and
- e. Other Expenses (Identify separately).

16. Refer to Question 15, Items a–e. Provide an itemized estimate of the total rate case expense to be incurred for this case. Expenses should be broken down into the same categories as identified in Items a–e above, with an estimate of the hours to be worked and the hourly rates. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.



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Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED MAY 27 2025

cc: Parties of Record

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