

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

In the Matter of:

Electronic Emergency Docket Related

To The Novel Coronavirus Covid-19

Case No. 2020-00085

**Responses filed by:
Farmers Rural Electric Cooperative Corporation**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Emergency Docket Related

To The Novel Coronavirus Covid-19

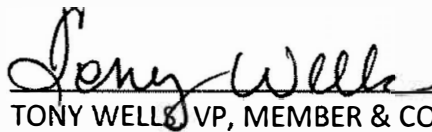
Case No. 2020-00085

VERIFICATION

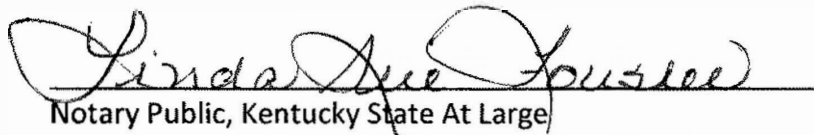
Tony Wells, Vice President, Member & Corporate Services of Farmers Rural Electric Cooperative Corporation, being duly sworn, states that he has supervised the preparation of responses to Requests for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Dated: July 6, 2020

FARMERS RURAL ELECTRIC COOPERATIVE


TONY WELLS, VP, MEMBER & CORPORATE SERVICES

Subscribed, sworn to, and acknowledged before me by Tony Wells, Vice President, Member & Corporate Services for Farmers Rural Electric Cooperative Corporation on behalf of said Corporation this 6th day of July, 2020.


Notary Public, Kentucky State At Large

ID: 625999

My Commission Expires: 07-30-2023

LINDA SUE FOUSHEE
NOTARY PUBLIC
STATE AT LARGE KENTUCKY
COMM. # 625999
MY COMMISSION EXPIRES JULY 30, 2023

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Emergency Docket Related

To The Novel Coronavirus Covid-19

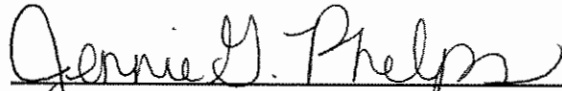
Case No. 2020-00085

VERIFICATION

Jennie Gibson Phelps, Vice President, Finance & Accounting of Farmers Rural Electric Cooperative Corporation, being duly sworn, states that she has supervised the preparation of responses to Requests for Information in the above-referenced case 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.

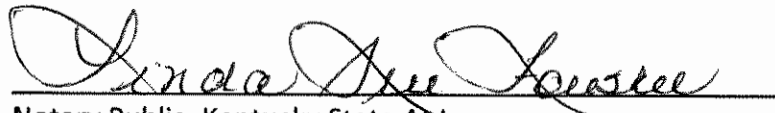
Dated: July 6, 2020

FARMERS RURAL ELECTRIC COOPERATIVE



JENNIE G. PHELPS, VP, FINANCE & ACCOUNTING

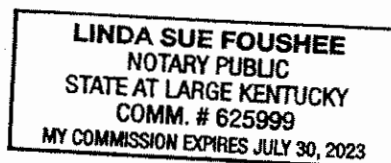
Subscribed, sworn to, and acknowledged before me by Jennie Gibson Phelps, Vice President, Finance & Accounting for Farmers Rural Electric Cooperative Corporation on behalf of said Corporation this 6th day of July, 2020.



Notary Public, Kentucky State At Large

ID: 625999

My Commission Expires: 07-30-2023



Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 1** Provide the utility's current number of customers and the date used for that determination:

Response: For the month of June, 2020 Farmers RECC billed 25,706 accounts.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 2 If applicable, provide the utility's current number of customers and the date used for that determination.

Response: For the month of June, 2020 Farmers RECC billed the following accounts per class:

| | |
|------------------------|---------------|
| Residential | 23,883 |
| Commercial < 1,000 kVA | 1,811 |
| Commercial > 1,000 kVA | 6 |
| Street Lighting | 6 |
| Total | <u>25,706</u> |

**Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request**

- 3** If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customer for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

Response: The data requested is as follows:

| Period | Total Billed | Total Bills | Average Bill |
|----------------|---------------|-------------|--------------|
| Jul - Dec 2017 | \$ 27,665,591 | 25,335 | \$ 182.00 ** |
| 2018 | \$ 60,192,517 | 25,421 | \$ 197.32 |
| 2019 | \$ 56,682,423 | 25,544 | \$ 184.92 |
| 20-Jan | \$ 4,837,352 | 25,674 | \$ 188.41 |
| 20-Feb | \$ 5,461,271 | 25,631 | \$ 213.07 |
| 20-Mar | \$ 4,586,086 | 25,653 | \$ 178.77 |
| 20-Apr | \$ 3,924,914 | 25,652 | \$ 153.01 |
| 20-May | \$ 3,773,867 | 25,661 | \$ 147.07 |
| 20-Jun | \$ 3,754,793 | 25,706 | \$ 146.07 |

**The Cooperative only retains a rolling 36 month historical computer record for each member's usage. Therefore, year 2017 reflects six months of data for the July - December period.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 4 If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customers in each class for:
- 2017 as a year, not each month;
 - 2018 as a year, not each month;
 - 2019 as a year, not each month; and
 - Each month in 2020

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

Response: The data requested is as follows:

| Residential | | | | | |
|--------------------|---------------------|--------------------|---------------------|----|--|
| Period | Total Billed | Total Bills | Average Bill | | |
| Jul - Dec 2017 | \$ 18,581,593 | 23,462 | \$ 132.00 | ** | |
| 2018 | \$ 41,618,163 | 23,490 | \$ 147.64 | | |
| 2019 | \$ 39,222,326 | 23,652 | \$ 138.19 | | |
| 20-Jan | \$ 3,555,290 | 23,816 | \$ 149.28 | | |
| 20-Feb | \$ 4,015,244 | 23,777 | \$ 168.87 | | |
| 20-Mar | \$ 3,347,299 | 23,793 | \$ 140.68 | | |
| 20-Apr | \$ 2,778,365 | 23,790 | \$ 116.79 | | |
| 20-May | \$ 2,656,118 | 23,829 | \$ 111.47 | | |
| 20-Jun | \$ 2,697,271 | 23,883 | \$ 112.94 | | |

| Commercial < 1,000 kVA | | | | | |
|----------------------------------|---------------------|--------------------|---------------------|----|--|
| Period | Total Billed | Total Bills | Average Bill | | |
| Jul - Dec 2017 | \$ 4,350,883 | 1,860 | \$ 389.86 | ** | |
| 2018 | \$ 8,866,154 | 1,918 | \$ 385.22 | | |
| 2019 | \$ 8,779,459 | 1,880 | \$ 389.16 | | |
| 20-Jan | \$ 671,473 | 1,846 | \$ 363.75 | | |
| 20-Feb | \$ 725,533 | 1,842 | \$ 393.88 | | |
| 20-Mar | \$ 622,297 | 1,848 | \$ 336.74 | | |
| 20-Apr | \$ 605,535 | 1,850 | \$ 327.32 | | |
| 20-May | \$ 568,860 | 1,820 | \$ 312.56 | | |
| 20-Jun | \$ 611,120 | 1,811 | \$ 337.45 | | |

| Commercial > 1,000 kVA | | | | | |
|----------------------------------|---------------------|--------------------|----|---------------------|----|
| Period | Total Billed | Total Bills | | Average Bill | |
| Jul - Dec 2017 | \$ 4,696,597 | 6 | \$ | 130,461.03 | ** |
| 2018 | \$ 9,632,871 | 6 | \$ | 133,789.87 | |
| 2019 | \$ 8,599,732 | 6 | \$ | 119,440.73 | |
| 20-Jan | \$ 603,339 | 6 | \$ | 100,556.48 | |
| 20-Feb | \$ 714,154 | 6 | \$ | 119,025.70 | |
| 20-Mar | \$ 610,051 | 6 | \$ | 101,675.09 | |
| 20-Apr | \$ 534,582 | 6 | \$ | 89,096.99 | |
| 20-May | \$ 542,363 | 6 | \$ | 90,393.75 | |
| 20-Jun | \$ 439,600 | 6 | \$ | 73,266.66 | |

| Street Lighting | | | | | |
|------------------------|---------------------|--------------------|----|---------------------|----|
| Period | Total Billed | Total Bills | | Average Bill | |
| Jul - Dec 2017 | \$ 36,517 | 7 | \$ | 5,216.71 | ** |
| 2018 | \$ 75,329 | 7 | \$ | 10,761.29 | |
| 2019 | \$ 80,906 | 6 | \$ | 13,484.33 | |
| 20-Jan | \$ 7,250 | 6 | \$ | 1,208.33 | |
| 20-Feb | \$ 6,341 | 6 | \$ | 1,056.83 | |
| 20-Mar | \$ 6,439 | 6 | \$ | 1,073.17 | |
| 20-Apr | \$ 6,431 | 6 | \$ | 1,071.83 | |
| 20-May | \$ 6,526 | 6 | \$ | 1,087.67 | |
| 20-Jun | \$ 6,803 | 6 | \$ | 1,133.76 | |

| Total | | | | | |
|----------------|---------------------|--------------------|----|---------------------|----|
| Period | Total Billed | Total Bills | | Average Bill | |
| Jul - Dec 2017 | \$ 27,665,591 | 25,335 | \$ | 182.00 | ** |
| 2018 | \$ 60,192,517 | 25,421 | \$ | 197.32 | |
| 2019 | \$ 56,682,423 | 25,544 | \$ | 184.92 | |
| 20-Jan | \$ 4,837,352 | 25,674 | \$ | 188.41 | |
| 20-Feb | \$ 5,461,271 | 25,631 | \$ | 213.07 | |
| 20-Mar | \$ 4,586,086 | 25,653 | \$ | 178.77 | |
| 20-Apr | \$ 3,924,914 | 25,652 | \$ | 153.01 | |
| 20-May | \$ 3,773,867 | 25,661 | \$ | 147.07 | |
| 20-Jun | \$ 3,754,793 | 25,706 | \$ | 146.07 | |

**The Cooperative only retains a rolling 36 month historical computer record for each member's usage. Therefore, year 2017 reflects six months of data for the July - December period.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 5 If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020

Response: The data requested is as follows:

| Period | Total Billed | Total Bills | Average Bill | |
|----------------|---------------------|--------------------|---------------------|----|
| Jul - Dec 2017 | \$ 25,555,492 | 25,335 | \$ 168.12 | ** |
| 2018 | \$ 53,984,216 | 25,421 | \$ 176.97 | |
| 2019 | \$ 51,624,777 | 25,544 | \$ 168.42 | |
| 20-Jan | \$ 4,394,581 | 25,674 | \$ 171.17 | |
| 20-Feb | \$ 5,025,126 | 25,631 | \$ 196.06 | |
| 20-Mar | \$ 4,077,139 | 25,653 | \$ 158.93 | |
| 20-Apr | \$ 3,409,726 | 25,652 | \$ 132.92 | |
| 20-May | \$ 3,106,059 | 25,661 | \$ 121.04 | |
| 20-Jun | \$ 3,283,342 | 25,706 | \$ 127.73 | |

**The Cooperative only retains a rolling 36 month historical computer record for each member's usage. Therefore, year 2017 reflects six months of data for the July - December period.

**Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request**

- 6** If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers in each class for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

Response: The data requested is as follows:

| Residential | | | | |
|--------------------|---------------------|--------------------|---------------------|----|
| Period | Total Billed | Total Bills | Average Bill | |
| Jul - Dec 2017 | \$ 16,566,217 | 23,462 | \$ 117.68 | ** |
| 2018 | \$ 36,025,291 | 23,490 | \$ 127.80 | |
| 2019 | \$ 34,539,341 | 23,652 | \$ 121.69 | |
| 20-Jan | \$ 3,144,006 | 23,816 | \$ 132.01 | |
| 20-Feb | \$ 3,598,910 | 23,777 | \$ 151.36 | |
| 20-Mar | \$ 2,857,790 | 23,793 | \$ 120.11 | |
| 20-Apr | \$ 2,292,008 | 23,790 | \$ 96.34 | |
| 20-May | \$ 2,248,710 | 23,829 | \$ 94.37 | |
| 20-Jun | \$ 2,279,356 | 23,883 | \$ 95.44 | |

| Commercial < 1,000 kVA | | | | |
|----------------------------------|---------------------|--------------------|---------------------|----|
| Period | Total Billed | Total Bills | Average Bill | |
| Jul - Dec 2017 | \$ 4,255,799 | 1,860 | \$ 381.34 | ** |
| 2018 | \$ 8,600,113 | 1,918 | \$ 373.66 | |
| 2019 | \$ 8,529,389 | 1,880 | \$ 378.08 | |
| 20-Jan | \$ 640,249 | 1,846 | \$ 346.83 | |
| 20-Feb | \$ 704,943 | 1,842 | \$ 382.71 | |
| 20-Mar | \$ 602,464 | 1,848 | \$ 326.01 | |
| 20-Apr | \$ 576,329 | 1,850 | \$ 311.53 | |
| 20-May | \$ 530,159 | 1,820 | \$ 291.30 | |
| 20-Jun | \$ 557,584 | 1,811 | \$ 307.89 | |

| Commercial > 1,000 kVA | | | | |
|----------------------------------|---------------------|--------------------|---------------------|----|
| Period | Total Billed | Total Bills | Average Bill | |
| Jul - Dec 2017 | \$ 4,696,597 | 6 | \$ 130,461.03 | ** |
| 2018 | \$ 9,282,077 | 6 | \$ 128,917.73 | |
| 2019 | \$ 8,473,784 | 6 | \$ 117,691.45 | |
| 20-Jan | \$ 603,339 | 6 | \$ 100,556.48 | |
| 20-Feb | \$ 714,154 | 6 | \$ 119,025.70 | |
| 20-Mar | \$ 610,051 | 6 | \$ 101,675.09 | |
| 20-Apr | \$ 534,582 | 6 | \$ 89,096.99 | |
| 20-May | \$ 320,395 | 6 | \$ 53,399.19 | |
| 20-Jun | \$ 439,600 | 6 | \$ 73,266.66 | |

| Street Lighting | | | | |
|------------------------|---------------------|--------------------|---------------------|----|
| Period | Total Billed | Total Bills | Average Bill | |
| Jul - Dec 2017 | \$ 36,517 | 7 | \$ 5,216.71 | ** |
| 2018 | \$ 75,329 | 7 | \$ 10,761.29 | |
| 2019 | \$ 80,906 | 6 | \$ 13,484.33 | |
| 20-Jan | \$ 7,250 | 6 | \$ 1,208.33 | |
| 20-Feb | \$ 6,341 | 6 | \$ 1,056.83 | |
| 20-Mar | \$ 6,439 | 6 | \$ 1,073.17 | |
| 20-Apr | \$ 6,431 | 6 | \$ 1,071.83 | |
| 20-May | \$ 6,526 | 6 | \$ 1,087.67 | |
| 20-Jun | \$ 6,803 | 6 | \$ 1,133.76 | |

| Total | | | | |
|---------------|---------------------|--------------------|---------------------|--|
| Period | Total Billed | Total Bills | Average Bill | |
| 2017 | \$ 25,555,130 | 25,335 | \$ 168.11 | |
| 2018 | \$ 53,982,810 | 25,421 | \$ 176.96 | |
| 2019 | \$ 51,623,420 | 25,544 | \$ 168.41 | |
| 20-Jan | \$ 4,394,843 | 25,674 | \$ 171.18 | |
| 20-Feb | \$ 5,024,348 | 25,631 | \$ 196.03 | |
| 20-Mar | \$ 4,076,743 | 25,653 | \$ 158.92 | |
| 20-Apr | \$ 3,409,350 | 25,652 | \$ 132.91 | |
| 20-May | \$ 3,105,790 | 25,661 | \$ 121.03 | |
| 20-Jun | \$ 3,283,342 | 25,706 | \$ 127.73 | |

**The Cooperative only retains a rolling 36 month historical computer record for each member's usage. Therefore, year 2017 reflects six months of data for the July - December period.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 7 Explain how the utility calculates bad debt.
- Explain the decision criteria governing when the utility writes off bad debt.
 - Provide the monthly bad debt write-offs for each month in 2018, 2019, and 2020.
 - If the utility has changed its calculation or determination of bad debt in the past two years, explain its previous calculation or determination of bad debt and the reason for the change.

Response:

a. A member is issued a final bill and two reminder letters. Then, four months from the month the member is disconnected, Farmers RECC writes off the bad debt.

b. The following table shows gross bad debt write-offs by month. The data for year 2020 is provided through June.

| | 2018 | 2019 | 2020 |
|-----------|-----------|-----------|-----------|
| January | \$ 3,840 | \$ 6,375 | \$ 1,984 |
| February | \$ 2,120 | \$ 2,276 | \$ 2,636 |
| March | \$ 1,793 | \$ 3,812 | \$ 3,592 |
| April | \$ 2,866 | \$ 8,101 | \$ 4,078 |
| May | \$ 10,055 | \$ 4,003 | \$ 5,036 |
| June | \$ 8,753 | \$ 3,795 | \$ 3,734 |
| July | \$ 8,892 | \$ 7,320 | |
| August | \$ 4,607 | \$ 4,055 | |
| September | \$ 3,015 | \$ 3,284 | |
| October | \$ 4,579 | \$ 3,409 | |
| November | \$ 5,245 | \$ 4,444 | |
| December | \$ 8,278 | \$ 3,595 | |
| Total | \$ 64,041 | \$ 54,471 | \$ 21,060 |

c. Farmers RECC has not changed its calculation or determination of bad debts in the past two years.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 8 Assuming the Commission's moratorium on disconnections was not in effect, provide the number of customers in each class that would be subject to disconnection and the date used for this determination.

Response: The data requested is as follows:

Residential

| Date For Disconnection | Number Customers |
|------------------------|------------------|
| 3/16/2020 - Post Pay | 47 |
| 4/8/2020 - Post Pay | 145 |
| 4/15/2020 - Post Pay | 259 |
| 4/22/2020 - Post Pay | 232 |
| 4/30/2020 - Post Pay | 162 |
| 5/8/2020 - Post Pay | 256 |
| 5/15/2020 - Post Pay | 224 |
| 5/22/2020 - Post Pay | 210 |
| 5/30/2020 - Post Pay | 211 |
| 6/8/2020 - Post Pay | 221 |
| 6/15/2020 - Post Pay | 198 |
| 6/22/2020 - Post Pay | 163 |
| 6/30/2020 - Post Pay | 175 |
| 3/31/2020 - Pre Pay | 231 ** |
| 4/30/2020 - Pre Pay | 298 ** |
| 5/31/2020 - Pre Pay | 310 ** |
| 6/30/2020 - Pre Pay | 370 ** |

** Prepay members are subject to disconnection daily. This is a snapshot of prepay members, subject to disconnection, at the end of March, April, May and June. Refer to Question 17 for additional details on the prepay accounts.

Commercial < 1,000 kVA

| Date For Disconnection | Number Customers |
|------------------------|------------------|
| 3/16/2020 | 1 |
| 4/8/2020 | 3 |
| 4/15/2020 | 3 |
| 4/22/2020 | 2 |
| 4/30/2020 | 19 |
| 5/8/2020 | 9 |
| 5/15/2020 | 6 |
| 5/22/2020 | 5 |
| 5/30/2020 | 23 |
| 6/8/2020 | 9 |
| 6/15/2020 | 3 |
| 6/22/2020 | 4 |
| 6/30/2020 | 15 |

Commercial > 1,000 kVA

| | |
|-----------|---|
| 4/20/2020 | 0 |
| 5/19/2020 | 0 |
| 6/23/2020 | 0 |

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 9 Provide the percent of customers, by class, that pay on time for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020.

Response: The data requested is as follows:

| Residential | | | |
|--------------------|---------------------------|--------------------|---------------------------|
| Period | Delinquent Notices | Total Bills | Bills Paid On Time |
| Jul - Dec 2017 | 21,026 | 140,772 | 85.06% |
| 2018 | 42,461 | 281,879 | 84.94% |
| 2019 | 41,505 | 283,820 | 85.38% |
| 20-Jan | 3,505 | 23,816 | 85.28% |
| 20-Feb | 3,320 | 23,777 | 86.04% |
| 20-Mar | 3,622 | 23,793 | 84.78% |
| 20-Apr | 2,888 | 23,790 | 87.86% |
| 20-May | 3,002 | 23,829 | 87.40% |
| 20-Jun | 1,559 | 23,883 | 93.47% |

| Commercial < 1,000 kVA | | | |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Period | Delinquent Notices | Total Bills | Bills Paid On Time |
| Jul - Dec 2017 | 1,016 | 11,170 | 90.90% |
| 2018 | 1,926 | 23,040 | 91.64% |
| 2019 | 1,986 | 22,561 | 91.20% |
| 20-Jan | 124.00 | 1,846 | 93.28% |
| 20-Feb | 168.00 | 1,842 | 90.88% |
| 20-Mar | 155.00 | 1,848 | 91.61% |
| 20-Apr | 179.00 | 1,850 | 90.32% |
| 20-May | 178.00 | 1,820 | 90.22% |
| 20-Jun | 93.00 | 1,811 | 94.86% |

| Commercial > 1,000 kVA | | | |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Period | Delinquent Notices | Total Bills | Bills Paid On Time |
| Jul - Dec 2017 | 0 | 36 | 100.00% |
| 2018 | 2 | 72 | 99.77% |
| 2019 | 2 | 72 | 99.77% |
| 20-Jan | 0 | 6 | 100.00% |
| 20-Feb | 0 | 6 | 100.00% |
| 20-Mar | 0 | 6 | 100.00% |
| 20-Apr | 1 | 6 | 83.33% |
| 20-May | 1 | 6 | 83.33% |
| 20-Jun | 0 | 6 | 100.00% |

| Street Lighting | | | |
|------------------------|---------------------------|--------------------|---------------------------|
| Period | Delinquent Notices | Total Bills | Bills Paid On Time |
| Jul - Dec 2017 | 0 | 7 | 100.00% |
| 2018 | 0 | 7 | 100.00% |
| 2019 | 0 | 6 | 100.00% |
| 20-Jan | 0 | 6 | 100.00% |
| 20-Feb | 0 | 6 | 100.00% |
| 20-Mar | 0 | 6 | 100.00% |
| 20-Apr | 0 | 6 | 100.00% |
| 20-May | 0 | 6 | 100.00% |
| 20-Jun | 0 | 6 | 100.00% |

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 11 Provide the total income received from late payment fees for:
- a. Each month in 2017;
 - b. Each month in 2018;
 - c. Each month in 2019;
 - d. Each month in 2020;

Response: The data requested is as follows:
The information for year 2020 is provided through June.

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|-----------|-------------|-------------|-------------|-------------|
| January | \$ 44,329 | \$ 49,657 | \$ 44,794 | \$ 33,272 |
| February | \$ 26,138 | \$ 36,340 | \$ 26,995 | \$ 22,594 |
| March | \$ 36,698 | \$ 50,454 | \$ 35,554 | \$ 16,636 |
| April | \$ 18,737 | \$ 27,435 | \$ 29,211 | \$ - |
| May | \$ 27,252 | \$ 40,330 | \$ 21,979 | \$ - |
| June | \$ 14,391 | \$ 16,474 | \$ 18,978 | \$ - |
| July | \$ 23,236 | \$ 37,090 | \$ 48,050 | \$ - |
| August | \$ 39,458 | \$ 30,633 | \$ 20,685 | |
| September | \$ 20,322 | \$ 21,070 | \$ 28,211 | |
| October | \$ 30,813 | \$ 32,847 | \$ 36,582 | |
| November | \$ 14,480 | \$ 16,166 | \$ 15,453 | |
| December | \$ 24,258 | \$ 24,522 | \$ 39,566 | |

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

12 Quantify the amount of the late payment fees the utility would have assessed since March 16, 2020, absent the Commission's directive.

Response: The data requested is as follows: \$ 78,069

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 13** Provide copies of all general communication provided to customers regarding arrearages, late payment, payment plans, etc. since March 16, 2020. Customer-specific communication is excluded from this request.

Response: See attachments for general communications posted via Farmers RECC's website, Facebook and Twitter. Farmers RECC also communicated with its members in the May and June issues of Kentucky Living.

Coronavirus Communications

March 17, 2020:

Website

"With the uncertainty created by the coronavirus pandemic, we know that the people we serve are facing many concerns. Farmers RECC is dedicated to doing what we can to live up to the trust that our members place in us to bring them safe, affordable and reliable power.

As a cooperative, we have a responsibility to do what is in the best interest of all of our members. We will be closing our lobbies, beginning on Wednesday, March 18, 2020 to help limit the direct exposure of our employees and members. Our goal is to decrease the likelihood of illness and resulting work disruptions so that we can continue to provide our members continuity of service. Members are still able to pay bills and conduct all other necessary business through our mobile app, our website, by phone or the night deposit. Anyone with questions regarding any of these options can call 270-651-2191. We ask that anyone who can do business by phone to please do so in order to keep drive-thru times down.

In addition, we are suspending disconnection of service to members for non-payment or low funds for a temporary period. While this is not normal procedure, we are sensitive to the well-being of all our members. Late payment and disconnect notices will not be sent at this time, however, this does not remove members' responsibility to pay their bills. We encourage any member who is facing financial difficulty during this time to call us.

As we move through this challenging time together, Farmers RECC is dedicated to finding the best solutions for our membership and our communities. For existing members requesting new services with an existing Farmers RECC membership, please contact us at 270-651-2191 ext. 1871 or via email at <billing@farmersrecc.net>.

For those needing to establish service for the first time with the Cooperative, Application Forms are available on our website at farmersrecc.com, or at the Glasgow office near the front door or you can contact us at the above information so we can email you an application.

For new service requests involving construction or upgrades to existing services, please contact us at 270-651-2191 ext. 1873 or via email at <engineering@farmersrecc.net>.

Payments can be received at our drive thru at the Glasgow office, in our night deposit, or via credit card payment over the phone."

March 17, 2020
Facebook/Twitter

"Farmers RECC is temporarily suspending service disconnections for non-payment. We understand the importance of electrical service, particularly during this pandemic, and we continue to look for ways to support member needs during this time. Farmers RECC will continue, as it always has, to work with members experiencing hardships, and we appreciate our members working with us to keep their accounts as current as possible."

March 18, 2020
Facebook/Twitter

Another Bright Idea from Farmers RECC

Farmers RECC's Mobile App is fast, convenient and secure.

- Pay your bill.
- Check account balances.
- Update account information.
- View daily energy use.
- Locate offices.
- Set up alerts and reminders.
- All on-the-go.

Search for the free Farmers RECC app in the Google Play store and in the App Store.

Google play App Store

Farmers RECC • 270-651-2191 • www.farmersrecc.com

March 24, 2020
Facebook/Twitter

"We are currently not disconnecting service to members for non-payment or low funds and are suspending new late fees for a limited time. While this is not normal procedure, we are sensitive to the well-being of all of our members. Though disconnects may not occur, it remains the responsibility of each account holder to pay as they can, which will help avoid a larger balance in the future. Bills will continue to be sent as usual. Local Community Action agencies still have LIHEAP funds available until March 31st. Please feel free to contact them to see if you qualify for assistance and to get more information on how to apply. Find out more at our website www.farmersrecc.com/COVID19"



March 24, 2020
Website

"We are currently not disconnecting service to members for non-payment or low funds and are suspending new late fees for a limited time. While this is not normal procedure, we are sensitive to the well-being of all of our members. Though disconnects may not occur, it remains the responsibility of each account holder to pay as they can, which will help avoid a larger balance in the future. Bills will continue to be sent as usual.

Local Community Action agencies still have LIHEAP funds available until March 31st. Please feel free to contact them to see if you qualify for assistance and to get more information on how to apply.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalfe County: 270-432-4006"

March 26, 2020
Facebook/Twitter

Another Bright Idea from Farmers RECC

Farmers RECC's Mobile App is fast, convenient and secure.

- Pay your bill.
- Check account balances.
- Update account information.
- View daily energy use.
- Locate offices.
- Set up alerts and reminders.
- All on-the-go.

Search for the free Farmers RECC app in the Google Play store and in the App Store.

Google play Available on the iPhone App Store

Farmers RECC • 270-651-2191 • www.farmersrecc.com

March 27, 2020
Website

"We understand that our members may have questions or concerns about bill payment, disconnects and other business functions during the COVID-19 pandemic. Please read our Frequently Asked Questions and if you have any additional questions or concerns, please call us at 270-651-2191."

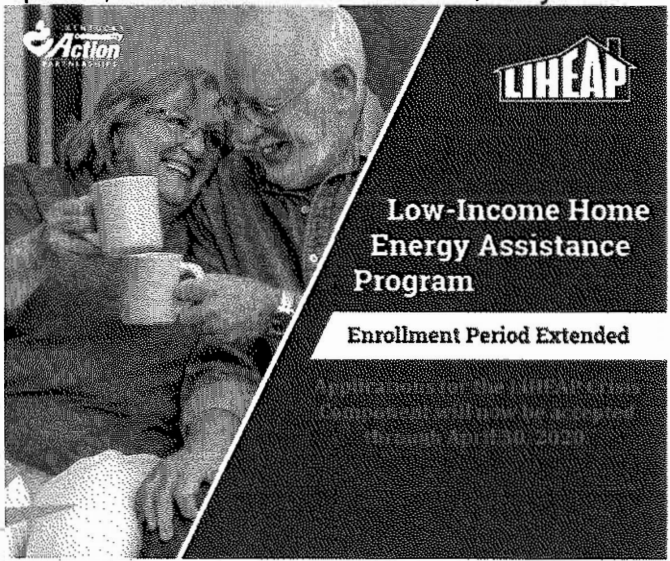
March 27, 2020
Facebook/Twitter

"We remain committed to our members and we understand that you may have questions about your interaction with us in the coming days or weeks. Take a look at the 'Frequently Asked Questions' sheet at the link below. Don't see your question answered? Give us a call at 270-651-2191!
<https://www.farmersrecc.com/COVID19>"



March 31, 2020
Facebook/Twitter

"Applications for the LIHEAP Crisis Component will now be accepted through April 30, 2020. For more information, call your local Community Action agency!"




April 3, 2020
Facebook/Twitter

"Although our lobbies are closed, there are still several no-contact ways to pay your bill! Plus, we have extended drive thru hours to remain open from 7:30AM - 6:30PM Monday thru Friday!"

5 WAYS TO MAKE BILL PAYING EASIER
Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!

1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191




April 8, 2020
Facebook/Twitter

"While we are not disconnecting services at this time, it remains the responsibility of each member to pay as they can, which will help avoid larger balances in the future. While our lobbies may be closed, you can still pay through all of our no-contact methods!"

5 WAYS TO MAKE BILL PAYING EASIER
Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!

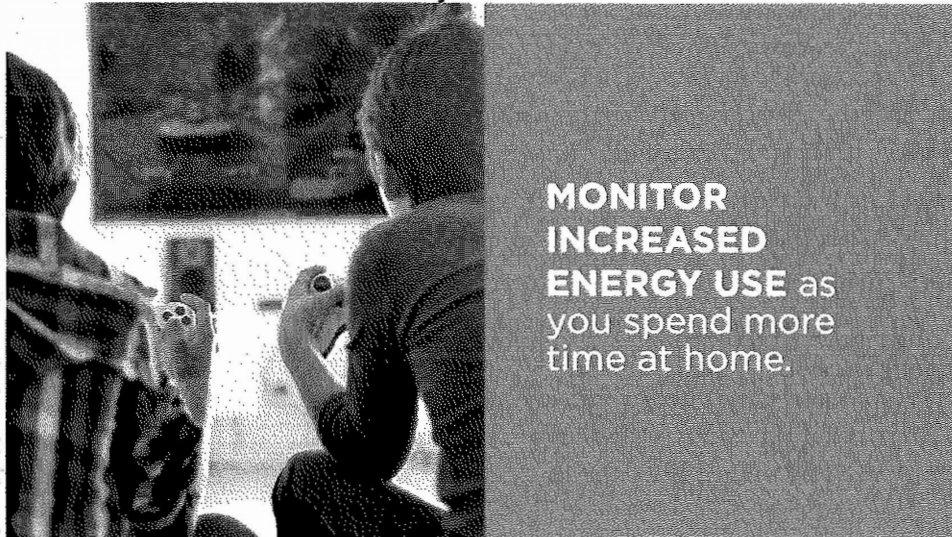
1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191



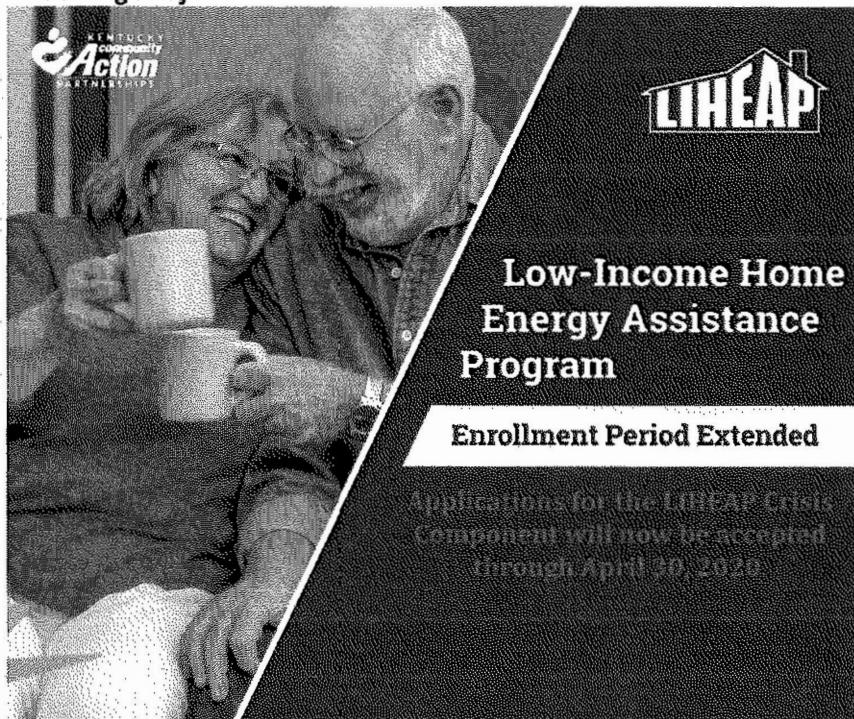
April 9, 2020
Facebook/Twitter

"If all your family members are home during this time, you may be using more energy. Keep in mind, more energy use will result in a larger bill. Keep an eye on your daily energy use by using the 'Your Meter' feature in our 'Member Center' at farmersrecc.com. #TeamKentucky"



April 10, 2020
Facebook/Twitter

"Just a reminder that applications for the LIHEAP Crisis Component will now be accepted through April 30, 2020. For more information, call your local Community Action agency!"




April 15, 2020
Facebook/Twitter

"While we are not disconnecting services at this time, it remains the responsibility of each member to pay as they can, which will help avoid larger balances in the future!"

5 WAYS TO MAKE BILL PAYING EASIER
Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!


1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191



April 17, 2020
Facebook/Twitter

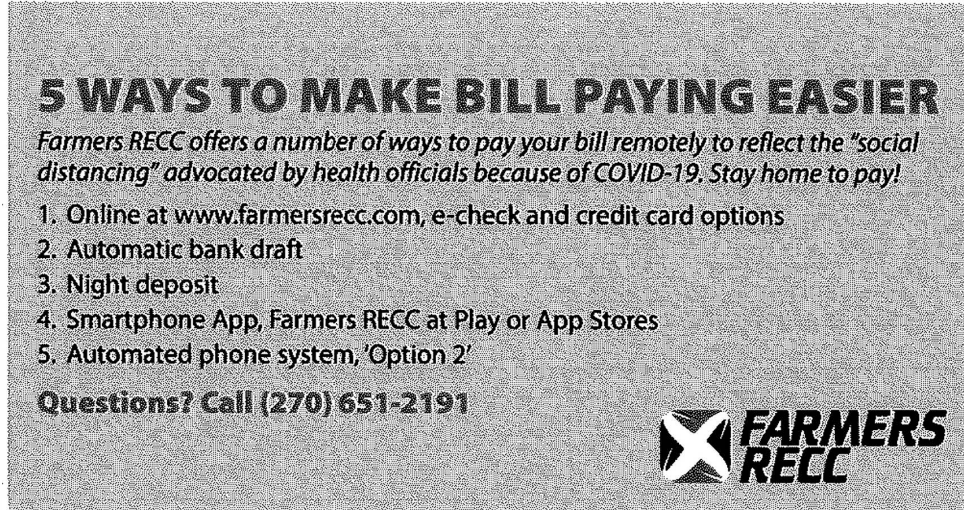
"If all your family members are home during this time, you may be using more energy. Keep in mind, more energy use will result in a larger bill. Keep an eye on your daily energy use by using the 'Your Meter' feature in our 'Member Center' at farmersrecc.com. #TeamKentucky"



**MONITOR
INCREASED
ENERGY USE** as
you spend more
time at home.

April 22, 2020
Facebook/Twitter

"While we are not disconnecting services at this time, it remains the responsibility of each member to pay as they can, which will help avoid larger balances in the future!"




5 WAYS TO MAKE BILL PAYING EASIER

Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!



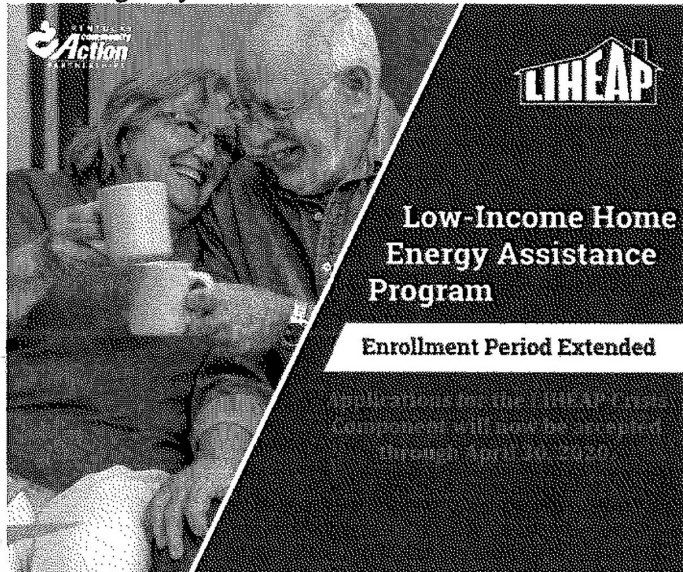
1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191



April 23, 2020
Facebook/Twitter

"Just a reminder that applications for the LIHEAP Crisis Component will be accepted through April 30, 2020. For more information, call your local Community Action agency!"



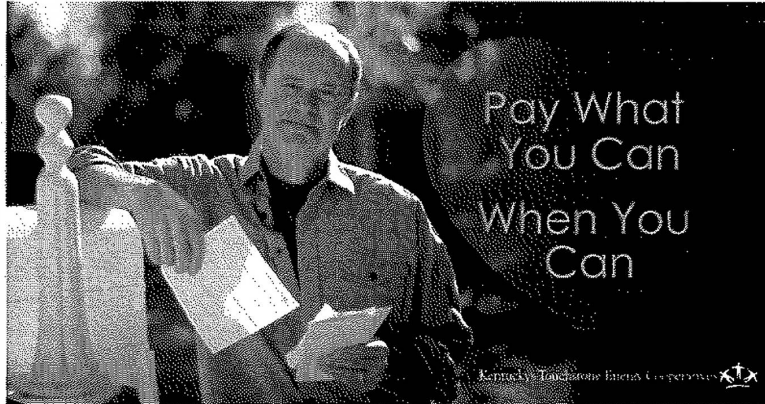
Low-Income Home Energy Assistance Program

Enrollment Period Extended

Applications for the LIHEAP Crisis Component will now be accepted through April 30, 2020.

April 27, 2020
Facebook/Twitter

"As we begin another work week, we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each person who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy so give us a call at 270-651-2191."



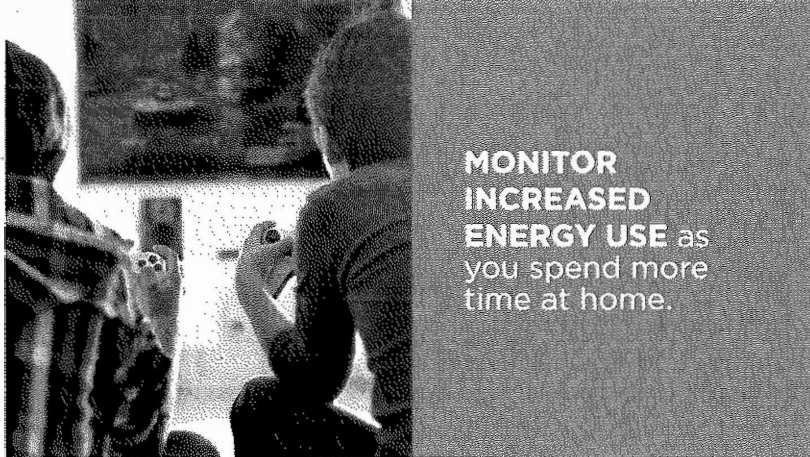
April 27, 2020
Facebook/Twitter

"Electric cooperatives across Kentucky are reporting a surge in scammers attempting to exploit Kentuckians amidst the COVID-19 crisis. Members have reported receiving calls from someone claiming to work for the local electric co-op and threatening to disconnect service without immediate payment. We are currently not disconnecting services at this time. If you receive a phone call like this, call us at 270-651-2191 and the Attorney General's office at 1-888-432-9257."

**SCAM
ALERT!**

April 28, 2020
Facebook/Twitter

"If all your family members are home during this time, you may be using more energy. Keep in mind, more energy use will result in a larger bill. Keep an eye on your daily energy use by using the 'Your Meter' feature in our 'Member Center' at farmersrecc.com."



April 30, 2020
Facebook/Twitter

"Remember all of our no-contact ways to pay!"

5 WAYS TO MAKE BILL PAYING EASIER
Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!

1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191



Item 13
Page 12 of 24
Witness: Jennie
Phelps

May 11, 2020
Facebook/Twitter

"Contact your local Community Action agency to see if you qualify!"

NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

FARMERS RECC
A Touchstone Energy Cooperative

First-come, first-served low-income assistance now available.

Apply now. New LIHEAP spring enrollment deadline is June 30.

May 13, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalf County: 270-432-4006"

NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

FARMERS RECC
A Touchstone Energy Cooperative

First-come, first-served low-income assistance now available.

Apply now. New LIHEAP spring enrollment deadline is June 30.

Item 13

Page 13 of 24

Witness: Jennie Phelps

May 18, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalf County: 270-432-4006"

NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

FARMERS RECC
A Touchstone Energy Cooperative

First-come, first-served low-income assistance now available.

Apply now. New LIHEAP spring enrollment deadline is June 30.

May 19, 2020
Facebook/Twitter

"We understand this is a difficult time and we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each person who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy so give us a call at 270-651-2191."

Pay What You Can
When You Can

Kentucky Touchstone Energy Cooperative

Item 13

Page 14 of 24

Witness: Jennie
Phelps

May 27, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalfe County: 270-432-4006"

NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

First-come, first-served low-income assistance now available.

FARMERS RECC
A Teachers Energy Cooperative

Apply now. New LIHEAP spring enrollment deadline is June 30.

June 1, 2020
Facebook/Twitter

"We understand this is a difficult time and we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each person who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy use so give us a call at 270-651-2191."

Pay What You Can
When You Can

Kentucky Teachers Energy Cooperative

Item 13
Page 15 of 24
Witness: Jennie
Phelps

June 3, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalf County: 270-432-4006"



NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

FARMERS RECC
A Telephone Energy Cooperative

First-come, first-served low-income assistance now available.

Apply now. New LIHEAP spring enrollment deadline is June 30.

June 5, 2020
Facebook/Twitter

"Remember all of our no-contact ways to pay!"



5 WAYS TO MAKE BILL PAYING EASIER

Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!

1. Online at www.farmersrecc.com, e-check and credit card options
2. Automatic bank draft
3. Night deposit
4. Smartphone App, Farmers RECC at Play or App Stores
5. Automated phone system, 'Option 2'

Questions? Call (270) 651-2191

FARMERS RECC

Item 13
Page 16 of 24
Witness: Jennie
Phelps

June 8, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalf County: 270-432-4006"

NEED HELP WITH YOUR ELECTRIC BILL?

KENTUCKY community Action PARTNERSHIPS

FARMERS RECC
A Touchstone Energy Cooperative

First-come, first-served low-income assistance now available.

Apply now. New LIHEAP spring enrollment deadline is June 30.

June 10, 2020
Facebook/Twitter

"We understand this is a difficult time and we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each person who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy use so give us a call at 270-651-2191."

Pay What You Can
When You Can

Kentucky Community Action Partnerships

June 10, 2020
Facebook/Twitter

"We have received phone calls about members being disconnected if they don't make an immediate payment. This is a scam. We are always willing to help our members with payment arrangements. Please call us at 270-651-2191 if you have any questions about your account."



June 15, 2020
Facebook/Twitter

"To find out what resources are available for assistance, contact your local Community Action agency. The spring enrollment period deadline is June 30.
Barren County: 270-651-8171
Hart County: 270-524-0224
Metcalfe County: 270-432-4006"

NEED HELP WITH YOUR ELECTRIC BILL?



Kentucky
**community
Action**
PARTNERSHIPS



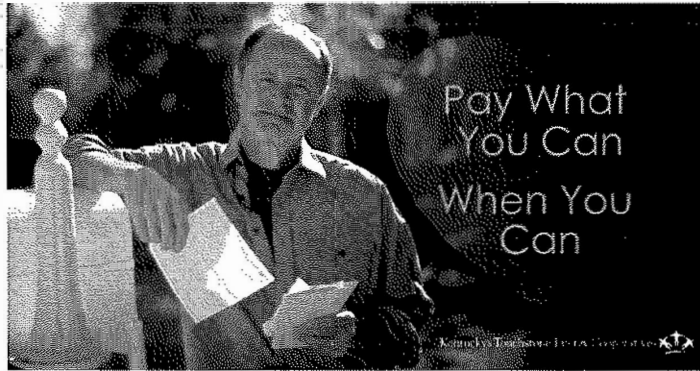
**FARMERS
RECC**
A Touchstone Energy Cooperative

First-come, first-served
low-income assistance
now available.

Apply now. New LIHEAP
spring enrollment deadline
is June 30.

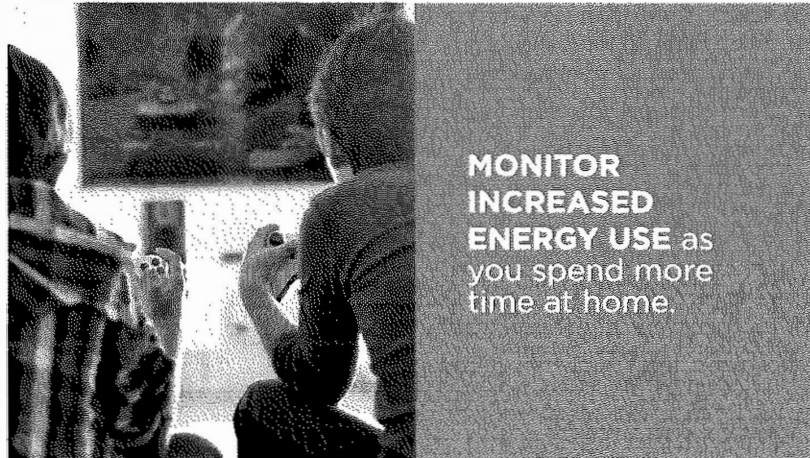
June 17, 2020
Facebook/Twitter

"We understand this is a difficult time and we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each person who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy use so give us a call at 270-651-2191."



June 18, 2020
Facebook/Twitter

"If all your family members are home during this time, you may be using more energy. Keep in mind, more energy use will result in a larger bill. Keep an eye on your daily energy use by using the 'Your Meter' feature in our 'Member Center' at farmersrecc.com."



June 22, 2020
Facebook/Twitter

"There are still funds available at your local Community Action agency to assist with utility needs. To find out qualifications and apply for assistance, contact your local Community Action agency.

Barren County: 270-651-8171

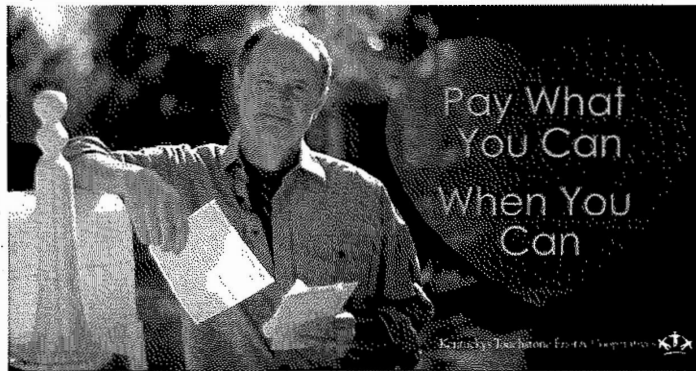
Hart County: 270-524-0224

Metcalfe County: 270-432-4006"



June 24, 2020
Facebook/Twitter

"We understand this is still a difficult time and we want to remind our members not to be overwhelmed, especially about their electric bill. We are here to work with each member who may be struggling during the public health situation. Just pay what you can, when you can. This will help avoid large balances in the future. We want to help you manage your energy use so give us a call at 270-651-2191."



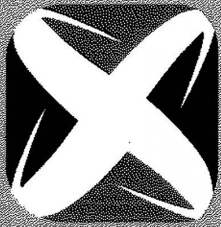
Item 13

Page 20 of 24

Witness: Jennie
Phelps

June 26, 2020
Facebook/Twitter

"Reminder: While disconnections for nonpayment have been postponed, members will still be responsible for their full bill amount. Prepaid members will still be responsible for the full balance on their account. We are postponing disconnection of service only, not the actual bill. We want to encourage our members to pay as much as they can on their bill, both regular billing and prepaid accounts, to prevent larger bills in the coming months. If you have questions concerning how much you owe, please call us at 270-651-2191, and we will be happy to assist you."



FARMERS RECC

cooperative news

MAY 2020

Item 13
Page 21 of 24
A Touchstone Energy Cooperative
Witness: Jennie Phelps

Cooperative strength in crisis

Someday, some future historian will calculate the long-term damage inflicted by the COVID-19 pandemic on our families, communities and economy.

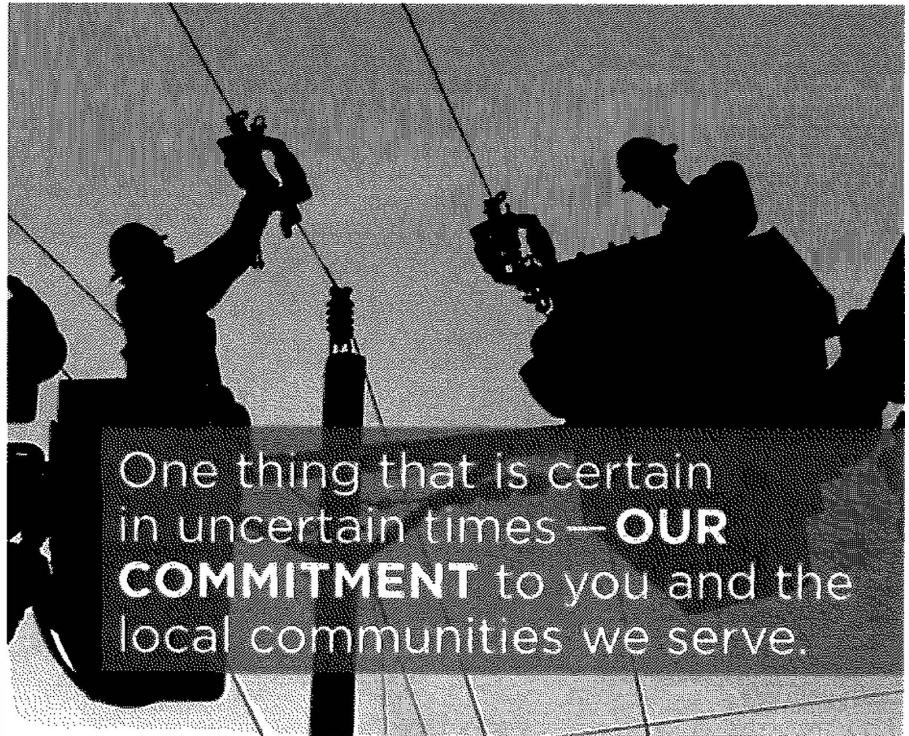
For today, I am taking account of how this crisis has not only exposed the vulnerabilities of humankind, but our strengths, as well.

For the families, communities and businesses served by Farmers RECC, our most significant strength is our sense of community. The spirit that helped our parents and grandparents build this cooperative is still with us today. And, I dare say, we will need to rely on that spirit and sense of community as we ultimately reclaim our lives from this terrible disruption.

Farmers RECC is proud to serve you and we are proud of the way our communities have rallied to help each other in times of uncertainty and distress.

Guided by cooperative values, Farmers RECC has taken a number of steps since March related to the outbreak of the COVID-19 coronavirus, in particular doing our part to discourage transmission of the virus. These measures are important not only to protect the public but to protect our ability to continue to serve you without disruption. We know that you have placed your trust in us to bring you safe, affordable and reliable power.

There are still many challenging days ahead for us, but I do want to take a moment to thank everyone we serve for your patience and goodness during



One thing that is certain in uncertain times — **OUR COMMITMENT** to you and the local communities we serve.

critical times. I also want to publicly thank the entire team here at Farmers RECC for their tireless dedication in service to all of our member-owners.

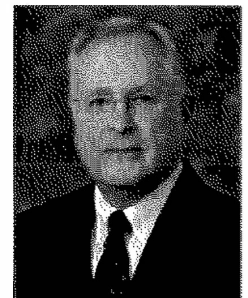
I often reflect on the Seven Cooperative Principles, the ideals for the operation of any cooperative. Three of those seven principles stand out to me today:

Education, Training and Information: Farmers RECC is committed to keeping you informed and serving as a trusted resource upon which you can rely.

Cooperation among Cooperatives: Our service to you has been buoyed by our partnership with the 25 other electric cooperatives in Kentucky and

our statewide association, the publisher of *Kentucky Living*.

Concern for Community: Farmers RECC is dedicated to the safety and wellbeing of the people we serve, during times of crisis and as we recover together.



William T. Prather
President & CEO

Item 13
Page 22 of 24
Witness: Jennie Phelps



2020 FARMERS RECC ANNUAL MEETING

THURSDAY, JULY 9 • 5:30PM-8:00 P.M.

CONTACT US



Corporate Office
504 South Broadway
Glasgow, KY 42141
Phone (270) 651-2191
Fax (270) 651-7332
www.farmersrecc.com

William T. Prather, President and CEO

Woodford L. Gardner Jr., Attorney

Board of Directors

Randy London Paul C. Hawkins
C. F. Martin Jr. Neil Pendencygraft
Ronnie Smith Brandi Williams
Randy Sexton

CALL (270) 651-2191

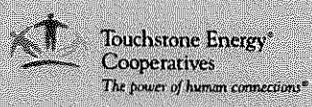
When calling from these exchanges:
Cave City (773) Edmonton (432)
Fountain Run (434) Gamaliel (457)
Hiseville (453) Lucas (646)
Park City (749) Temple Hill (427)
Summer Shade (428)
Greater Glasgow (678) (659) (651)

CALL (800) 253-2191

When calling from these exchanges:
Bonnieville (531) Buffalo (325)
Canmer (528) Center (565)
Horse Cave (786) Magnolia (324)
Munfordville (524)
and other exchanges not listed above.

Farmers RECC provides reasonably priced, dependable electricity to more than 25,000 total services in place over 3,623 miles of line in Barren, Hart, Metcalfe, Adair, Edmonson, Green, Grayson and LaRue counties.

Caralyne Pennington, Editor



CAVE CITY CONVENTION CENTER
502 Mammoth Cave Street, Cave City, KY
Registration begins at 5:30PM
Entertainment begins at 6 p.m.
Annual Business Meeting begins at 7 p.m.

Denny Whalen Caricaturist
Farmers RECC Scholarship drawing
Electric vehicle display
Energy efficiency information



Entertainment by Rockland Road

FREE energy-saving lightbulb for members who attend!



Each registered member will receive a bucket and LED bulb and will be entered into drawings for door prizes. Members MUST be present to win.



5 ways to make bill paying easier

Farmers RECC offers a number of ways to pay your bill remotely to reflect the "social distancing" advocated by health officials because of COVID-19. Stay home to pay!

- Online at www.farmersrecc.com, e-check and credit card options
- Automatic bank draft
- Night deposit
- Smartphone App, Farmers RECC at Play or App Stores
- Automated phone system, 'Option 2'

Questions? Call (270) 651-2191



FARMERS RECC

cooperative news

Item 13

JUNE 2020

Page 23 of 24

Witness: Jennie

Phelps

A Touchstone Energy Cooperative

We're here for you

As we all deal with the new realities brought on by the coronavirus, I want to assure you that your local electric cooperative is here to help you. We have always had an emergency plan that has served us well in a variety of circumstances, from ice storms to tornadoes to flash floods. Early in this crisis, our staff updated that plan with a special emphasis on ensuring we can continue to provide the reliable electric service you have come to expect from your electric cooperative.

So far, that is exactly what has happened. We know that after a sufficient supply of food and water, electricity is the No. 1 thing you need to maintain some sense of normalcy as we hunker down in our homes. With that in mind, keeping the power flowing is job one for everyone involved in maintaining the electric cooperative system.

That starts with our generation cooperative, East Kentucky Power Cooperative, which has taken extreme measures to ensure its workforce is healthy and its power plants are functioning as needed.

We thought you might want to know some of the steps we have taken in order to keep your power flowing. We've closed our lobbies to prevent the spread of germs. Instead, we are encouraging members to use our night deposit, online, phone, mobile app and mail payment options.

We've divided departments into shifts so that they can practice social distancing even when in the office and some employees are working from home. If you call, the phones will be answered as always.

We have separated our line crews from other

employees and even from each other to limit possible spread of the virus. Trucks have been relocated so that lineworkers can head to the job site without coming to the office. New routines are in place for contractors working on our system in order to keep them away from employees.

Our management team and board are meeting regularly to fine-tune this plan. We are in constant contact with the other electric cooperatives in Kentucky and with the Kentucky Electric Cooperatives office, which in turn is working closely with our national association, the state legislature, Gov. Andy Beshear and local officials.

So far, it is working well and everyone has adapted to the new norm. Nothing brings out the best in our employees better than a crisis situation.

Our focus here is on doing our part to keep your life as normal as possible through this situation and beyond. The cooperative way of doing business has brought us this far, and the cooperative way will help us through this crisis.

All the best to everyone. Stay healthy, stay home and we will get through this together, the cooperative way!



William T. Prather
President & CEO



Item 13
Page 24 of 24
Witness: Jennie Phelps

Annual meeting postponed

On the last day of 2019 when the World Health Organization first learned of dozens of cases of a pneumonia-like illness in Wuhan, China, the world had no idea that the coronavirus pandemic was about to spread rapidly to take thousands of lives—and close businesses—all across the globe.

In the months that followed, nearly everything shut down. March Madness was canceled. The Kentucky Derby was postponed. The magical world of Disney closed for public safety. Even our own annual youth tour visits to Frankfort and Washington, D.C., were canceled.

Farmers RECC's members' safety and well-being is and always will be a priority for us. At the time of this writing, our commonwealth is still under a state of emergency with only a few restrictions being eased and only under strict guidelines. Your board of directors felt it important to further protect you—our members—during the ongoing health

emergency and postponed this year's annual meeting scheduled for Thursday, July 9.

We will run our annual report for you as normal in July's *Kentucky Living* and will include postponement plans there. More details on the Farmers RECC Scholarship Drawing will be available in that issue as well. Eligibility and pre-registration is available on our website at www.farmersrecc.com/scholarship.

During this unprecedented event, many of us have learned the importance of being flexible and realized how truly special it is when families are able to spend time together. We have also learned how many unsung heroes are among our co-op family and in our service area.

- Thanks to the people across our local communities who have taken food to others, supported their local businesses, helped neighbors, or called friends and relatives who have been home alone just to see how they were doing.
- Appreciation for our nurses, doctors,

first responders, fire and police for their sacrifices to ensure our well-being at the sake of their own has grown immensely and is long overdue.

- A loud SHOUT OUT to all the other essential workers still working to keep our lives somewhat normal during these abnormal times. We couldn't do it without you!
- Our members' patience and understanding did not go unnoticed when concerns about COVID-19 changed Farmers RECC's operations forcing our office lobbies to close and alternate work schedules to be initiated.
- We also want to recognize our line-workers and all of our employees who kept our members' lights on and normal business functions going. Their efforts are truly heroic work.

We've all been battling against this horrible pandemic. But please remember that our nation has faced and overcome many crises. We will overcome COVID-19. We're in this together!



Another Bright Idea from Farmers RECC

Farmers RECC's Mobile App is fast, convenient and secure.

- Pay your bill.
- Check account balances.
- Update account information.
- View daily energy use.

- Locate offices.
- Set up alerts and reminders.
- All on-the-go.



Farmers RECC 270-651-2191 www.farmersrecc.com

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 14** Provide a detailed explanation and breakout of any cost increases and decreased income (by customer class if applicable) the utility has experienced as a result of the COVID-19 State of Emergency.

Response: Farmers RECC continues to monitor the circumstances surrounding the COVID-19 pandemic and related state of emergency. While it is not possible to provide a complete accounting of the costs associated with these events, Farmers RECC would estimate that its costs are currently as follows:

| | | | |
|---|----|---------|-------------------------------|
| Sanitizer Disinfecting Supplies | \$ | 1,405 | |
| Gloves & Masks | | 6,123 | |
| Thermometers | | 408 | |
| Installation of Glass Barriers & Other PPE in Offices | | 12,944 | |
| Respicaire Purification Devices on HVAC Systems | | 3,456 | |
| Added Security Measures | | 1,076 | |
| Est. Lost Revenue Late Fees | | 78,069 | <i>refer to Q.12 response</i> |
| Est. Lost Revenue Collection Fees | | 19,185 | |
| TOTAL | \$ | 122,665 | |

Farmers RECC has experienced a decrease in revenue, and subsequently, margins, as a result of the COVID-19 pandemic and related state of emergency. Several large industrial members (factories) shut down, along with a myriad of small and medium-size businesses due to the Governor's directives. Farmers RECC has not specifically estimated by class of service, the impact on sales due to the pandemic, but estimates have been made on total sales for the months of March, April, May and June. Those estimations were made, using a weather-normalization process. The estimations indicated a decline in total energy sales in March of 7% (estimated \$284k), in April of 16% (estimated \$519k), in May of 12% (estimated \$418k) and in June of 4% (estimated \$154k). Sales began to slowly normalize in late May as the Governor's directives allowed commercial accounts to begin to resume more normal operations.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 15** Provide a detailed explanation and breakout of any cost decreases and increased income the utility has experienced as a result of the COVID-19 State of Emergency.

Response: Employee budgeted training expenses and the associated cost of travel have been deferred during this COVID-19 pandemic and related state of emergency. Estimated budgeted amount for this training totaled \$22,200.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

- 16** Provide any additional information or data the utility believes the Commission should consider in amending or vacating its previous Orders in this matter.

Response: Farmers RECC is an electric cooperative owned by the members it serves. Accordingly, all costs are ultimately paid for by the members. The Cooperative continually seeks to tightly manage all costs to minimize the impact on our members. The primary risk posed by the continued moratorium on non-pay disconnections is that the write-offs for non-paid bills will rise. Higher write-off costs will ultimately have to be borne by the total membership.

With each additional month the moratorium is in effect, many of our most economically vulnerable members will fall further behind in their past due balances. The summer months bring hotter temperatures and correspondingly higher electric bills. Even with extended partial payment plans, arrearage balances may grow to such an amount that budgeting for and catching up balances may prove to be extremely difficult for these members.

Farmers RECC, as a normal part of daily business, has always worked with its members in a sensitive and professional manner when they have problems paying for their electric service. Farmers RECC would suggest that to help minimize increasing costs on the membership, that the Commission look to expedite the lifting of the moratorium. The Cooperative can then begin to work with its members so they will pay their past-due balances and bring their account current in a mutually-agreed upon manner.

Farmers Rural Electric Cooperative Corporation
Case No. 2020-00085
Commission Staff's Initial Request

17 If applicable, provide any information or concerns regarding the utility's prepay program as it related to the Commission's previous Orders in this docket.

Response: Since March 24, 2020, Farmers RECC has tracked the nonpayment of pay-as-you-go (prepay) members. Referring to the graph below, the prepay accounts in arrears has significantly increased to \$70,780, as of July 1, 2020. 25% (380 accounts) of all prepay members are behind on payment and would be subject to disconnection. As the summer months bring higher temperatures and correspondingly higher electric bills, the dollar value will continue to significantly climb.

