

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)
BLUE GRASS ENERGY COOPERATIVE)
CORPORTION FOR PASS-THROUGH OF EAST) Case No. 2021-00105
KENTUCKY POWER COOPERATIVE, INC.'S)
WHOLESALE RATE ADJUSTMENT)

BLUE GRASS ENERGY COOPERATIVE CORPORATION'S RESPONSE TO
COMMISSION STAFF'S REQUEST FOR INFORMATION ISSUED
SEPTEMBER 10, 2021

Filed: September 17, 2021

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

VERIFICATION OF JOHN WOLFRAM

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

John Wolfram, being duly sworn, states that he has supervised the preparation of his response to the instant request for information in this 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.



John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 17th day of September, 2021, by John Wolfram.



Notary Commission No. KYNP 10362

Commission expiration: 7/23/24



Blue Grass Energy Cooperative Corporation
Case No. 2021-00105
Commission Staff's Request for Information Issued September 10, 2021

1. Refer to Blue Grass Energy's July 30, 2021 filing of Revised Exhibits of the proposed rates for the pass-through of East Kentucky Power Cooperative, Inc.'s (EKPC) wholesale rate adjustment, Staff 1-5-Blue-Grass-Settle-v1.xlsx, Summary Tab. Also refer to Case No. 2021000103, EKPC's Responses to Staff's Post-Hearing Requests dated August 18, 2021, Item 10, PH_DR Response 10 Settle Rate Design CONFIDENTIAL.xlsx, Summary by Rate by Member Tab.
 - a. Reconcile the total increase allocated to Blue Grass Energy by EKPC, and the total increase Blue Grass Energy applied in the billing analysis.
 - b. Provide supporting analysis for this difference in Excel spreadsheet format with all formulas, columns, and rows unprotected and accessible.

Response:

- a. Please see attached. The EKPC exhibit was compiled by wholesale rate class, not by member system, while the distribution cooperative pass-through exhibits were prepared by member system. In the attachment, the first two pages show both, with the rate class data in columns and the member system data in rows, and a reconciliation of each at the bottom. The last four pages replicate the EKPC exhibit, but with a table added at the end to show the totals, along with a comparison to the member system data used in the pass-through exhibits.

The negligible differences between the values in the EKPC settlement exhibit and the distribution cooperative pass-through exhibit are due to rounding and calculation of the FAC and environmental surcharge. The pass-through amounts are less than the EKPC amount by \$31,791 out of \$38,343,000 or 0.083%.
- b. This response is being provided in Excel format and is uploaded separately.

1 **EKPC Member Settlement Data**
2 **By Rate Class & By Member**

Member	Rate B	Rate C	Rate E	Rate G	Contract	Steam	TGP	Total
Big Sandy								
Settlement Revenues	\$350,505	\$0	\$15,976,556	\$0	\$0	\$0	\$0	\$16,327,061
Current Revenues	\$341,987	\$0	\$15,194,682	\$0	\$0	\$0	\$0	\$15,536,669
Total Increase	\$8,518	\$0	\$781,874	\$0	\$0	\$0	\$0	\$790,392
Blue Grass								
Settlement Revenues	\$11,041,671	\$0	\$79,400,918	\$5,877,706	\$0	\$0	\$0	\$96,320,295
Current Revenues	\$10,757,845	\$0	\$75,472,253	\$5,730,294	\$0	\$0	\$0	\$91,960,392
Total Increase	\$283,826	\$0	\$3,928,665	\$147,412	\$0	\$0	\$0	\$4,359,903
Clark								
Settlement Revenues	\$0	\$0	\$32,717,171	\$0	\$0	\$0	\$0	\$32,717,171
Current Revenues	\$0	\$0	\$31,113,089	\$0	\$0	\$0	\$0	\$31,113,089
Total Increase	\$0	\$0	\$1,604,082	\$0	\$0	\$0	\$0	\$1,604,082
Cumberland Valley								
Settlement Revenues	\$0	\$0	\$31,512,747	\$0	\$0	\$0	\$0	\$31,512,747
Current Revenues	\$0	\$0	\$29,974,144	\$0	\$0	\$0	\$0	\$29,974,144
Total Increase	\$0	\$0	\$1,538,603	\$0	\$0	\$0	\$0	\$1,538,603
Farmers								
Settlement Revenues	\$0	\$2,953,037	\$33,284,670	\$0	\$0	\$0	\$0	\$36,237,707
Current Revenues	\$0	\$2,875,951	\$31,649,009	\$0	\$0	\$0	\$0	\$34,524,960
Total Increase	\$0	\$77,086	\$1,635,661	\$0	\$0	\$0	\$0	\$1,712,747
Fleming-Mason								
Settlement Revenues	\$0	\$7,327,351	\$32,309,544	\$13,965,828	\$0	\$10,994,937	\$3,422,394	\$68,020,054
Current Revenues	\$0	\$7,135,643	\$30,724,488	\$13,625,132	\$0	\$10,716,264	\$3,422,394	\$65,623,921
Total Increase	\$0	\$191,708	\$1,585,056	\$340,696	\$0	\$278,673	\$0	\$2,396,133
Grayson								
Settlement Revenues	\$1,776,804	\$0	\$16,707,035	\$0	\$0	\$0	\$0	\$18,483,839
Current Revenues	\$1,733,635	\$0	\$15,892,923	\$0	\$0	\$0	\$0	\$17,626,558
Total Increase	\$43,169	\$0	\$814,112	\$0	\$0	\$0	\$0	\$857,281
Inter-County								
Settlement Revenues	\$3,953,344	\$0	\$31,226,397	\$0	\$0	\$0	\$0	\$35,179,741
Current Revenues	\$3,853,087	\$0	\$29,674,742	\$0	\$0	\$0	\$0	\$33,527,829
Total Increase	\$100,257	\$0	\$1,551,655	\$0	\$0	\$0	\$0	\$1,651,912
Jackson								
Settlement Revenues	\$3,345,809	\$1,026,606	\$61,292,784	\$0	\$0	\$0	\$0	\$65,665,199
Current Revenues	\$3,261,843	\$1,001,698	\$58,279,094	\$0	\$0	\$0	\$0	\$62,542,635
Total Increase	\$83,966	\$24,908	\$3,013,690	\$0	\$0	\$0	\$0	\$3,122,564

1 **EKPC Member Settlement Data**
2 **By Rate Class & By Member**

Member	Rate B	Rate C	Rate E	Rate G	Contract	Steam	TGP	Total
Licking Valley								
Settlement Revenues	\$0	\$0	\$18,182,226	\$0	\$0	\$0	\$0	\$18,182,226
Current Revenues	\$0	\$0	\$17,298,143	\$0	\$0	\$0	\$0	\$17,298,143
Total Increase	\$0	\$0	\$884,083	\$0	\$0	\$0	\$0	\$884,083
Nolin								
Settlement Revenues	\$1,586,318	\$0	\$45,960,142	\$6,335,260	\$0	\$0	\$0	\$53,881,720
Current Revenues	\$1,546,266	\$0	\$43,686,325	\$6,160,848	\$0	\$0	\$0	\$51,393,439
Total Increase	\$40,052	\$0	\$2,273,817	\$174,412	\$0	\$0	\$0	\$2,488,281
Owen								
Settlement Revenues	\$16,110,405	\$0	\$78,730,730	\$0	\$42,843,443	\$0	\$0	\$137,684,578
Current Revenues	\$15,691,907	\$0	\$74,903,441	\$0	\$41,786,791	\$0	\$0	\$132,382,139
Total Increase	\$418,498	\$0	\$3,827,289	\$0	\$1,056,652	\$0	\$0	\$5,302,439
Salt River								
Settlement Revenues	\$8,047,315	\$0	\$79,407,544	\$0	\$0	\$0	\$0	\$87,454,859
Current Revenues	\$7,849,642	\$0	\$75,530,233	\$0	\$0	\$0	\$0	\$83,379,875
Total Increase	\$197,673	\$0	\$3,877,311	\$0	\$0	\$0	\$0	\$4,074,984
Shelby								
Settlement Revenues	\$10,206,097	\$0	\$24,416,179	\$0	\$0	\$0	\$0	\$34,622,276
Current Revenues	\$9,959,655	\$0	\$23,218,841	\$0	\$0	\$0	\$0	\$33,178,496
Total Increase	\$246,442	\$0	\$1,197,338	\$0	\$0	\$0	\$0	\$1,443,780
South Kentucky								
Settlement Revenues	\$4,089,161	\$5,838,007	\$83,854,942	\$0	\$0	\$0	\$0	\$93,782,110
Current Revenues	\$3,987,957	\$5,690,287	\$79,696,530	\$0	\$0	\$0	\$0	\$89,374,774
Total Increase	\$101,204	\$147,720	\$4,158,412	\$0	\$0	\$0	\$0	\$4,407,336
Taylor County								
Settlement Revenues	\$853,942	\$460,591	\$33,417,126	\$0	\$0	\$0	\$2,927,454	\$37,659,113
Current Revenues	\$831,893	\$449,732	\$31,773,345	\$0	\$0	\$0	\$2,927,454	\$35,982,424
Total Increase	\$22,049	\$10,859	\$1,643,781	\$0	\$0	\$0	\$0	\$1,676,689
Combined Totals								
Settlement Revenues	\$61,361,371	\$17,605,592	\$698,396,711	\$26,178,794	\$42,843,443	\$10,994,937	\$6,349,848	\$863,730,696
Current Revenues	\$59,815,717	\$17,153,311	\$664,081,282	\$25,516,274	\$41,786,791	\$10,716,264	\$6,349,848	\$825,419,487
Total Increase	\$1,545,654	\$452,281	\$34,315,429	\$662,520	\$1,056,652	\$278,673	\$0	\$38,311,209
Settlement Exhibit 3	\$1,548,673	\$452,238	\$34,314,065	\$663,320	\$1,086,030	\$278,674	\$0	\$38,343,000
Difference	(\$3,019)	\$43	\$1,364	(\$800)	(\$29,378)	(\$1)	\$0	(\$31,791)

-0.083%

Notes: Differences between calculated revenues and totals from Settlement Exhibit 3 are due to rounding and calculation of FAC and surcharge.
Rate E reflects E2 option and includes proposed changes in meter point and substation charges; Salt River Rate E includes generator credit.
TGP doesn't change due to the contract.

Rate B				
EKPC Member	Present	Settlement	Change	As Percent
Big Sandy	\$ 341,987	\$ 350,744	\$ 8,757	2.6%
Blue Grass	\$ 10,757,845	\$ 11,035,263	\$ 277,418	2.6%
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ -	\$ -	\$ -	
Grayson	\$ 1,733,635	\$ 1,778,438	\$ 44,803	2.6%
Inter-County	\$ 3,853,087	\$ 3,952,115	\$ 99,029	2.6%
Jackson	\$ 3,261,843	\$ 3,345,035	\$ 83,192	2.6%
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ 1,546,266	\$ 1,587,786	\$ 41,520	2.7%
Owen	\$ 15,691,907	\$ 16,113,009	\$ 421,101	2.7%
Salt River	\$ 7,849,642	\$ 8,048,401	\$ 198,759	2.5%
Shelby	\$ 9,959,655	\$ 10,210,443	\$ 250,788	2.5%
South Ky	\$ 3,987,957	\$ 4,089,565	\$ 101,608	2.5%
Taylor	\$ 831,893	\$ 853,592	\$ 21,699	2.6%
Total	\$ 59,815,719	\$ 61,364,392	\$ 1,548,673	2.6%

Rate C				
EKPC Member	Present	Settlement	Change	As Percent
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ 2,875,951	\$ 2,951,756	\$ 75,804	2.6%
Fleming-Mason	\$ 7,135,643	\$ 7,323,237	\$ 187,594	2.6%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ 1,001,698	\$ 1,027,537	\$ 25,839	2.6%
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ 5,690,287	\$ 5,841,773	\$ 151,486	2.7%
Taylor	\$ 449,732	\$ 461,248	\$ 11,516	2.6%
	\$ 17,153,311	\$ 17,605,550	\$ 452,238	2.6%

Rate E					
EKPC Member	Present	Settlement	Change	As Percent	
Big Sandy	\$ 15,194,682	\$ 15,975,151	\$ 780,469	5.1%	
Blue Grass	\$ 75,472,253	\$ 79,386,843	\$ 3,914,591	5.2%	
Clark	\$ 31,113,089	\$ 32,716,897	\$ 1,603,808	5.2%	
Cumberland Valley	\$ 29,974,144	\$ 31,510,531	\$ 1,536,387	5.1%	
Farmers	\$ 31,649,009	\$ 33,293,384	\$ 1,644,375	5.2%	
Fleming-Mason	\$ 30,724,488	\$ 32,298,923	\$ 1,574,435	5.1%	
Grayson	\$ 15,892,923	\$ 16,708,158	\$ 815,235	5.1%	
Inter-County	\$ 29,674,742	\$ 31,213,926	\$ 1,539,184	5.2%	
Jackson	\$ 58,279,094	\$ 61,279,815	\$ 3,000,721	5.1%	
Licking Valley	\$ 17,298,143	\$ 18,183,737	\$ 885,595	5.1%	
Nolin	\$ 43,686,325	\$ 45,954,243	\$ 2,267,918	5.2%	
Owen	\$ 74,903,441	\$ 78,763,857	\$ 3,860,416	5.2%	
Salt River	\$ 75,530,233	\$ 79,444,275	\$ 3,914,043	5.2%	
Shelby	\$ 23,218,841	\$ 24,414,042	\$ 1,195,202	5.1%	
South Ky	\$ 79,696,530	\$ 83,833,831	\$ 4,137,302	5.2%	
Taylor	\$ 31,773,345	\$ 33,417,730	\$ 1,644,385	5.2%	
	\$ 664,081,280	\$ 698,395,345	\$ 34,314,065	5.2%	

Rate G					
EKPC Member	Present	Settlement	Change	As Percent	
Big Sandy	\$ -	\$ -	\$ -		
Blue Grass	\$ 5,730,294	\$ 5,874,687	\$ 144,393	2.5%	
Clark	\$ -	\$ -	\$ -		
Cumberland Valley	\$ -	\$ -	\$ -		
Farmers	\$ -	\$ -	\$ -		
Fleming-Mason	\$ 13,625,132	\$ 13,976,173	\$ 351,041	2.6%	
Grayson	\$ -	\$ -	\$ -		
Inter-County	\$ -	\$ -	\$ -		
Jackson	\$ -	\$ -	\$ -		
Licking Valley	\$ -	\$ -	\$ -		
Nolin	\$ 6,160,848	\$ 6,328,734	\$ 167,886	2.7%	
Owen	\$ -	\$ -	\$ -		
Salt River	\$ -	\$ -	\$ -		
Shelby	\$ -	\$ -	\$ -		
South Ky	\$ -	\$ -	\$ -		
Taylor	\$ -	\$ -	\$ -		
	\$ 25,516,274	\$ 26,179,595	\$ 663,320	2.6%	

Contract					
EKPC Member	Present	Settlement	Change	As Percent	
Big Sandy	\$ -	\$ -	\$ -		
Blue Grass	\$ -	\$ -	\$ -		
Clark	\$ -	\$ -	\$ -		
Cumberland Valley	\$ -	\$ -	\$ -		
Farmers	\$ -	\$ -	\$ -		
Fleming-Mason	\$ -	\$ -	\$ -		
Grayson	\$ -	\$ -	\$ -		
Inter-County	\$ -	\$ -	\$ -		
Jackson	\$ -	\$ -	\$ -		
Licking Valley	\$ -	\$ -	\$ -		
Nolin	\$ -	\$ -	\$ -		
Owen	\$ 41,786,791	\$ 42,872,821	\$ 1,086,030		2.6%
Salt River	\$ -	\$ -	\$ -		
Shelby	\$ -	\$ -	\$ -		
South Ky	\$ -	\$ -	\$ -		
Taylor	\$ -	\$ -	\$ -		
	\$ 41,786,791	\$ 42,872,821	\$ 1,086,030		2.6%

Steam					
EKPC Member	Present	Settlement	Change	As Percent	
Big Sandy	\$ -	\$ -	\$ -		
Blue Grass	\$ -	\$ -	\$ -		
Clark	\$ -	\$ -	\$ -		
Cumberland Valley	\$ -	\$ -	\$ -		
Farmers	\$ -	\$ -	\$ -		
Fleming-Mason	\$ 10,716,264	\$ 10,994,937	\$ 278,674		2.6%
Grayson	\$ -	\$ -	\$ -		
Inter-County	\$ -	\$ -	\$ -		
Jackson	\$ -	\$ -	\$ -		
Licking Valley	\$ -	\$ -	\$ -		
Nolin	\$ -	\$ -	\$ -		
Owen	\$ -	\$ -	\$ -		
Salt River	\$ -	\$ -	\$ -		
Shelby	\$ -	\$ -	\$ -		
South Ky	\$ -	\$ -	\$ -		
Taylor	\$ -	\$ -	\$ -		
	\$ 10,716,264	\$ 10,994,937	\$ 278,674		2.6%

Rate TGP				
EKPC Member	Present	Settlement	Change	As Percent
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ 3,422,394	\$ 3,422,394	\$ -	0.0%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ -	\$ -	\$ -	
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ -	\$ -	\$ -	
Taylor	\$ 2,927,454	\$ 2,927,454	\$ -	0.0%
	\$ 6,349,849	\$ 6,349,849	\$ -	0.0%

EKPC TOTAL				
EKPC Member	Present	Settlement	Change	As Percent
Big Sandy	\$ 15,536,669	\$ 16,325,895	\$ 789,226	5.1%
Blue Grass	\$ 91,960,392	\$ 96,296,794	\$ 4,336,402	4.7%
Clark	\$ 31,113,089	\$ 32,716,897	\$ 1,603,808	5.2%
Cumberland Valley	\$ 29,974,144	\$ 31,510,531	\$ 1,536,387	5.1%
Farmers	\$ 34,524,960	\$ 36,245,140	\$ 1,720,180	5.0%
Fleming-Mason	\$ 65,623,921	\$ 68,015,665	\$ 2,391,744	3.6%
Grayson	\$ 17,626,559	\$ 18,486,596	\$ 860,038	4.9%
Inter-County	\$ 33,527,829	\$ 35,166,041	\$ 1,638,213	4.9%
Jackson	\$ 62,542,635	\$ 65,652,386	\$ 3,109,752	5.0%
Licking Valley	\$ 17,298,143	\$ 18,183,737	\$ 885,595	5.1%
Nolin	\$ 51,393,440	\$ 53,870,763	\$ 2,477,324	4.8%
Owen	\$ 132,382,139	\$ 137,749,686	\$ 5,367,547	4.1%
Salt River	\$ 83,379,874	\$ 87,492,676	\$ 4,112,802	4.9%
Shelby	\$ 33,178,496	\$ 34,624,486	\$ 1,445,990	4.4%
South Ky	\$ 89,374,774	\$ 93,765,169	\$ 4,390,395	4.9%
Taylor	\$ 35,982,424	\$ 37,660,024	\$ 1,677,600	4.7%
Total	\$ 825,419,487	\$ 863,762,487	\$ 38,343,000	4.6%

PASS THROUGH TOTALS		
Amount	Var	%
\$ 790,392	\$ 1,166	0.15%
\$ 4,359,903	\$ 23,501	0.54%
\$ 1,604,082	\$ 274	0.02%
\$ 1,538,603	\$ 2,216	0.14%
\$ 1,712,747	\$ (7,433)	-0.43%
\$ 2,396,133	\$ 4,389	0.18%
\$ 857,281	\$ (2,757)	-0.32%
\$ 1,651,912	\$ 13,699	0.84%
\$ 3,122,564	\$ 12,812	0.41%
\$ 884,083	\$ (1,512)	-0.17%
\$ 2,488,281	\$ 10,957	0.44%
\$ 5,302,439	\$ (65,108)	-1.21%
\$ 4,074,984	\$ (37,818)	-0.92%
\$ 1,443,780	\$ (2,210)	-0.15%
\$ 4,407,336	\$ 16,941	0.39%
\$ 1,676,689	\$ (911)	-0.05%
\$ 38,311,209	\$ (31,791)	-0.08%