

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
FARMERS RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR PASS-THROUGH OF)	Case No. 2021-00108
EAST KENTUCKY POWER COOPERATIVE,)	
INC.'S WHOLESALE RATE ADJUSTMENT)	

FARMERS RURAL ELECTRIC COOPERATIVE
CORPORATION'S APPLICATION

Comes now Farmers Rural Electric Cooperative Corporation ("Farmers"), by counsel, pursuant to KRS 278.455(2), 807 KAR 5:007 and other applicable law, and does hereby request the Kentucky Public Service Commission ("Commission") to grant it a pass-through of East Kentucky Power Cooperative Inc.'s ("EKPC") wholesale rate adjustment, respectfully stating as follows:

1. Farmers is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Farmers is engaged in the business of distributing retail electric power to approximately 25,700 members in the Kentucky counties of Adair, Barren, Edmonson, Grayson, Green, Hart, LaRue and Metcalfe.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Farmers' mailing address is 504 South Broadway, Glasgow, Kentucky 42141 and its electronic mail address is farmersrecc-psc@farmersrecc.com.

3. Pursuant to 807 KAR 5:001, Section 14(2), Farmers is a Kentucky corporation that was incorporated on March 15, 1938 and is currently in good standing to conduct business within the Commonwealth of Kentucky.

4. Pursuant to 807 KAR 5:007, Sections 1(3) and Section 2(2), Farmers is one of the sixteen owner-member cooperatives of EKPC. EKPC has filed an Application for a general adjustment of its existing wholesale rates to its owner-members, including Farmers.¹ In accordance with KRS 278.455, Farmers seeks to pass-through the increase in EKPC's wholesale rates to Farmers to Farmers' retail members.

5. Pursuant to 807 KAR 5:007 Section 2(1), attached as **Exhibit 1** to this Application are the proposed tariffs of Farmers incorporating the new rates and proposing an effective date of May 1, 2021, which is the same effective date proposed by EKPC in its rate case.

6. Pursuant to 807 KAR 5:007 Sections 1(4) and Section 2(2), attached as **Exhibit 2** to this Application is a comparison of the current and the proposed rates of Farmers.

7. Pursuant to 807 KAR 5:007 Sections 1(5)(a)-(b) and Section 2(2), attached as **Exhibit 3** to this Application is a billing analysis which shows the existing and proposed rates for each of Farmers' rate classes. Farmers further states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail members through its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.

8. Pursuant to 807 KAR 5:007 Sections 1(6) and Section 2(2), a certification that a complete copy of this filing has been mailed to the Kentucky Attorney General's Office of Rate Intervention and an electronic copy was also sent to rateintervention@ag.ky.gov is attached as **Exhibit 4**.

¹ See *In the Matter of the Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets and Other General Relief*, Application, Case No. 2021-00103 (filed April 1, 2021).

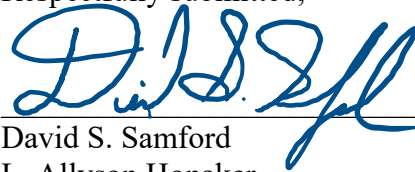
9. Pursuant to 807 KAR 5:007 Sections 1(7)(b) and (8) and Section 2(2), notice of the proposed rate changes has been given, not more than thirty (30) days prior to April 1, 2021, by publication in a newspaper of general circulation throughout Farmers' service territory. A copy of the notice is attached as **Exhibit 5** and contains all of the required information pursuant to 807 KAR 5:007, Section 3.

10. This application is supported by the Testimony of Mr. John Wolfram, which is attached as **Exhibit 6**.

WHEREFORE, on the basis of the foregoing, Farmers respectfully requests that the Commission accept this Application for filing and allow Farmers to pass-through to its retail members the increase in the wholesale rates granted to EKPC and for the effective date of Farmers' pass-through rates to be the same as the effective date of EKPC's rate increase.

Done this 1st day of April 2021.

Respectfully submitted,



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*Counsel for Farmers Rural Electric
Cooperative Corporation*

Exhibit List

Document	Tab
Proposed Tariffs Incorporating the New Rates Proposed to be Effective on May 1, 2021	1
Comparison of the Current and Proposed Rates	2
Billing Analysis Showing the Existing and Proposed Rates for Each Rate Class	3
Certification of Mailing to Office of Rate Intervention	4
Copy of Notice	5
Testimony of John Wolfram	6

Case No. 2021-00108
Application – Exhibit 1

Proposed Tariffs

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 12

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 12

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE R – RESIDENTIAL SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to residents for all uses in the home and on the farm and for other consumers using single-phase service below 50 kW for ordinary merchandising establishments, repair shops, garages and service stations, schools, churches and community buildings, all subject to the established rules and regulations of the seller. Three-phase service may be provided to consumers located within 1,000 feet of existing three-phase line.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles, at available secondary voltages.

RATES PER MONTH:

Customer Charge		\$14.55	(I)
All kWh	@	\$0.088025 per kWh	(I)

FUEL ADJUSTMENT CLAUSE: All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 percent and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY: William J. Gordon
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 20.001

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 20.001

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE R- TIME-OF-DAY- RESIDENTIAL SERVICE

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members for residential use where the monthly demand is less than 50 kW and only single phase service is required.

MONTHLY RATE:

Customer Charge	\$ 20.42 per Month	(I)
On-Peak Energy	\$ 0.104393 per kWh	(I)
Off-Peak Energy	\$ 0.058116 per kWh	(I)

ON-PEAK HOURS

Central Prevailing Time

October through April

6:00 A.M. to 11:00 A.M. Central Time
4:00 P.M. to 9:00 P.M. Central Time

May through September

9:00 A.M. to 9:00 P.M. Central Time

All other hours are Off-Peak.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 21

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 21

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE C – COMMERCIAL & INDUSTRIAL SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers for commercial and industrial loads for all uses including lighting, heating and power, including oil well services, all subject to the established rules and regulations of the seller.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles at available voltages.

RATES PER MONTH

1. For all consumers whose kilowatt demand is less than 50 kW.

Kilowatt Demand Charge:	None		
Customer Charge		\$22.16	(I)
All kWh	@	0.083115 per kWh	(I)

2. For all consumers whose kilowatt demand is 50 kW or above.

Kilowatt Demand Charge:		\$8.20 per kW	(I)
Customer Charge		\$109.12	(I)
Energy Charge:			
All kWh	@	\$0.063276 per kWh	(I)

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 22

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 24

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE C – TIME-OF-DAY-COMMERCIAL SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers for commercial or non-residential loads of all uses including lighting, heating, and power not exceeding a total kilowatt demand of 500 kW; all subject to the established rules and regulations of the seller.

TYPE OF SERVICE: Single phase or three phase where available, 60 cycles at available voltages.

RATES PER MONTH

Customer Charge:

Single Phase Service	\$ 22.16 per month
Three Phase Service	\$109.12 per month

(I)



Energy Charge per kWh:

On-Peak Energy	\$0.118227 per kWh
Off-Peak Energy	\$0.058116 per kWh

On-Peak Hours

May – September 9:00 a.m. – 9:00 p.m. CST*

October – April 6:00 a.m. – 11:00 a.m. CST*
4:00 p.m. – 9:00 p.m. CST*

*Refer to notation on following page concerning daylight savings time.

All other hours are Off-Peak.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 26

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 26

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

**SCHEDULE D – LARGE COMMERCIAL/INDUSTRIAL SERVICE
OPTIONAL TIME-OF-DAY RATE**

APPLICABLE: In all territory served by the seller.

AVAILABILITY: In Case No. 2014-00155, the Public Service Commission approved the discontinuance of Schedule D for all but existing members that were currently being served pursuant to Schedule D on and before October 16, 2014.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles at available voltages.

RATES PER MONTH

Customer Charge	\$109.12	(I)
Kilowatt Demand Charge:	\$ 8.20 per kW	↓
Energy Charge:		
All kWh @	\$0.063187 per kWh	

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the on-peak hours specified by the seller in the consumer's service contract during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 29

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 29

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE E – LARGE INDUSTRIAL RATE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: In Case No. 2014-00155, the Public Service Commission approved the discontinuance of Schedule E for all but existing members that were currently being served pursuant to Schedule E on and before October 16, 2014.

MONTHLY RATE:

Customer Charge:	\$1,187.32 per Month	(1)
Demand Charge:	\$8.20 per kW	↓
Energy Charge:	\$ 0.049295 per kWh	

DETERMINATION OF BILLING DEMAND: The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand,
- (b) The consumer's highest demand during the current month or preceding eleven months coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>MONTHS</u>	<u>HOURS APPLICABLE FOR DEMAND BILLING - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.001

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.001

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPC-1 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 500 to 999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,055.85 per Month	(I)
Demand Charge:	\$ 8.08 per kW	↓
Energy Charge:	\$ 0.055766 per kWh	

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract kW demand,
- (b) The member's highest kW peak demand during the current month or preceding eleven months. The peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the billing kW demand multiplied by 425 hours or the actual kWh energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Priddy
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.004

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.004

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPC-2 -- LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 1,000 to 2,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,338.58 per Month	(I)
Demand Charge:	\$ 8.08 per kW	↓
Energy Charge:	\$ 0.053695 per kWh	

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract kW demand,
- (b) The member's highest kW peak demand during the current month or preceding eleven months. The peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the billing kW demand multiplied by 425 hours or the actual kWh energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patten
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.007

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.007

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPC-3 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 3,000 to 4,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,052.21 per Month
Demand Charge:	\$ 8.08 per kW
Energy Charge:	\$ 0.052138 per kWh

(I)
↓

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract kW demand,
- (b) The member's highest kW peak demand during the current month or preceding eleven months. The peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the billing kW demand multiplied by 425 hours or the actual kWh energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.010

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.010

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPC-4 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,341.12 per Month
Demand Charge:	\$ 8.08 per kW
Energy Charge:	\$ 0.049546 per kWh

(1)
↓

DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract kW demand,
- (b) The member's highest kW peak demand during the current month or preceding eleven months. The peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the billing kW demand multiplied by 425 hours or the actual kWh energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.013

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.013

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPC-5 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 10,000 kW or greater with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge: \$4,677.56 per Month
Demand Charge: \$ 8.08 per kW
Energy Charge: \$ 0.046954 per kWh



DETERMINATION OF BILLING DEMAND: The billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract kW demand,
- (b) The member's highest kW peak demand during the current month or preceding eleven months. The peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the billing kW demand multiplied by 425 hours or the actual kWh energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021
ISSUED BY William T. Hartman
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.016

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.016

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPB-1 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the cooperative who are or shall be members of the Cooperative where the monthly contract demand is 500 to 999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of contract billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,055.85 per Month	(1) ↓
Demand Charge:	\$8.08 per kW of contract demand \$10.37 per kW for all billing demand in excess of contract demand	
Energy Charge:	\$0.055913 per kWh	

DETERMINATION OF BILLING DEMAND: The kW billing demand shall be the contract demand plus any excess demand. Excess demand occurs when the member's peak demand during the current month exceeds the contract demand. The member's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the contract billing kW demand multiplied by 425 hours or the actual energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.019

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.019

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPB-2 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 1,000 to 2,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of contract billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,338.52 per Month	(1) ↓
Demand Charge:	\$8.08 per kW of contract demand	
	\$10.37 per kW for all billing demand in excess of contract demand	
Energy Charge:	\$0.053834 per kWh	

DETERMINATION OF BILLING DEMAND: The kW billing demand shall be the contract demand plus any excess demand. Excess demand occurs when the member's peak demand during the current month exceeds the contract demand. The member's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the contract billing kW demand multiplied by 425 hours or the actual energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William T. Patton

TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.022

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.022

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPB-3 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 3,000 to 4,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of contract billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,052.21 per Month	(D) ↓
Demand Charge:	\$8.08 per kW of contract demand \$10.37 per kW for all billing demand in excess of contract demand	
Energy Charge:	\$0.052275 per kWh	

DETERMINATION OF BILLING DEMAND: The kW billing demand shall be the contract demand plus any excess demand. Excess demand occurs when the member's peak demand during the current month exceeds the contract demand. The member's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the contract billing kW demand multiplied by 425 hours or the actual energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 31.025

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.025

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPB-4 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of contract billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,341.12 per month	(I) ↓
Demand Charge:	\$8.08 per kW of contract demand \$10.37 per kW for all billing demand in excess of contract demand	
Energy Charge:	\$0.049677 per kWh	

DETERMINATION OF BILLING DEMAND: The kW billing demand shall be the contract demand plus any excess demand. Excess demand occurs when the member's peak demand during the current month exceeds the contract demand. The member's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the contract billing kW demand multiplied by 425 hours or the actual energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Dutton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.028

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.028

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPB-5 – LARGE POWER

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly contract demand is 10,000 kW or greater with a monthly energy usage equal to or greater than 425 kilowatt hours per kW of contract billing demand, all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$4,677.56 per Month	(I) ↓
Demand Charge:	\$8.08 per kW of contract demand \$10.37 per kW for all billing demand in excess of contract demand	
Energy Charge:	\$0.047079 per kWh	

DETERMINATION OF BILLING DEMAND: The kW billing demand shall be the contract demand plus any excess demand. Excess demand occurs when the member's peak demand during the current month exceeds the contract demand. The member's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the hours listed for each month and adjusted for power factor as provided herein.

DETERMINATION OF BILLING ENERGY: The kWh billing energy shall be the contract billing kW demand multiplied by 425 hours or the actual energy used in the current month, whichever is greater.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.031

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.031

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPE-1 – LARGE POWER TIME-OF-DAY

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly kilowatt demand is 500 to 999 kW; all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,055.85 per Month	(1) ↓
Demand Charge:	\$ 6.88 per kW	
Energy Charge:	\$ 0.066376 per kWh On-Peak	
	\$ 0.057650 per kWh Off-Peak	

DETERMINATION OF DEMAND BILLED: The kW billing demand shall be the highest average rate at which energy is used during any fifteen-minute interval during the month and adjusted for power factor as provided herein.

DETERMINATION OF ENERGY BILLED: On-Peak and Off-Peak kWh energy billing shall be in accordance with the hours listed for each month:

MONTHS **ON-PEAK HOURS – Central Prevailing Time**

October through April 6:00 A.M. to 11:00 A.M. Central Time

4:00 P.M. to 9:00 P.M. Central Time

May through September 9:00 A.M. to 9:00 P.M. Central Time

All other hours are Off-Peak

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.033

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.033

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPE-2 – LARGE POWER TIME-OF-DAY

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly kilowatt demand is 1,000 to 2,999 kW; all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$1,338.52 per Month	(I) ↓
Demand Charge:	\$ 6.88 per kW	
Energy Charge:	\$ 0.064308 per kWh On-Peak	
	\$ 0.055572 per kWh Off-Peak	

DETERMINATION OF DEMAND BILLED: The kW billing demand shall be the highest average rate at which energy is used during any fifteen-minute interval during the month and adjusted for power factor as provided herein.

DETERMINATION OF ENERGY BILLED: On-Peak and Off-Peak kWh energy billing shall be in accordance with the hours listed for each month:

MONTHS

ON-PEAK HOURS – Central Prevailing Time

October through April

6:00 A.M. to 11:00 A.M. Central Time

4:00 P.M. to 9:00 P.M. Central Time

May through September

9:00 A.M. to 9:00 P.M. Central Time

All other hours are Off-Peak

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY 
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.035

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.035

RATES AND CHARGES

SCHEDULE LPE-3 – LARGE POWER TIME-OF-DAY

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all members of the Cooperative where the monthly kilowatt demand is 3,000 to 4,999 kW; all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,052.21 per Month	(I)
Demand Charge:	\$ 6.88 per kW	↓
Energy Charge:	\$ 0.062757 per kWh On-Peak	
	\$ 0.054013 per kWh Off-Peak	

DETERMINATION OF DEMAND BILLED: The kW billing demand shall be the highest average rate at which energy is used during any fifteen-minute interval during the month and adjusted for power factor as provided herein.

DETERMINATION OF ENERGY BILLED: On-Peak and Off-Peak kWh energy billing shall be in accordance with the hours listed for each month:

MONTHS **ON-PEAK HOURS – Central Prevailing Time**

October through April 6:00 A.M. to 11:00 A.M. Central Time

4:00 P.M. to 9:00 P.M. Central Time

May through September

9:00 A.M. to 9:00 P.M. Central Time

All other hours are Off-Peak

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY 
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.037

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.037

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE LPE-4 – LARGE POWER TIME-OF-DAY

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all commercial or non-residential members of the Cooperative where the monthly kilowatt demand is 5,000 kW to 9,999 kW; all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$3,341.25 per Month	(I) ↓
Demand Charge:	\$ 6.88 per kW	
Energy Charge:	\$ 0.060174 per kWh On-Peak	
	\$ 0.051417 per kWh Off-Peak	

DETERMINATION OF DEMAND BILLED: The kW billing demand shall be the highest average rate at which energy is used during any fifteen-minute interval during the month and adjusted for power factor as provided herein.

DETERMINATION OF ENERGY BILLED: On-Peak and Off-Peak kWh energy billing shall be in accordance with the hours listed for each month:

MONTHS ON-PEAK HOURS – Central Prevailing Time

October through April	6:00 A.M. to 11:00 A.M. Central Time 4:00 P.M. to 9:00 P.M. Central Time
May through September	9:00 A.M. to 9:00 P.M. Central Time

All other hours are Off-Peak

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY *William J. Patton*
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 31.039

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 31.039

RATES AND CHARGES

SCHEDULE LPE-5 – LARGE POWER TIME-OF-DAY

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to all commercial or non-residential members of the Cooperative where the monthly kilowatt demand is 10,000 kW or greater; all subject to the established rules and regulations of the Cooperative.

MONTHLY RATE:

Customer Charge:	\$4,677.56 per Month	(1) ↓
Demand Charge:	\$ 6.88 per kW	
Energy Charge:	\$ 0.057586 per kWh On-Peak	
	\$ 0.048817 per kWh Off-Peak	

DETERMINATION OF DEMAND BILLED: The kW billing demand shall be the highest average rate at which energy is used during any fifteen-minute interval during the month and adjusted for power factor as provided herein.

DETERMINATION OF ENERGY BILLED: On-Peak and Off-Peak kWh energy billing shall be in accordance with the hours listed for each month:

MONTHS

October through April

May through September

All other hours are Off-Peak

ON-PEAK HOURS – Central Prevailing Time

6:00 A.M. to 11:00 A.M. Central Time

4:00 P.M. to 9:00 P.M. Central Time

9:00 A.M. to 9:00 P.M. Central Time

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

5th Revised SHEET NO. 41

CANCELLING P.S.C. KY. NO. 10

4th Revised SHEET NO. 41

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE SL – STREET LIGHTING SERVICE

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to federal, state and local governmental agencies for dusk to dawn street lighting subject to established rules and regulations.

TYPE OF SERVICE: Automatic dusk to dawn lighting systems, single-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE:

Energy Charge: The monthly energy charge for each type of lamp shall be \$0.056910 per rated kWh per month as determined from Table I below: (I)

TABLE I

<u>Type of Lamp</u>	<u>Lamp Size Watts</u>	<u>Lumens</u>	<u>Rated kWh</u>
Fluorescent	40	2,400	16
High Pressure Sodium	150	12,800	63
Metal Halide	175	9,350	70
Mercury Vapor	175	7,650	70
Mercury Vapor	250	10,400	98
Mercury Vapor	400	19,100	156
High Pressure Sodium	100	8,550	42
High Pressure Sodium	250	23,000	105
High Pressure Sodium	400	45,000	165
High Pressure Sodium	1,000	126,000	385
LED Lighting	70	7,700	27
LED Lighting	104	12,400	41
LED Lighting	140	16,300	57
LED Flood Lighting	199	23,000	78

Facility Charge: The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each specific agency receiving service under this tariff. The monthly facility charge for a given agency shall be 1.14 percent of said total investment.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Sanders
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

6th Revised SHEET NO. 43

CANCELLING P.S.C. KY. NO. 10

5th Revised SHEET NO. 43

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE OL – OUTDOOR LIGHTING SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: To individuals, towns, villages and others for controlled single and multiple outdoor lighting from dusk to dawn. Service under this schedule is for a term of not less than one year and is subject to the rules and regulations of the seller as approved by the Kentucky Public Service Commission.

RATE PER FIXTURE:

<u>Type of Lamp</u>	<u>Watts</u>	<u>Monthly kWh Usage</u>	<u>Monthly Charge Per Lamp</u>
Mercury Vapor	175	70	\$ 9.81
Mercury Vapor	175 Watt, shared	70	\$ 3.27
Mercury Vapor	250	98	\$11.15
Mercury Vapor	400	156	\$16.94
Mercury Vapor	1000	378	\$29.70
Sodium Vapor	100	42	\$10.21
Sodium Vapor	150	63	\$11.89
Sodium Vapor	250	105	\$16.12
Sodium Vapor	400	165	\$20.71
Sodium Vapor	1000	385	\$44.80
LED Lighting	70	27	\$10.15
LED Lighting	104	41	\$15.59
LED Lighting	140	57	\$17.16
LED Flood Lighting	199	78	\$22.01

(I)



FUEL ADJUSTMENT CLAUSE: All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 percent and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONDITIONS OF SERVICE:

1. Outdoor lighting, including lamps, fixture, other necessary facilities and electric energy, will be furnished by the Cooperative.
2. Above service is limited to one existing wood pole per fixture.
3. Lamp replacements will be furnished and made by the Cooperative except in cases of vandalism or willful destruction.
4. Service required other than the above shall be paid for by the consumer according to the initial cost of such installation.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY William J. Austin
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 83

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 83

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE RM – RESIDENTIAL OFF-PEAK MARKETING - ETS

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers eligible for Schedule R - Residential Service. The electric power and energy furnished under Tariff RM Residential Off-Peak Marketing Rate shall be separately metered for each point of delivery and requires an executed contract between the member and the Cooperative. A sample contract is shown following these tariffs as Appendix D. Other power and energy furnished will be billed under Schedule R.

RATES:

Energy Charge: \$0.051118 per kWh (I)

SCHEDULE OF HOURS: This rate is only applicable for the below listed off-peak hours:

<u>MONTHS</u>	<u>OFF-PEAK HOURS - EST</u>
October thru April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.
May thru September	10:00 P.M. to 10:00 A.M.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY 
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

FOR ALL TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. 10

4th Revised SHEET NO. 85

CANCELLING P.S.C. KY. NO. 10

3rd Revised SHEET NO. 85

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**

RATES AND CHARGES

SCHEDULE CM – SMALL COMMERCIAL OFF-PEAK MARKETING - ETS

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to commercial consumers whose kilowatt demand is less than 50 kW. The electric power and energy furnished under Tariff CM, Small Commercial Off-Peak Marketing Rate, shall be separately metered for each point of delivery and requires an executed contract between the member and the Cooperative. A sample contract is shown following this tariff as Appendix D. Other power and energy furnished will be billed under Schedule C-1.

RATES:

Energy Charge: \$0.048171 per kWh (I)

SCHEDULE OF HOURS: This rate is only applicable for the below listed off-peak hours:

<u>MONTHS</u>	<u>OFF-PEAK HOURS - EST</u>
October thru April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.
May thru September	10:00 P.M. to 10:00 A.M.

DATE OF ISSUE: 04-01-2021

DATE EFFECTIVE: 05-01-2021

ISSUED BY 
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of KY
in Case No. 2019-00008 Dated: 12-26-2019

Case No. 2021-00108
Application – Exhibit 2

Existing & Proposed
Rate Comparison

FARMERS RECC
Present & Proposed Rates

Rate	Item	Present	Proposed
1	<u>Residential</u>		
	Customer Charge	\$ 14.00	\$ 14.55
	Energy Charge per kWh	\$ 0.084699	\$ 0.088029
3	<u>Residential TOD</u>		
	Customer Charge	\$ 19.65	\$ 20.42
	Energy Charge - On Peak per kWh	\$ 0.100449	\$ 0.104398
	Energy Charge - Off Peak per kWh	\$ 0.055920	\$ 0.058119
20	<u>Net Metering</u>		
	Customer Charge	\$ 14.00	\$ 14.55
	Energy Charge per kWh	\$ 0.084699	\$ 0.088029
7	<u>Residential Off-Peak Mktg ETS</u>		
	Energy Charge - Off Peak per kWh	\$ 0.049187	\$ 0.051121
4	<u>Commercial & Industrial < 50 KW</u>		
	Customer Charge	\$ 21.32	\$ 22.16
	Energy Charge per kWh	\$ 0.079975	\$ 0.083119
8	<u>Small Commercial ETS</u>		
	Energy Charge per kWh	\$ 0.046353	\$ 0.048175
5	<u>Commercial & Industrial > 50 KW</u>		
	Customer Charge	\$ 105.00	\$ 109.13
	Energy Charge per kWh	\$ 0.060885	\$ 0.063278
	Demand Charge per kW	\$ 7.89	\$ 8.20
10	<u>Large Industrial</u>		
	Customer Charge	\$ 1,142.46	\$ 1,187.37
	Demand Charge per kW	\$ 7.89	\$ 8.20
	Energy Charge per kWh	\$ 0.047432	\$ 0.049297
14	<u>Large Power Schedule LPC2</u>		
	Customer Charge	\$ 1,288.00	\$ 1,338.63
	Demand Charge per kW	\$ 7.77	\$ 8.08
	Energy Charge per kWh	\$ 0.051666	\$ 0.053697
15	<u>Large Commercial Optional TOD</u>		
	Customer Charge	105.00	109.13
	Demand Charge per kW	\$ 7.89	\$ 8.20
	Energy Charge per kWh	\$ 0.060800	\$ 0.063190
36	<u>Large Power Schedule LPE4</u>		
	Customer Charge	\$ 3,215.00	\$ 3,341.39
	Demand Charge per kW	\$ 6.62	\$ 6.88
	Energy Charge - On Peak per kWh	\$ 0.057900	\$ 0.060176
	Energy Charge - Off Peak per kWh	\$ 0.049474	\$ 0.051419
50	<u>TOD Three Phase - Schedule C</u>		
	Customer Charge Single Phase	\$ 21.32	\$ 22.16
	Customer Charge Three Phase	\$ 105.00	\$ 109.13
	Energy Charge - On Peak per kWh	\$ 0.113760	\$ 0.118232
	Energy Charge - Off Peak per kWh	\$ 0.055920	\$ 0.058118
6	<u>Street Lighting</u>		
	Energy Charge per kWh	\$ 0.054760	\$ 0.056913
6	<u>Lighting</u>		
	Mercury Vapor 175 Watt	\$ 9.44	\$ 9.81
	Mercury Vapor 175 Watt (shared)	\$ 3.15	\$ 3.27
	Mercury Vapor 250 Watt	\$ 10.73	\$ 11.15
	Mercury Vapor 400 Watt	\$ 16.30	\$ 16.94
	Mercury Vapor 1000 Watt	\$ 28.58	\$ 29.70
	Sodium Vapor 100 Watt	\$ 9.82	\$ 10.21
	Sodium Vapor 150 Watt	\$ 11.44	\$ 11.89
	Sodium Vapor 250 Watt	\$ 15.51	\$ 16.12
	Sodium Vapor 400 Watt	\$ 19.93	\$ 20.71
	Sodium Vapor 1000 Watt	\$ 43.11	\$ 44.80
	LED Light 70 Watt	\$ 9.77	\$ 10.15
	LED Light 105 Watt	\$ 15.00	\$ 15.59
	LED Light 145 Watt	\$ 16.51	\$ 17.16
	LED Flood Light 199 Watt	\$ 21.18	\$ 22.01

FARMERS RECC
Present & Proposed Rates

Rate	Item	Present	Proposed
LPC-1 <u>Large Power</u>	Customer Charge	\$ 1,016.00	\$ 1,055.94
	Demand Charge per kW	\$ 7.77	\$ 8.08
	Energy Charge per kWh	\$ 0.053661	\$ 0.055770
LPC-3 <u>Large Power</u>	Customer Charge	\$ 2,937.00	\$ 3,052.45
	Demand Charge per kW	\$ 7.77	\$ 8.08
	Energy Charge per kWh	\$ 0.050170	\$ 0.052142
LPC-4 <u>Large Power</u>	Customer Charge	\$ 3,215.00	\$ 3,341.38
	Demand Charge per kW	\$ 7.77	\$ 8.08
	Energy Charge per kWh	\$ 0.047676	\$ 0.049550
LPC-5 <u>Large Power</u>	Customer Charge	\$ 4,501.00	\$ 4,677.93
	Demand Charge per kW	\$ 7.77	\$ 8.08
	Energy Charge per kWh	\$ 0.045182	\$ 0.046958
LPB-1 <u>Large Power</u>	Customer Charge	\$ 1,016.00	\$ 1,055.94
	Demand Charge Contract per kW	\$ 7.77	\$ 8.08
	Demand Charge Excess per kW	\$ 9.98	\$ 10.37
	Energy Charge per kWh	\$ 0.053802	\$ 0.055917
LPB-2 <u>Large Power</u>	Customer Charge	\$ 1,288.00	\$ 1,338.63
	Demand Charge Contract per kW	\$ 7.77	\$ 8.08
	Demand Charge Excess per kW	\$ 9.98	\$ 10.37
	Energy Charge per kWh	\$ 0.051802	\$ 0.053838
LPB-3 <u>Large Power</u>	Customer Charge	\$ 2,937.00	\$ 3,052.45
	Demand Charge Contract per kW	\$ 7.77	\$ 8.08
	Demand Charge Excess per kW	\$ 9.98	\$ 10.37
	Energy Charge per kWh	\$ 0.050302	\$ 0.052279
LPB-4 <u>Large Power</u>	Customer Charge	\$ 3,215.00	\$ 3,341.38
	Demand Charge Contract per kW	\$ 7.77	\$ 8.08
	Demand Charge Excess per kW	\$ 9.98	\$ 10.37
	Energy Charge per kWh	\$ 0.047802	\$ 0.049681
LPB-5 <u>Large Power</u>	Customer Charge	\$ 4,501.00	\$ 4,677.93
	Demand Charge Contract per kW	\$ 7.77	\$ 8.08
	Demand Charge Excess per kW	\$ 9.98	\$ 10.37
	Energy Charge per kWh	\$ 0.045302	\$ 0.047083
LPE-1 <u>Large Power</u>	Customer Charge	\$ 1,016.00	\$ 1,055.94
	Demand Charge per kW	\$ 6.62	\$ 6.88
	Energy Charge On Peak per kWh	\$ 0.063871	\$ 0.066382
	Energy Charge Off Peak per kWh	\$ 0.055474	\$ 0.057655
LPE-2 <u>Large Power</u>	Customer Charge	\$ 1,288.00	\$ 1,338.63
	Demand Charge per kW	\$ 6.62	\$ 6.88
	Energy Charge On Peak per kWh	\$ 0.061881	\$ 0.064314
	Energy Charge Off Peak per kWh	\$ 0.053474	\$ 0.055576
LPE-3 <u>Large Power</u>	Customer Charge	\$ 2,937.00	\$ 3,052.45
	Demand Charge per kW	\$ 6.62	\$ 6.88
	Energy Charge On Peak per kWh	\$ 0.060388	\$ 0.062762
	Energy Charge Off Peak per kWh	\$ 0.051974	\$ 0.054017
LPE-5 <u>Large Power</u>	Customer Charge	\$ 4,501.00	\$ 4,677.93
	Demand Charge per kW	\$ 6.62	\$ 6.88
	Energy Charge On Peak per kWh	\$ 0.055412	\$ 0.057590
	Energy Charge Off Peak per kWh	\$ 0.046974	\$ 0.048821

Case No. 2021-00108
Application – Exhibit 3

Billing Analysis for
Each Rate Class

FARMERS RECC
Billing Analysis for Pass-Through Rate Increase

Total Revenue Increase Allocated by East Kentucky Power Cooperative: \$1,802,690

#	Item	Code	Present Revenue	Present Share	Allocation Revenue	Allocation Share	Allocated Increase	Proposed Revenue	Proposed Share	Base Rate Increase	Base %	Total %	Rounding
1	<u>Base Rates</u>												
2	Residential	1	\$ 30,137,606	65.72%	\$ 30,137,606	65.72%	\$ 1,184,759	\$ 31,322,370	65.72%	\$ 1,184,763	3.93%	3.64%	\$ 4
3	Residential TOD	3	\$ 828	0.00%	\$ 828	0.00%	\$ 33	\$ 861	0.00%	\$ 33	3.93%	3.67%	\$ (0)
4	Net Metering	20	\$ 27,258	0.06%	\$ 27,258	0.06%	\$ 1,072	\$ 28,329	0.06%	\$ 1,072	3.93%	3.76%	\$ 0
5	Residential Off-Peak Mktg ETS	7	\$ 28,403	0.06%	\$ 28,403	0.06%	\$ 1,117	\$ 29,520	0.06%	\$ 1,117	3.93%	3.73%	\$ 0
6	Commercial & Industrial < 50 KW	4	\$ 2,932,932	6.40%	\$ 2,932,932	6.40%	\$ 115,298	\$ 3,048,271	6.40%	\$ 115,339	3.93%	3.65%	\$ 41
7	Small Commercial ETS	8	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -
8	Commercial & Industrial > 50 KW	5	\$ 4,867,043	10.61%	\$ 4,867,043	10.61%	\$ 191,332	\$ 5,058,350	10.61%	\$ 191,308	3.93%	3.66%	\$ (24)
9	Large Commercial & Industrial w/Pri Disc	9	\$ 1,677,159	3.66%	\$ 1,677,159	3.66%	\$ 65,932	\$ 1,743,080	3.66%	\$ 65,922	3.93%	3.69%	\$ (10)
10	Large Industrial	10	\$ 3,158,560	6.89%	\$ 3,158,560	6.89%	\$ 124,168	\$ 3,282,730	6.89%	\$ 124,170	3.93%	3.70%	\$ 1
11	Large Power Schedule LPC2	14	\$ 511,132	1.11%	\$ 511,132	1.11%	\$ 20,093	\$ 531,289	1.11%	\$ 20,157	3.94%	3.71%	\$ 64
12	Large Commercial Optional TOD	15	\$ 100,738	0.22%	\$ 100,738	0.22%	\$ 3,960	\$ 104,697	0.22%	\$ 3,959	3.93%	3.64%	\$ (1)
13	Large Power Schedule LPE4	36	\$ 1,435,919	3.13%	\$ 1,435,919	3.13%	\$ 56,448	\$ 1,492,355	3.13%	\$ 56,437	3.93%	3.69%	\$ (12)
14	TOD Three Phase - Schedule C	50	\$ 33,034	0.07%	\$ 33,034	0.07%	\$ 1,299	\$ 34,332	0.07%	\$ 1,299	3.93%	3.64%	\$ 0
15	Street Lighting	6	\$ 20,211	0.04%	\$ 20,211	0.04%	\$ 795	\$ 21,006	0.04%	\$ 795	3.93%	2.96%	\$ 0
16	Lighting	6	\$ 925,552	2.02%	\$ 925,552	2.02%	\$ 36,385	\$ 961,775	2.02%	\$ 36,223	3.91%	3.91%	\$ (162)
17	SubTotal Base Rates		\$ 45,856,375	100.00%	\$ 45,856,375	100.00%	\$ 1,802,690	\$ 47,658,966	100.00%	\$ 1,802,591	3.93%		\$ (99)
18													
19	TOTAL Base Rates		\$ 45,856,375	\$ 1	\$ 45,856,375	\$ 1	\$ 1,802,690	\$ 47,658,966	\$ 1	\$ 1,802,591	\$ 0		\$ (99)
20													
21	<u>Riders</u>												
22	FAC		\$ (1,204,461)				\$ (1,204,461)						
23	ES		\$ 4,635,547				\$ 4,635,547						
24	Misc Adj		\$ 50,953				\$ 50,953						
25	Other		\$ -				\$ -						
26	Total Riders		\$ 3,482,040				\$ 3,482,040						
27													
28	Total Revenue		\$ 49,338,415				\$ 51,141,005			\$ 1,802,591		3.65%	
29	Target Revenue									\$ 1,802,690			
30	Rate Rounding Variance									\$ (99)			
31	Rate Rounding Variance											-0.01%	

FARMERS RECC
Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance	
179	Lighting	6														
180			Mercury Vapor 175 Watt	43,665	9.44	\$ 412,198	44.54%		9.81	\$ 428,354	\$ 16,156	3.92%	44.54%	0.00%		
181			Mercury Vapor 175 Watt (shared)	-	3.15	\$ -	0.00%		3.27	\$ -	\$ -	0.00%	0.00%	0.00%		
182			Mercury Vapor 250 Watt	388	10.73	\$ 4,163	0.45%		11.15	\$ 4,326	\$ 163	3.91%	0.45%	0.00%		
183			Mercury Vapor 400 Watt	423	16.30	\$ 6,895	0.74%		16.94	\$ 7,166	\$ 271	3.93%	0.75%	0.00%		
184			Mercury Vapor 1000 Watt	-	28.58	\$ -	0.00%		29.70	\$ -	\$ -	0.00%	0.00%	0.00%		
185			Sodium Vapor 100 Watt	8,818	9.82	\$ 86,593	9.36%		10.21	\$ 90,032	\$ 3,439	3.97%	9.36%	0.01%		
186			Sodium Vapor 150 Watt	126	11.44	\$ 1,441	0.16%		11.89	\$ 1,498	\$ 57	3.93%	0.16%	0.00%		
187			Sodium Vapor 250 Watt	342	15.51	\$ 5,304	0.57%		16.12	\$ 5,513	\$ 209	3.93%	0.57%	0.00%		
188			Sodium Vapor 400 Watt	2,024	19.93	\$ 40,338	4.36%		20.71	\$ 41,917	\$ 1,579	3.91%	4.36%	0.00%		
189			Sodium Vapor 1000 Watt	-	43.11	\$ -	0.00%		44.80	\$ -	\$ -	0.00%	0.00%	0.00%		
190			LED Light 70 Watt	34,038	9.77	\$ 332,551	35.93%		10.15	\$ 345,486	\$ 12,934	3.89%	35.92%	-0.01%		
191			LED Light 105 Watt	442	15.00	\$ 6,630	0.72%		15.59	\$ 6,891	\$ 261	3.93%	0.72%	0.00%		
192			LED Light 145 Watt	336	16.51	\$ 5,547	0.60%		17.16	\$ 5,766	\$ 218	3.94%	0.60%	0.00%		
193			LED Flood Light 199 Watt	1,128	21.18	\$ 23,891	2.58%		22.01	\$ 24,827	\$ 936	3.92%	2.58%	0.00%		
194			Total Base Rates			\$ 925,552	100.00%	\$ 961,937		\$ 961,775	\$ 36,223	3.91%	100.00%	0.00%	\$ (162.34)	
195			FAC			\$ -				\$ -	\$ -	-				
196			ES			\$ -				\$ -	\$ -	-				
197			Misc Adj			\$ -				\$ -	\$ -	-				
198			Other			\$ -				\$ -	\$ -	-				
199			Total Riders			\$ -				\$ -	\$ -	-				
200			TOTAL REVENUE			\$ 925,552				\$ 961,775	\$ 36,223	3.91%				
201																
202																
203																
204	TOTALS		Total Base Rates			\$ 45,856,375				\$ 47,658,966	\$ 1,802,591	3.93%				
205			FAC			\$ (1,204,461)				\$ (1,204,461)	\$ -					
206			ES			\$ 4,635,547				\$ 4,635,547	\$ -					
207			Misc Adj			\$ 50,953				\$ 50,953	\$ -					
208			Other			\$ -				\$ -	\$ -					
209			Total Riders			\$ 3,482,040				\$ 3,482,040	\$ -					
210			TOTAL REVENUE			\$ 49,338,415				\$ 51,141,005	\$ 1,802,591	3.65%				
211																
212			Rate Rounding Variance								\$ (99)					
213																
214			RATES WITH NO CURRENT MEMBERS													
215																
216	Large Power	LPC-1														
217			Customer Charge			1,016.00				1,055.94						
218			Demand Charge per kW			7.77				8.08						
219			Energy Charge per kWh			0.053661				0.055770						
220	Large Power	LPC-3														
221			Customer Charge			2,937.00				3,052.45						
222			Demand Charge per kW			7.77				8.08						
223			Energy Charge per kWh			0.050170				0.052142						
224	Large Power	LPC-4														
225			Customer Charge			3,215.00				3,341.38						
226			Demand Charge per kW			7.77				8.08						
227			Energy Charge per kWh			0.047676				0.049550						
228	Large Power	LPC-5														
229			Customer Charge			4,501.00				4,677.93						
230			Demand Charge per kW			7.77				8.08						
231			Energy Charge per kWh			0.045182				0.046958						

FARMERS RECC
Billing Analysis for Pass-Through Rate Increase

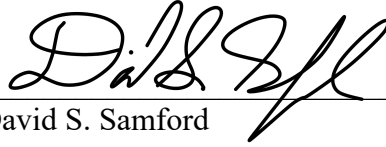
#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
232	Large Power	LPB-1													
233			Customer Charge		1,016.00				1,055.94						
234			Demand Charge Contract per kW		7.77				8.08						
235			Demand Charge Excess per kW		9.98				10.37						
236			Energy Charge per kWh		0.053802				0.055917						
237	Large Power	LPB-2													
238			Customer Charge		1,288.00				1,338.63						
239			Demand Charge Contract per kW		7.77				8.08						
240			Demand Charge Excess per kW		9.98				10.37						
241			Energy Charge per kWh		0.051802				0.053838						
242	Large Power	LPB-3													
243			Customer Charge		2,937.00				3,052.45						
244			Demand Charge Contract per kW		7.77				8.08						
245			Demand Charge Excess per kW		9.98				10.37						
246			Energy Charge per kWh		0.050302				0.052279						
247	Large Power	LPB-4													
248			Customer Charge		3,215.00				3,341.38						
249			Demand Charge Contract per kW		7.77				8.08						
250			Demand Charge Excess per kW		9.98				10.37						
251			Energy Charge per kWh		0.047802				0.049681						
252	Large Power	LPB-5													
253			Customer Charge		4,501.00				4,677.93						
254			Demand Charge Contract per kW		7.77				8.08						
255			Demand Charge Excess per kW		9.98				10.37						
256			Energy Charge per kWh		0.045302				0.047083						
257	Large Power	LPE-1													
258			Customer Charge		1,016.00				1,055.94						
259			Demand Charge per kW		6.62				6.88						
260			Energy Charge On Peak per kWh		0.063871				0.066382						
261			Energy Charge Off Peak per kWh		0.055474				0.057655						
262	Large Power	LPE-2													
263			Customer Charge		1,288.00				1,338.63						
264			Demand Charge per kW		6.62				6.88						
265			Energy Charge On Peak per kWh		0.061881				0.064314						
266			Energy Charge Off Peak per kWh		0.053474				0.055576						
267	Large Power	LPE-3													
268			Customer Charge		2,937.00				3,052.45						
269			Demand Charge per kW		6.62				6.88						
270			Energy Charge On Peak per kWh		0.060388				0.062762						
271			Energy Charge Off Peak per kWh		0.051974				0.054017						
272	Large Power	LPE-5													
273			Customer Charge		4,501.00				4,677.93						
274			Demand Charge per kW		6.62				6.88						
275			Energy Charge On Peak per kWh		0.055412				0.057590						
276			Energy Charge Off Peak per kWh		0.046974				0.048821						

Case No. 2021-00108
Application – Exhibit 4

Certificate of Service to
The Attorney General

Exhibit 4
Statement of Service to the Attorney General

Pursuant to 807 KAR 5:007, Sections 1(6) and Section 2(2), the undersigned does hereby certify that a complete copy of this filing has been mailed to the Kentucky Attorney General's Office of Rate Intervention and an electronic copy was also sent to rateintervention@ag.ky.gov on this 1st day of April 2021.



David S. Samford

*Counsel for Farmers Rural Electric
Cooperative Corporation*

Case No. 2021-00108
Application – Exhibit 5

Customer Notice

NOTICE

In accordance with the requirements of the Public Service Commission (“Commission”) as set forth in 807 KAR 5:001, Section 17 and 807 KAR 5:007, Section 3, of the Rules and Regulations of the Commission, notice is hereby given to the member consumers of Farmers Rural Electric Cooperative Corporation (“Farmers RECC”) of a proposed rate adjustment. Farmers RECC intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc., pursuant to KRS 278.455(2), by filing an application with the Commission on April 1, 2021, in Case No. 2021-00108. The application will request that the proposed rates become effective May 1, 2021. The present and proposed rates for each customer classification to which the proposed rates will apply are set forth below:

Rate		Item	Present	Proposed
1	<u>Residential</u>			
		Customer Charge	\$ 14.00	\$ 14.55
		Energy Charge per kWh	\$ 0.084699	\$ 0.088025
3	<u>Residential TOD</u>			
		Customer Charge	\$ 19.65	\$ 20.42
		Energy Charge - On Peak per kWh	\$ 0.100449	\$ 0.104393
		Energy Charge - Off Peak per kWh	\$ 0.055920	\$ 0.058116
20	<u>Net Metering</u>			
		Customer Charge	\$ 14.00	\$ 14.55
		Energy Charge per kWh	\$ 0.084699	\$ 0.088025
7	<u>Residential Off-Peak Mktg ETS</u>			
		Energy Charge - Off Peak per kWh	\$ 0.049187	\$ 0.051118
4	<u>Commercial & Industrial < 50 KW</u>			
		Customer Charge	\$ 21.32	\$ 22.16
		Energy Charge per kWh	\$ 0.079975	\$ 0.083115
8	<u>Small Commercial ETS</u>			
		Energy Charge per kWh	\$ 0.046353	\$ 0.048171
5	<u>Commercial & Industrial > 50 KW</u>			
		Customer Charge	\$ 105.00	\$ 109.12
		Energy Charge per kWh	\$ 0.060885	\$ 0.063276
		Demand Charge per kW	\$ 7.89	\$ 8.20
10	<u>Large Industrial</u>			
		Customer Charge	\$ 1,142.46	\$ 1,187.32
		Demand Charge per kW	\$ 7.89	\$ 8.20
		Energy Charge per kWh	\$ 0.047432	\$ 0.049295
14	<u>Large Power Schedule LPC2</u>			
		Customer Charge	\$ 1,288.00	\$ 1,338.58
		Demand Charge per kW	\$ 7.77	\$ 8.08
		Energy Charge per kWh	\$ 0.051666	\$ 0.053695
15	<u>Large Commercial Optional TOD</u>			
		Customer Charge	105.00	109.12
		Demand Charge per kW	\$ 7.89	\$ 8.20
		Energy Charge per kWh	\$ 0.060800	\$ 0.063187
36	<u>Large Power Schedule LPE4</u>			
		Customer Charge	\$ 3,215.00	\$ 3,341.25
		Demand Charge per kW	\$ 6.62	\$ 6.88

		Energy Charge - On Peak per kWh	\$ 0.057900	\$ 0.060174
		Energy Charge - Off Peak per kWh	\$ 0.049474	\$ 0.051417
50	<u>TOD Three Phase - Schedule C</u>			
		Customer Charge Single Phase	\$ 21.32	\$ 22.16
		Customer Charge Three Phase	\$ 105.00	\$ 109.12
		Energy Charge - On Peak per kWh	\$ 0.113760	\$ 0.118227
		Energy Charge - Off Peak per kWh	\$ 0.055920	\$ 0.058116
6	<u>Street Lighting</u>			
		Energy Charge per kWh	\$ 0.054760	\$ 0.056910
6	<u>Lighting</u>			
		Mercury Vapor 175 Watt	\$ 9.44	\$ 9.81
		Mercury Vapor 175 Watt (shared)	\$ 3.15	\$ 3.27
		Mercury Vapor 250 Watt	\$ 10.73	\$ 11.15
		Mercury Vapor 400 Watt	\$ 16.30	\$ 16.94
		Mercury Vapor 1000 Watt	\$ 28.58	\$ 29.70
		Sodium Vapor 100 Watt	\$ 9.82	\$ 10.21
		Sodium Vapor 150 Watt	\$ 11.44	\$ 11.89
		Sodium Vapor 250 Watt	\$ 15.51	\$ 16.12
		Sodium Vapor 400 Watt	\$ 19.93	\$ 20.71
		Sodium Vapor 1000 Watt	\$ 43.11	\$ 44.80
		LED Light 70 Watt	\$ 9.77	\$ 10.15
		LED Light 105 Watt	\$ 15.00	\$ 15.59
		LED Light 145 Watt	\$ 16.51	\$ 17.16
		LED Flood Light 199 Watt	\$ 21.18	\$ 22.01
LPC-1	<u>Large Power</u>			
		Customer Charge	\$ 1,016.00	\$ 1,055.85
		Demand Charge per kW	\$ 7.77	\$ 8.08
		Energy Charge per kWh	\$ 0.053661	\$ 0.055766
LPC-3	<u>Large Power</u>			
		Customer Charge	\$ 2,937.00	\$ 3,052.21
		Demand Charge per kW	\$ 7.77	\$ 8.08
		Energy Charge per kWh	\$ 0.050170	\$ 0.052138
LPC-4	<u>Large Power</u>			
		Customer Charge	\$ 3,215.00	\$ 3,341.12
		Demand Charge per kW	\$ 7.77	\$ 8.08
		Energy Charge per kWh	\$ 0.047676	\$ 0.049546
LPC-5	<u>Large Power</u>			
		Customer Charge	\$ 4,501.00	\$ 4,677.56
		Demand Charge per kW	\$ 7.77	\$ 8.08
		Energy Charge per kWh	\$ 0.045182	\$ 0.046954
LPB-1	<u>Large Power</u>			
		Customer Charge	\$ 1,016.00	\$ 1,055.85
		Demand Charge Contract per kW	\$ 7.77	\$ 8.08
		Demand Charge Excess per kW	\$ 9.98	\$ 10.37
		Energy Charge per kWh	\$ 0.053802	\$ 0.055913
LPB-2	<u>Large Power</u>			
		Customer Charge	\$ 1,288.00	\$ 1,338.52
		Demand Charge Contract per kW	\$ 7.77	\$ 8.08
		Demand Charge Excess per kW	\$ 9.98	\$ 10.37

		Energy Charge per kWh	\$ 0.051802	\$ 0.053834
LPB-3	<u>Large Power</u>			
		Customer Charge	\$ 2,937.00	\$ 3,052.21
		Demand Charge Contract per kW	\$ 7.77	\$ 8.08
		Demand Charge Excess per kW	\$ 9.98	\$ 10.37
		Energy Charge per kWh	\$ 0.050302	\$ 0.052275
LPB-4	<u>Large Power</u>			
		Customer Charge	\$ 3,215.00	\$ 3,341.12
		Demand Charge Contract per kW	\$ 7.77	\$ 8.08
		Demand Charge Excess per kW	\$ 9.98	\$ 10.37
		Energy Charge per kWh	\$ 0.047802	\$ 0.049677
LPB-5	<u>Large Power</u>			
		Customer Charge	\$ 4,501.00	\$ 4,677.56
		Demand Charge Contract per kW	\$ 7.77	\$ 8.08
		Demand Charge Excess per kW	\$ 9.98	\$ 10.37
		Energy Charge per kWh	\$ 0.045302	\$ 0.047079
LPE-1	<u>Large Power</u>			
		Customer Charge	\$ 1,016.00	\$ 1,055.85
		Demand Charge per kW	\$ 6.62	\$ 6.88
		Energy Charge On Peak per kWh	\$ 0.063871	\$ 0.066376
		Energy Charge Off Peak per kWh	\$ 0.055474	\$ 0.057650
LPE-2	<u>Large Power</u>			
		Customer Charge	\$ 1,288.00	\$ 1,338.52
		Demand Charge per kW	\$ 6.62	\$ 6.88
		Energy Charge On Peak per kWh	\$ 0.061881	\$ 0.064308
		Energy Charge Off Peak per kWh	\$ 0.053474	\$ 0.055572
LPE-3	<u>Large Power</u>			
		Customer Charge	\$ 2,937.00	\$ 3,052.21
		Demand Charge per kW	\$ 6.62	\$ 6.88
		Energy Charge On Peak per kWh	\$ 0.060388	\$ 0.062757
		Energy Charge Off Peak per kWh	\$ 0.051974	\$ 0.054013
LPE-5	<u>Large Power</u>			
		Customer Charge	\$ 4,501.00	\$ 4,677.56
		Demand Charge per kW	\$ 6.62	\$ 6.88
		Energy Charge On Peak per kWh	\$ 0.055412	\$ 0.057586
		Energy Charge Off Peak per kWh	\$ 0.046974	\$ 0.048817

The effect of the change requested, in both dollar amounts and as a percentage, for each customer classification to which the proposed rates will apply is set forth below:

Rate Class			Increase	
			Dollars	Percent
1	Residential		\$ 1,183,525	3.64%
3	Residential TOD		\$ 33	3.67%
20	Net Metering		\$ 1,070	3.75%
7	Residential Off-Peak Mktg ETS		\$ 1,115	3.72%
4	Commercial & Industrial < 50 KW		\$ 115,215	3.64%
8	Small Commercial ETS		\$ -	0.00%
5	Commercial & Industrial > 50 KW		\$ 191,124	3.66%

9	Large Commercial & Industrial w/Pri Disc		\$ 65,862	3.68%
10	Large Industrial		\$ 124,070	3.70%
14	Large Power Schedule LPC2		\$ 20,141	3.70%
15	Large Commercial Optional TOD		\$ 3,956	3.64%
36	Large Power Schedule LPE4		\$ 56,394	3.68%
50	TOD Three Phase - Schedule C		\$ 1,297	3.64%
6	Street Lighting		\$ 794	2.95%
6	Lighting		\$ 36,223	3.91%

The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply is set forth below:

Rate Class		Average	Increase	
		Usage (kWh)	Dollars	Percent
1	Residential	1,102	\$ 4.22	3.64%
3	Residential TOD	821	\$ 3.25	3.67%
20	Net Metering	1,193	\$ 4.52	3.75%
7	Residential Off-Peak Mktg ETS	328	\$ 0.63	3.72%
4	Commercial & Industrial < 50 KW	1,486	\$ 5.50	3.64%
8	Small Commercial ETS	-	\$ -	0.00%
5	Commercial & Industrial > 50 KW	45,089	\$ 158.22	3.66%
9	Large Commercial & Industrial w/Pri Disc	482,850	\$ 1,372.13	3.68%
10	Large Industrial	8,378	\$ 10,339.15	3.70%
14	Large Power Schedule LPC2	622,600	\$ 1,678.46	3.70%
15	Large Commercial Optional TOD	18,767	\$ 82.42	3.64%
36	Large Power Schedule LPE4	1,692,872	\$ 4,699.52	3.68%
50	TOD Three Phase - Schedule C	4,755	\$ 0.04	3.64%
6	Street Lighting	369,082	NA	2.95%
6	Lighting	NA	NA	3.91%

A person may examine the application and any related documents Farmers RECC has filed with the PSC at the utility's principal office, located at:

Farmers Rural Electric Cooperative Corporation
504 South Broadway
Glasgow, Kentucky 42141
(270) 651-2191
<https://farmersrecc.com>

A person may also examine the application: (i) at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or (ii) through the Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Farmers RECC, but the Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person

may submit a timely written request for intervention to the Commission at Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

Case No. 2021-00108
Application – Exhibit 6

Testimony of John Wolfram
Catalyst Consulting, LLC

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

DIRECT TESTIMONY

OF

**JOHN WOLFRAM
PRINCIPAL OF CATALYST CONSULTING, LLC**

ON BEHALF OF

**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
BLUE GRASS ENERGY COOPERATIVE CORPORATION
CLARK ENERGY COOPERATIVE, INC.
CUMBERLAND VALLEY ELECTRIC INC.
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
FLEMING-MASON ENERGY COOPERATIVE, INC.
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION
INTER-COUNTY ENERGY COOPERATIVE CORPORATION
JACKSON ENERGY COOPERATIVE CORPORATION
LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION
NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
OWEN ELECTRIC COOPERATIVE INC.
SALT RIVER ELECTRIC COOPERATIVE CORPORATION
SHELBY ENERGY COOPERATIVE INC.
SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION**

FILED: April 1, 2021

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**DIRECT TESTIMONY
OF
JOHN WOLFRAM**

5 **I. INTRODUCTION**

6 **Q. Please state your name, business address and occupation.**

7 A. My name is John Wolfram. I am the Principal of Catalyst Consulting LLC. My business
8 address is 3308 Haddon Road, Louisville, Kentucky 40241.

9 **Q. On whose behalf are you testifying?**

10 A. I am testifying on behalf of each of the sixteen Owner-Members of East Kentucky Power
11 Cooperative, Inc. ("EKPC").

12 **Q. Please summarize your education and professional experience.**

13 A. I received a Bachelor of Science degree in Electrical Engineering from the University of
14 Notre Dame in 1990 and a Master of Science degree in Electrical Engineering from Drexel
15 University in 1997. I founded Catalyst Consulting LLC in June 2012. From March 2010
16 through May 2012, I was a Senior Consultant with The Prime Group, LLC. I have
17 developed cost of service studies or rates for numerous electric and gas utilities, including
18 electric distribution cooperatives, generation, and transmission cooperatives, municipal
19 utilities, and investor-owned utilities. I have performed economic analyses, rate
20 mechanism reviews, ISO/RTO membership evaluations, and wholesale formula rate
21 reviews. I have also been employed by the parent companies of Louisville Gas and Electric
22 Company ("LG&E") and Kentucky Utilities Company ("KU"), by the PJM
23 Interconnection, and by the Cincinnati Gas & Electric Company.

24 **Q. Have you previously testified before the Kentucky Public Service Commission**
25 **("Commission")?**

1 A. Yes. To date I have testified in over thirty different regulatory proceedings before this
2 Commission, most recently in Case No. 2021-00066.¹

3 **Q. What is the purpose of your testimony in this proceeding?**

4 A. The purpose of my testimony is to support the proposed rates of the Owner-Members of
5 EKPC, reflecting the flow through of the effects of the increase in wholesale rates proposed
6 by EKPC in Case No. 2021-00103,² pursuant to KRS 278.455.

7 **Q. Are you sponsoring any Exhibits?**

8 A. Yes. I have prepared the following exhibits to the Application in this docket:

- 9 • Exhibit 2: Comparison of Current and Proposed Rates
- 10 • Exhibit 3: Billing Analysis

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12 **II. PASS THROUGH OF WHOLESALE RATE INCREASE**

13 **Q. What does KRS 278.455(2) permit for the pass-through of wholesale rate increases?**

14 A. KRS 278.455(2) specifies that

15 “Notwithstanding any other statute, **any revenue increase authorized by**
16 **the Public Service Commission** or any revenue decrease authorized in
17 subsection (1) of this section **that is to flow through the effects of an**
18 **increase or decrease in wholesale rates may, at the distribution**
19 **cooperative's discretion, be allocated to each class and within each tariff**
20 **on a proportional basis that will result in no change in the rate design**
21 **currently in effect....”** (emphasis added)

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23

¹ See *In the Matter of: The Electronic Application of Kenergy Corp. For A General Adjustment Of Rates Pursuant To Streamlined Procedure Pilot Program Established In Case No. 2018-00407*, Order, Case No. 2021-00066 (Ky. P.S.C. March 11, 2021).

² See *In The Matter Of: Electronic Application Of East Kentucky Power Cooperative, Inc. For A General Adjustment Of Rates, Approval Of Depreciation Study, Amortization Of Certain Regulatory Assets, And Other General Relief*, Case No. 2021-00103 (filed April 1, 2021).

1 **Q. Did EKPC provide you with the relevant data regarding its proposed wholesale**
2 **increase?**

3 A. Yes. EKPC provided me with a summary of the proposed increase in dollars by
4 distribution cooperative and by wholesale rate class, including the total proposed revenue
5 increase in dollars for each distribution cooperative.

6 **Q. Please generally describe the approach you used to determine the proposed rates for**
7 **each distribution cooperative.**

8 A. For each distribution cooperative, I first collected 2019 billing information for each rate
9 class in the cooperative's Commission-approved tariffs, to correspond with the 2019 test
10 period used by EKPC in Case No. 2021-00103. I calculated the billings for each rate class
11 and for each base rate billing component within the respective classes (*e.g.*, customer
12 charge, energy charge, demand charge). I also compiled annual amounts for rate riders,
13 billing adjustments, and other non-base-rate billing items by class. I then determined
14 "present" rates and revenues by accounting for a limited number of adjustments that I
15 describe below. Then I allocated the EKPC revenue increase proportionately, first to each
16 rate class, and then to the individual base rate billing components of each class. I
17 determined the proposed per-unit charges such that the rate class revenue allocation shares
18 and the billing component allocation shares were maintained. In other words, I allocated
19 the increase first to the rate classes and then to the billing components on a proportionate
20 basis, resulting in no change in the rate design currently in effect.

21 **Q. How did you adjust 2019 amounts to determine the "present" amounts?**

1 A. I adjusted 2019 data on an extremely limited basis. Because the Commission approved a
2 Fuel Adjustment Clause (“FAC”) roll-in effective February 1, 2020,³ it was necessary to
3 adjust 2019 amounts to reflect the revised base energy charges and FAC charges. I adjusted
4 2019 amounts to account for the FAC roll-in for all Owner-Members. Also, there were a
5 small number of large commercial or industrial retail members that either switched rates
6 or revised their contract demand amounts since 2019; I adjusted the billing determinants
7 for these end-users to ensure that the rate calculations would result in no change in the
8 retail rate design currently in effect. These types of adjustments are reflected where
9 applicable in the “Present Rates” and “Present Revenues” in Exhibit 3 and are needed to
10 ensure that the full effects of the wholesale rate increase are flowed through
11 proportionately. Other than the FAC roll-in and limited number of rate switching/contract
12 demand changes, I did not make any other adjustments to the test year data.

13 **Q. Did you consider the recent Commission Order in Case No. 2020-00095⁴ (the**
14 **“Kenergy Order”) in which the Commission clarified “proportional” for the purposes**
15 **of the pass-through calculations?**

16 A. Yes. As I understand it, in simple terms the *Kenergy* Order states that a distribution
17 cooperative should base its “proportions” in the pass-through calculation upon the most
18 recent Commission approved revenue allocation and billing component revenue allocation
19 from the cooperative’s last rate order. Here, my approach was to first attempt to determine

³ See *In The Matter Of Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. From November 1, 2016 Through October 31, 2018*, Order, Case No. 2019-00003 (Ky. P.S.C. Dec. 26, 2019); *In The Matter Of: Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. Cooperatives From November 1, 2016 Through October 31, 2018*, Order, Case No. 2019-00008 (Ky. P.S.C. Dec. 26, 2019; Order, Case No. 2019-00008 (Ky. P.S.C. Jan. 22, 2020).

⁴ *In the Matter of: Electronic Application of Kenergy Corp. for a Declaratory Order*, Order, Case No. 2020-00095 (Ky. P.S.C. March 11, 2021).

1 the proposed rates based on the allocations from the last rate order. If those results proved
2 to be self-evidently unreasonable, I then determined the proposed rates based on the present
3 test year allocations, consistent with the method approved in the pass-through filings for
4 EKPC's last two rate cases.⁵

5 **Q. Did the *Kenergy* Order method produce reasonable results for the EKPC distribution**
6 **cooperatives?**

7 A. It did for Clark Energy and Cumberland Valley Electric because these utilities relied upon
8 a 2019 test year in their last filings.⁶ In other words for these utilities, the *Kenergy* Order
9 method and the present test year allocation method are identical. For the other cooperatives
10 that I analyzed using the *Kenergy* Order method,⁷ the analysis did not produce reasonable
11 rates for all rate classes. Thus, for those utilities I used the present test year allocations
12 instead of the last rate order allocations to develop proposed rates.

13 **Q. Please describe how the *Kenergy* Order method provided unreasonable results for**
14 **certain rate classes of the Owner-Members.**

15 A. Relying on the last rate order to allocate the total increase to the rate classes seems
16 reasonable in theory, but has limitations based on how the customer mix within the rate
17 classifications has changed over time. For some cooperatives, the list of rate classes with

⁵ See *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates*, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011); *In The Matter Of Application For General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.*, Order, Case No. 2006-00472 (Ky. P.S.C. Dec. 5, 2011).

⁶ The same result is anticipated for Licking Valley RECC, who expects an order imminently in its streamlined rate filing currently before the Commission in Case No. 2020-00338, *In the Matter Of: Electronic Application of Licking Valley Rural Electric Cooperative Corporation For A General Adjustment Of Rates Pursuant To Streamlined Procedure Pilot Program Established In Case No. 2018-00407*. Licking Valley anticipates providing updated schedules in this docket following that order.

⁷ The other cooperatives include all but Licking Valley RECC (see previous footnote) and Salt River Electric Cooperative, whose last rate order in Case No. 92-560 is dated September 28, 1993. I did not compute proposed rates using the *Kenergy* Order method for these two utilities.

1 active members differed from the last rate order and the present test year. The *Kenergy*
2 Order does not specify how to address this kind of variance.

3 More importantly, relying on the last rate order to allocate the class revenue to the
4 individual billing components was more problematic. For certain two-part rate classes like
5 residential, the percentage split between customer charge revenue and energy charge
6 revenue does not typically fluctuate much over time between rate cases, so for those classes
7 the results were mostly reasonable. However, for rate classes with more than two parts –
8 for example, a large customer class with four parts (customer charge, energy charge,
9 contract demand charge, and excess demand charge) – it was more common for the
10 percentage shares across the components to vary significantly between the last rate order
11 method and the present test year method. For example, there might be zero excess demand
12 kW (and thus revenue) in the present test year, but 25 percent excess demand revenue in
13 the last rate order. The converse could also be true. In either event, holding the last rate
14 order component percentages fixed and applying them to 2019 billing units often resulted
15 in skewed charges on a per-unit basis. For most cooperatives, applying the last rate order
16 component percentages yielded declines in the excess demand charge which would have
17 resulted in a significant change to the rate design currently in effect (where the excess
18 demand charge currently exceeds the contract demand charge). This appears to run afoul
19 of the proportionality standard in KRS 278.455(2) and would result in a rate design change.
20 It could also violate the ratemaking principle of gradualism. In situations like this, the
21 cooperative elected to use the present test year allocations in full to develop proposed rates.

1 **Q. Did any cooperative use a hybrid approach where it employed the last rate order**
2 ***Kenergy* Order method for some of its rate classes and the traditional test year method**
3 **for other rate classes?**

4 A. No. Each cooperative used one method or the other. No cooperative opted to determine
5 some rates from the *Kenergy* Order method and other rates from the present test year
6 allocation method. Only one method was used consistently for determining all proposed
7 rates for any particular Owner-Member.

8 **Q. Is it reasonable to use present test year allocations in instances where the *Kenergy***
9 **Order method produced unreasonable results?**

10 A. Yes. In 1944, in *Federal Power Commission v. Hope Natural Gas Co.*, the Supreme Court
11 held that, in setting maximum rates, the utility commission would not be "bound to the use
12 of any single formula or combination of formulae in determining rates." Rather, it would
13 be the "result reached, not the method employed" that would be controlling.⁸ I am not an
14 attorney, but it is my understanding that Kentucky law fully embraces the *Hope* Doctrine.
15 The approach here was to use the *Kenergy* Order method to the fullest practical extent; in
16 the cases where the *Kenergy* Order method did not produce reasonable rates, the use of the
17 present test year allocations did so, consistent with previous Commission orders in pass-
18 through rate cases. For this reason, the determination of proposed rates based on the
19 present test year allocations should be accepted as it has been in the past, specifically in
20 Case Nos. 2010-00167 and 2008-00409.

⁸ *Fed. Power Comm'n v. Hope Natural Gas Co.*, 320 U.S. 591, 602 (1944).

1 **Q. The *Kenergy* Order states that any revenue distortions could be addressed through**
2 **subsequent rate filings by a distribution cooperative. If the last rate order approach**
3 **is strictly applied, what is likely to happen?**

4 A. The overall revenue impact of the rate pass-through is consistent regardless of whether the
5 *Kenergy* Order last rate order method or the present test year approach is applied. Either
6 way, the distribution cooperative should be able to successfully absorb and pass through
7 any increase in its wholesale power expense to its end-use retail members, even if the pass-
8 through introduces some revenue distortions within a particular rate class. The bigger
9 problem under the *Kenergy* Order method is that some end-use retail customer classes will
10 immediately see very significant changes in their monthly bills. This skewing effect
11 between retail customer classes will likely force most of EKPC's distribution cooperatives
12 to file near-simultaneous rate cases shortly after EKPC's wholesale rates take effect. Since
13 the goal behind the enactment of KRS 278.455 was to avoid the need for each distribution
14 cooperative to file a rate case following an increase in wholesale rates, the *Kenergy* Order
15 approach could work at somewhat cross-purposes to the policy embodied in the statute.

16 **Q. Did you treat any retail rate classes differently than the others in the pass-through**
17 **calculation?**

18 A. For the most part, I made no distinction between retail rate classes taking service under
19 EKPC's different wholesale rate classes (Rate B, Rate C, Rate E, etc.), consistent with
20 previous Commission orders and Owner-Member pass-through rate filings. However, I
21 did separately calculate proposed rates for retail members served under EKPC Rate G -
22 Special Electric Contract Rate, as well as for those served under EKPC's other large special
23 contracts. These are listed separately in Exhibit 2. These classes are given separate

1 consideration by EKPC, so I determined the retail rate increases associated with these
2 classes using the specific data provided to me for these classes by EKPC. This is consistent
3 with the treatment afforded these particular classes in EKPC’s last rate case in Case No.
4 2010-00167,⁹ which was based on KRS 278.455(3):

5 “Any increase or decrease as provided for in subsections (1) and (2) of this
6 section shall not apply to special contracts under which the rates are subject
7 to change or adjustment only as stipulated in the contract.”
8

9 **Q. How did you determine proposed rates for any rate classes under which no retail**
10 **members took service in 2019 (“vacant rate classes”)?**

11 A. For vacant rate classes, I first checked to see if the per-unit charges were identical to any
12 per-unit charges of other, non-vacant rate classes; if so, I set the proposed vacant rate class
13 per-unit charge equivalently. Otherwise, I increased the vacant rate class per-unit charges
14 by the same percentage as the overall base rate increase for the utility. There is no revenue
15 impact associated with these changes, but the changes are necessary for the flow through
16 of the effects of the proposed EKPC rate increase to result in no change to the retail rate
17 design currently in effect, particularly on an inter-class basis. (For example, increasing
18 other per-unit rates without also increasing the vacant rate class rates will skew the current
19 retail rates relative to one another and could inappropriately provide incentives for rate
20 switching at the retail level.)

21

22 **III. CONCLUSION**

23 **Q. What is your recommendation to the Commission in this case?**

⁹ *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011).*

1 A. In this docket, the proposed rates are allocated to each retail class and within each retail
2 tariff on a proportional basis, and result in no change in the retail rate design currently in
3 effect. The proposed rates are fair, just, and reasonable, and are also consistent with KRS
4 278.455 and prior Commission precedent, specifically Case Nos. 2010-00167 and 2008-
5 00409. The proposed rates should be approved.

6 **Q. Does this conclude your testimony?**

7 A. Yes, it does.

