

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)
FLEMING-MASON ENERGY COOPERATIVE,) Case No. 2023-00223
INC. FOR A GENERAL ADJUSTMENT OF RATES)

FLEMING-MASON ENERGY COOPERATIVE, INC.
RESPONSE TO COMMISSION DEFICIENCY NOTICE OF AUGUST 11TH, 2023

Comes now Fleming-Mason Energy Cooperative, Inc. (“Fleming-Mason”), by counsel, and for its Response to the Deficiency Notice of the Commission dated August 11th, 2023 states as follows:

1. 807 KAR 5:001, Section 16 (4) (g): Analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class; percentage increase includes riders.

Response: This information was provided in Application Exhibit 10, the Direct Testimony of John Wolfram, specific reference is made to Page 22-25 of Mr. Wolfram’s testimony and Exhibit JW-9, pages 2-7.

2. 807 KAR 5:001, Section 16 (4) (i): Reconciliation of rate base and capital used to determine revenue requirements were not provided in application.

Response: This information was provided in Application Exhibit 15. An additional worksheet is provided here with excel format. Revenue requirements were determined on the basis of achieving an OTIER of 1.85. Specific reference is made to the Direct Testimony of

John Wolfram provided at Exhibit 10, pages 6-9 and, in particular, Exhibit JW-2 thereto. The rate base is calculated as part of the cost of service study; this is provided on pages 7-8 of the testimony of John Wolfram and Exhibit JW-4 thereto.

3. 807 KAT 5:001, Section 16 (4) (t): If utility had amounts charged or allocated to it by affiliate or general or home office, or paid any monies to affiliate or general or home office during test period or during previous 3 calendar years; Applicant stated that an affiliate was owned, but required information regarding affiliates was not provided in application.

Response: F M Utility Resources, LLC (FMUR) is a subsidiary of and 100% owned by Fleming-Mason Energy Cooperative, Inc. (Fleming-Mason). FMUR performs maintenance type right of way work. FMUR is structured as a limited liability company (LLC) and has been in operation since 2020. FMUR crews will primarily work on cycle buster or “hot spot” trees or clear vegetation areas for new construction work orders. FMUR sets an annual budget for each calendar year. This budget is based off revenue received solely from Fleming-Mason. Revenue is projected by estimating weekly cost of hourly labor and equipment. Prices for labor and equipment are set based on a comparison to current right of way contracts and prices. FMUR labor and equipment charges to Fleming-Mason are set so the prices are advantageous to Fleming-Mason based on current contractual prices. In reference to the 2022 test year for this general rate application for Fleming-Mason, the amount paid to FMUR would be capitalized if completed on a construction work order or expensed for right-of-way maintenance. Attached hereto are itemization of all invoices paid by Fleming-Mason to FMUR for the years 2020, 2021, and 2022. The total payments for 2021 and 2022 correspond to income statement (revenues) contained in the 2021 and 2022 Annual Report section for FMUR. (Exhibit 22 to the Application) Additionally, the 2022 Audit Report, Exhibit 17, contains the consolidated financial report of Fleming-Mason and FMUR.

4. 807 KAR 5:001, Section 17 (4) (d): Electric, gas, and water utilities – the amount of the average usage and the effect upon average bill for each customer class to which change will apply; percentage increase includes riders.

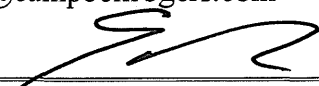
Response: This information was provided in the Public Notice, which is included in the Application in Exhibit 5, Attachment, page 8 of 10. It was also provided in Application Exhibit 10, the Direct Testimony of John Wolfram page 25, Table 5.

Wherefore, Fleming-Mason Energy Cooperative, Inc. submits the above as an amendment to its Application for General Adjustment of Rates and to cure the above stated deficiencies and respectfully requests that the Commission find Fleming-Mason Energy Cooperative, Inc.'s Application is deemed to meet the minimum filing requirements, and that the Commission accept the application for filing.

This 17th day of August, 2023.

Respectfully submitted,

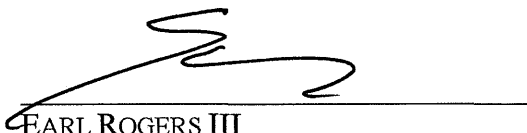
CAMPBELL ROGERS & STACY PLLC
ATTORNEYS AT LAW
154 FLEMINGSBURG ROAD
MOREHEAD, KY 40351
(606) 783-1012
(606) 784-8926 FAX
earl@campbellrogers.com

BY: 

EARL ROGERS III
ATTORNEY FOR FLEMING-MASON
ENERGY COOPERATIVE, INC.

CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Kentucky Public Service Commission for filing on August 17th, 2023; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; by virtue of the Commission's Order of July 22, 2021, in case number 2020-00085, no paper copies of this filing will be made. Furthermore, a true and accurate copy of the filing has been electronically transmitted to the Kentucky Attorney General's Office of Rate Intervention at: rateintervention@ag.ky.gov.

A handwritten signature in black ink, appearing to read 'Earl Rogers III', is written over a solid horizontal line.

EARL ROGERS III

ATTORNEY FOR

FLEMING-MASON ENERGY COOPERATIVE, INC.

ATTACHMENT 1
RESPONSE TO DEFICIENCY 3
807 KAR 5:001, Section 16(4)(t)

2020 invoices paid by Fleming-Mason to FMUR

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
SA0000000056936	032320		CHECK ORDER FROM CTB		032620	149.50	.00	149.50	032620	269
10000	040420		ROW 3/30-4/4		041620	4775.60	.00	4775.60	041620	273
10001	041120		ROW 4/5-4/11		041620	5962.72	.00	5962.72	041620	273
10002	042020		ROW 4/12-4/18		042320	4775.60	.00	4775.60	042320	274
10003	042720		ROW 4/18-4/25, WO#68107		043020	4697.60	.00	4697.60	043020	276
10004	050420		ROW 4/26-5/2, WO#68250 & #68251		050720	4570.70	.00	4570.70	050720	278
10005	051120		ROW 5/3-5/9		051420	4406.50	.00	4406.50	051420	282
10006	051820		ROW 5/10-5/16		052120	4775.60	.00	4775.60	052120	284
10007	052620		ROW 5/17-5/23		052820	4625.20	.00	4625.20	052820	285
10008	053020		ROW 5/24-5/30		060420	4348.70	.00	4348.70	060420	288
10009	060820		ROW 5/31-6/6		061120	5133.77	.00	5133.77	061120	290
10012	060820		ROW 5/31-6/6		062520	87.00	.00	87.00	062520	294
10010	061520		ROW 6/7-6/13		061820	5969.50	.00	5969.50	061820	292
10013	061520		ROW 6/7-6/13		062520	290.00	.00	290.00	062520	294
10011	062220		ROW 6/14-6/20		062520	7446.62	.00	7446.62	062520	294
10014	062920		ROW 6/21-6/27		070220	5626.82	.00	5626.82	070220	295
10015	070620		ROW 6/28-7/04		070920	4775.60	.00	4775.60	070920	299
10016	071320		ROW 7/05-7/11		071620	5090.65	.00	5090.65	071620	302
10017	072020		ROW 7/12-7/18		072320	4775.60	.00	4775.60	072320	305
10018	072720		ROW 7/19-7/25		073020	5962.72	.00	5962.72	073020	306
10019	073120		ROW 7/26-8/01		080620	4923.99	.00	4923.99	080620	308
10020	081020		ROW 8/02-8/08		081320	6259.50	.00	6259.50	081320	310
10021	081720		ROW 8/09-8/15		082020	4775.60	.00	4775.60	082020	314
10022	082420		ROW 8/16-8/22		082720	4775.60	.00	4775.60	082720	315
10023	083120		ROW 8/23-8/29		090320	4775.60	.00	4775.60	090320	317

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
10024	090820		ROW 8/30-9/5		091020	4620.90	.00	4620.90	091020	319
10025	091420		ROW 9/6-9/12		091720	4348.70	.00	4348.70	091720	322
10026	092120		ROW 9/13-9/19		092420	4775.60	.00	4775.60	092420	324
10027	092820		ROW 9/20-9/26		100120	4775.60	.00	4775.60	100120	326
10028	100520		ROW 9/27-10/03		100820	6407.89	.00	6407.89	100820	329
10029	101220		ROW 10/04-10/10		101520	6259.50	.00	6259.50	101520	333
10030	101920		ROW 10/11-10/17		102220	4253.80	.00	4253.80	102220	336
10031	102620		ROW 10/18-10/24		102920	4671.24	.00	4671.24	102920	338
10032	103120		ROW 10/25-10/31		110520	4625.20	.00	4625.20	110520	340
10033	110920		ROW 11/01-11/07		111220	6259.50	.00	6259.50	111220	342
10034	111620		ROW 11/08-11/14		111920	5665.94	.00	5665.94	111920	344
10035	112320		ROW 11/15-11/21		112620	4775.60	.00	4775.60	112620	346
10036	113020		ROW 11/22-11/28		120320	4135.25	.00	4135.25	120320	348
10037	120720		ROW 11/29-12/05		121020	4474.80	.00	4474.80	121020	350
10038	121420		ROW 12/06 -12/12		121720	5517.55	.00	5517.55	121720	352
10039	122120		ROW 12/13 -12/19		122420	4775.60	.00	4775.60	122420	354

VENDOR TOTAL:

194098.96

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
---------	------	-------	---------------------	---------	--------	--------	-----	------	-----------------	-------------------

GRAND TOTAL: 194098.96

ATTACHMENT 2
RESPONSE TO DEFICIENCY 3
807 KAR 5:001, Section 16(4)(t)

2021 invoices paid by Fleming-Mason to FMUR

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
10040	010421	ROW 12/27 -01/02		010721		4348.70	.00	4348.70	010721	356
10041	011121	ROW 01/03 - 01/09		011421		6259.50	.00	6259.50	011421	359
10042	011821	ROW 01/10 - 01/16		012121		5066.35	.00	5066.35	012121	362
10043	012521	ROW 01/17 - 01/23		012821		4775.60	.00	4775.60	012821	365
10044	020121	ROW 01/24-01/30		020421		4617.06	.00	4617.06	020421	370
10045	020821	ROW 01/31/21-2/6/21		021121		4775.60	.00	4775.60	021121	372
10046	021621	ROW2/7/21-2/13/21 STORM2/11-2/13		021821		10351.61	.00	10351.61	021821	373
10047	022221	STORM 2/14/21-2/21/21		022521		11160.89	.00	11160.89	022521	375
10048	030421	ROW 2/21/21-2/28/21-GRAYSON STOR		030421		5048.51	.00	5048.51	030421	379
10049	030821	ROW 2/28/21-3/7/21		031121		4775.60	.00	4775.60	031121	380
10050	031521	ROW 3/7/21-3/14/21		031821		4775.60	.00	4775.60	031821	383
10051	032221	ROW 3/15/21-3/21/21 #210188		032521		4775.60	.00	4775.60	032521	386
10052	032921	ROW 3/22-3/28 WO210188, WO210189		040121		4474.80	.00	4474.80	040121	387
1014	040521	ROW 3/29-4/4 WO 210213		040821		4474.80	.00	4474.80	040821	390
1015	041221	ROW 4/5-4/11 WO 210189		041521		4879.30	.00	4879.30	041521	393
1016	041921	ROW 4/12-4/18		042221		4393.95	.00	4393.95	042221	394
1017	042621	ROW 4/19-4/25		042921		4947.60	.00	4947.60	042921	397
1018	050321	ROW 4/26-5/2		050621		4022.82	.00	4022.82	050621	401
1019	051021	ROW 5/3-5/9		051321		3423.17	.00	3423.17	051321	403
1020	051721	ROW 5/10-5/16		052021		4947.60	.00	4947.60	052021	406
1021	052421	ROW 5/17-5/23		052721		4701.72	.00	4701.72	052721	409
1022	060121	ROW 5/24-5/30		060321		4742.70	.00	4742.70	060321	411
1023	060721	ROW 5/31-6/6		061021		4244.60	.00	4244.60	061021	413
1024	061421	ROW 6/7-6/13		061721		4763.19	.00	4763.19	061721	416
1025	062121	ROW 6/14-6/20		062421		5789.22	.00	5789.22	062421	418

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
1026	062821		ROW 6/21-6/27		070121	5857.52	.00	5857.52	070121	419
1027	070621		ROW 6/28-7/4		070821	3834.39	.00	3834.39	070821	424
1028	071221		ROW 7/5-7/11		071521	5981.10	.00	5981.10	071521	426
1029	071921		ROW 7/12-7/18		072221	5073.70	.00	5073.70	072221	430
1030	072621		ROW 7/19-7/25		072921	4947.60	.00	4947.60	072921	431
1031	080221		ROW 7/26-8/1		080521	4947.60	.00	4947.60	080521	434
1032	080921		ROW 8/2-8/8		081221	4947.60	.00	4947.60	081221	436
1033	081621		ROW 8/9-8/15		081921	5101.67	.00	5101.67	081921	438
1034	082321		ROW 8/16-8/22		082621	4418.51	.00	4418.51	082621	440
1035	083021		ROW 8/23-8/29		090221	4947.60	.00	4947.60	090221	441
1036	090621		ROW 8/30-9/5		090921	4947.60	.00	4947.60	090921	444
1037	091321		ROW 9/6-9/12		091621	6578.00	.00	6578.00	091621	448
1038	092021		ROW 9/13-9/19		092321	7061.30	.00	7061.30	092321	450
1039	092721		ROW 9/20-9/26		093021	7131.90	.00	7131.90	093021	451
1040	100421		ROW 9/27-10/3		100721	7039.10	.00	7039.10	100721	453
1041	101121		ROW 10/4-10/10		101421	5982.40	.00	5982.40	101421	463
1042	101821		ROW 10/11-10/17		102121	6738.30	.00	6738.30	102121	466
1043	102521		ROW 10/18-10/24		102821	7434.87	.00	7434.87	102821	468
1044	110121		ROW 10/25-10/31		110421	5283.60	.00	5283.60	110421	470
1045	110821		ROW 11/1-11/7		111121	7193.44	.00	7193.44	111121	478
1046	111521		ROW 11/8-11/14		111821	7830.50	.00	7830.50	111821	481
1047	112221		ROW 11/15-11/21		112521	7116.60	.00	7116.60	112521	484
1048	112921		ROW 11/22-11/28		120221	5744.42	.00	5744.42	120221	485
1049	120621		ROW 11/29-12/5		120921	6486.80	.00	6486.80	120921	494
1050	121321		ROW 12/6-12/12		121621	6532.76	.00	6532.76	121621	498

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236		FM UTILITY RESOURCES							
1051	122021		ROW 12/13-12/19		122221	5983.80	.00	5983.80	122221	501
1052	122721		ROW 12/20-12/26		123021	5744.65	.00	5744.65	123021	503
1053	123021		ROW 12/27-1/2		010622	8491.95	.00	8491.95	010622	507
1057	123121		2021 SURCHARGE		012722	18000.00	.00	18000.00	012722	521
1057A	123121		2021 SURCHARGE - CREDIT		021022	8000.00-	.00	8000.00-	021022	531
1061	123121		2021 SURCHARGE		021722	10061.62	.00	10061.62	021722	541

VENDOR TOTAL: 319976.99

FLEMING-MASON ENERGY
PRG. VENDANAL

ACCT 232.10

VENDOR ANALYSIS REPORT
FROM 01/01/21 TO 12/31/21

ALL INVOICES

PAGE 4
RUN DATE 08/15/23 11:22 AM

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
---------	------	-------	---------------------	---------	--------	--------	-----	------	-----------------	-------------------

GRAND TOTAL:

319976.99

ATTACHMENT 3
RESPONSE TO DEFICIENCY 3
807 KAR 5:001, Section 16(4)(t)

2022 invoices paid by Fleming-Mason to FMUR

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
1054	011022		ROW 1/3-1/9		011322	6205.70	.00	6205.70	011322	515
1055	011722		ROW 1/10-1/16		012022	6909.15	.00	6909.15	012022	518
1056	012422		ROW 1/17-1/23		012722	6566.30	.00	6566.30	012722	521
1058	013122		ROW 1/24-1/30		021022	6891.60	.00	6891.60	021022	531
1059	020722		ROW 1/31-2/6		021022	5383.06	.00	5383.06	021022	531
1060	021422		ROW 2/7/22-2/13/22		021722	6891.60	.00	6891.60	021722	541
1062	022122		ROW 2/14/22-2/203/22		022422	7052.98	.00	7052.98	022422	544
1063	022822		ROW 2/21/22-2/27/22		030322	6923.80	.00	6923.80	030322	546
1064	030722		ROW 2/28/22-3/6/22		031022	6451.60	.00	6451.60	031022	556
1065	031422		ROW 3/7/22-3/13/22		031722	4656.22	.00	4656.22	031722	559
1066	032122		ROW 3/14/22-3/30/22		032422	6891.60	.00	6891.60	032422	561
1067	032822		ROW 3/21/22-3/27/22		033122	6891.60	.00	6891.60	033122	570
1068	040422		ROW 3/28/22-4/3/22		040722	6891.60	.00	6891.60	040722	574
1069	041122		ROW 4/4/22-4/10/22		041422	6105.82	.00	6105.82	041422	584
1070	041822		ROW 4/11/22-4/17/22		042122	6627.85	.00	6627.85	042122	586
1071	042522		ROW 4/18/22-4/24/22		042822	6469.06	.00	6469.06	042822	587
1072	050222		ROW 4/25/22-5/1/22		050522	6603.74	.00	6603.74	050522	591
1073	050922		ROW 5/2/22-5/8/22		051222	6877.97	.00	6877.97	051222	600
1074	051622		ROW 5/9/22-5/15/22		051922	7371.30	.00	7371.30	051922	602
1075	052322		ROW 5/16/22-5/22/22		052622	6891.60	.00	6891.60	052622	604
1076	053122		ROW 5/23/22-5/29/22		060222	5111.65	.00	5111.65	060222	606
1077	060622		ROW 5/30/22-6/5/22		060922	4552.00	.00	4552.00	060922	616
1078	061322		ROW 6/6/22-6/12/22		061622	5144.40	.00	5144.40	061622	618
1079	062022		ROW 6/13/22-6/19/22		062322	8920.88	.00	8920.88	062322	620
1080	062722		ROW 6/20/22-6/26/22		063022	5230.43	.00	5230.43	063022	628

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236	FM UTILITY RESOURCES								
1081	070522		ROW 6/27/22-07/03/22		070722	4806.30	.00	4806.30	070722	632
1082	071122		ROW 07/04/22-07/10/22		071422	4670.00	.00	4670.00	071422	634
1083	071822		ROW 07/11/22-07/17/22		072122	5131.60	.00	5131.60	072122	636
1084	072522		ROW 07/18/22-07/24/22		072822	3927.46	.00	3927.46	072822	639
1085	080122		ROW 07/25/22-07/31/22		080422	5254.19	.00	5254.19	080422	642
1086	080822		ROW 08/01/22-08/07/22		081122	5906.60	.00	5906.60	081122	652
1087	081522		ROW 08/08/22-08/15/22		081822	7134.06	.00	7134.06	081822	654
1088	082222		ROW 08/15/22-08/21/22		082522	7397.63	.00	7397.63	082522	656
1089	082922		ROW 08/22/22-08/28/22		090122	6790.15	.00	6790.15	090122	658
1090	090522		ROW 08/29/22-09/04/22		090822	4183.54	.00	4183.54	090822	668
1091	091222		ROW 09/05/22-09/11/22		091522	7121.90	.00	7121.90	091522	672
1092	091922		ROW 09/12/22-09/18/22		092222	7844.64	.00	7844.64	092222	674
1093	092622		ROW 09/19/22-09/25/22		092922	6810.41	.00	6810.41	092922	675
1094	100322		ROW 09/26/22-10/02/22		100622	7840.81	.00	7840.81	100622	676
1095	101022		ROW 10/03/22-10/09/22		101322	6021.70	.00	6021.70	101322	686
1096	101722		ROW 10/10/22-10/16/22		102022	6918.70	.00	6918.70	102022	690
1097	102422		ROW 10/17/22-10/23/22		102722	8452.18	.00	8452.18	102722	692
1098	103122		ROW 10/24/22-10/30/22		110322	6252.78	.00	6252.78	110322	701
1099	110722		ROW 10/31/22-11/06/22		111022	6872.54	.00	6872.54	111022	703
1100	111422		ROW 11/07/22-11/13/22		111722	7347.78	.00	7347.78	111722	706
1101	112122		ROW 11/14/22-11/20/22		112322	6659.30	.00	6659.30	112322	709
1102	112822		ROW 11/21/22-11/27/22		120122	7120.90	.00	7120.90	120122	710
1103	120522		ROW 11/28/22-12/04/22		120822	6281.30	.00	6281.30	120822	719
1104	121222		ROW 12/05/22-12/11/22		121522	6228.90	.00	6228.90	121522	720
1105	121922		ROW 12/12/22-12/18/22		122222	7938.47	.00	7938.47	122222	724

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
VENDOR:	14236		FM UTILITY RESOURCES							
1106	122622		ROW 12/19/22-12/25/22		122922	7028.22	.00	7028.22	122922	726
1112	123122		2022 SURCHARGE		020223	20761.66	.00	20761.66	020223	743

VENDOR TOTAL: 349217.23

INVOICE	DATE	PO NO	INVOICE DESCRIPTION	REF NUM	PAYDTE	AMOUNT	TAX	PAID	CKDATE/ VOID	CHECK/ ACH SEQ
---------	------	-------	---------------------	---------	--------	--------	-----	------	-----------------	-------------------

GRAND TOTAL: 349217.23