

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 DEFICIENCY NOTICE;
IN THE ALTERNATIVE, MOTION FOR LEAVE TO DEVIATE FROM APPLICATION
RULES; AND IN THE ALTERNATIVE, MOTION FOR AN INFORMAL CONFERENCE

Comes now Fleming-Mason Energy Cooperative, Inc. (“Fleming-Mason”), by counsel, and submits the following for its Response to the Commission notice of deficiency of August 21st, 2023; in the alternative, in the event the deficiency is not cured by this Response, moves the Commission pursuant to 807 KAR 5:001, Section 22 for leave to deviate from the requirements of 807 KAR 5:001(4)(g) and (i) in this proceeding, and to accept the Application for general adjustment of rates of Fleming-Mason filed herein; and in the event this Motion for Leave to Deviate from Application Rules is denied, moves the Commission to schedule and informal conference to address these outstanding Application issues. In support of this Motion Fleming-Mason submits the following:

1. 807 KAR 5:001, Section 16 (4) (g): “A detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class.”

Attached hereto and incorporated by reference is Exhibit JW-9 (Exhibit to the testimony of John Wolfram). Fleming-Mason makes reference to Pages 2-7, and in particular line

items for each customer class for base rate and riders, and columns for dollar amount of increase and percentage increase. To the extent the attached Exhibit JW-1 does not adequately address the requirements of 807 KAR 5:001 §16(4)(g), Fleming-Mason requests a deviation from this Application requirement as Fleming-Mason in good faith believes the information contained therein satisfies the Application requirement, and Fleming-Mason is willing to supplement the information provided in Exhibit JW-9 with additional detail as required by the Commission.

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.

As a supplement to Fleming-Mason's Application, Fleming Mason submits the attached Reconciliation in excel format. The attached Reconciliation did not exist at the time of filing the Application. It was not created at the time of filing based on Fleming-Mason's understanding that rate base or capitalization is not used by distribution cooperatives to determine revenue requirements, and the Commission has historically accepted the use of TIER or OTIER (in streamlined cases). Fleming-Mason has generated the attached Reconciliation in response to the Commission's deficiency notice, and now submits the Reconciliation in supplement to its application. To the extent the attached Reconciliation does not adequately address the requirements of 807 KAR 5:001 §16(4)(i), Fleming-Mason requests a deviation from this Application requirement as Fleming-Mason in good faith believes the information contained therein satisfies the Application requirement, and Fleming-Mason is willing to supplement the information provided in Reconciliation with additional detail as requested by the Commission.


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. Alternatively, Fleming-Mason requests the Commission find good cause for a deviation from the above Application requirements, and accept the Application for filing. Lastly, in the event the above response does not satisfy the Application filing requirements, and the Commission does grant a deviation from said requirements, Fleming-Mason requests an informal conference to address the Application deficiencies.

This 28th day of August, 2023.

Respectfully submitted,

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CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Kentucky Public Service Commission for filing on August 28th, 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.



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

Fleming-Mason RECC
Billing Analysis of Present and Proposed Rates

#	Item	Code	Present Revenue	Proposed Revenue	Increase \$	Increase %	Average Bill Incr(Decr) \$
1	Residential & Small Power (1)	RSP	\$ 37,106,021	\$ 39,783,582	\$ 2,677,561	7.2%	\$ 9.28
2	Residential & Small Power ETS (11)	RSP-ETS	\$ 94,414	\$ 99,837	\$ 5,423	5.7%	\$ 8.85
3	Prepay (80)	RSP-PPM	\$ 967,745	\$ 1,032,026	\$ 64,281	6.6%	\$ 10.24
4	Net Metering (100)	NM	\$ 90,877	\$ 97,749	\$ 6,872	7.6%	\$ 9.38
5	Time of Day (110)	RSP-TOD	\$ 122,127	\$ 122,127	\$ -	0.0%	\$ -
6	Inclining Block Rate (8)	RSP-IB	\$ 156,429	\$ 156,429	\$ -	0.0%	\$ -
7	Small General Service (2)	SGS	\$ 2,255,699	\$ 2,255,699	\$ -	0.0%	\$ -
8	Large General Service (3)	LGS	\$ 9,558,455	\$ 9,558,455	\$ -	0.0%	\$ -
9	All Electric School (4)	AES	\$ 66,590	\$ 66,590	\$ -	0.0%	\$ -
10	Security Lights (20)	OLS	\$ 961,313	\$ 961,313	\$ -	0.0%	\$ -
11	AppHarvest (70)	Contract	\$ 3,332,512	\$ 3,332,512	\$ -	0.0%	\$ -
12	Dravo (14 now 18)	Contract	\$ 4,613,439	\$ 4,613,439	\$ -	0.0%	\$ -
13	Guardian Industries (16)	Contract	\$ 4,382,408	\$ 4,382,408	\$ -	0.0%	\$ -
14	Int'l Paper (12)	Contract	\$ 19,055,594	\$ 19,055,594	\$ -	0.0%	\$ -
15	Tennessee Gas (17)	Contract	\$ 10,013,263	\$ 10,013,263	\$ -	0.0%	\$ -
16	Steam	Steam	\$ 14,523,272	\$ 14,523,272	\$ -	0.0%	\$ -
17	Total Revenue		\$ 107,300,156	\$ 110,054,293	\$ 2,754,137	2.6%	NA
18	Target Revenue				\$ 2,755,741		
19	Rate Rounding Variance				\$ (1,604)		
20	Rate Rounding Variance				-0.06%		

Fleming-Mason RECC
Billing Analysis of Present and Proposed Rates

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase \$	%
111	Steam	Steam								
112			Demand Charge per MMBTU	3,462	604.75	\$ 2,093,645	604.75	\$ 2,093,645	\$ -	0.00%
113			Energy Charge per MMBTU	1,859,751	4.2660	\$ 7,933,697	4.2660	\$ 7,933,697	\$ -	0.00%
114			Total Base Rates			\$ 10,027,342		\$ 10,027,342	\$ -	0.00%
115			FAC			\$ 2,616,174		\$ 2,616,174	\$ -	-
116			ES			\$ 1,879,756		\$ 1,879,756	\$ -	-
117			Misc Adj			\$ -		\$ -	\$ -	-
118			Other			\$ -		\$ -	\$ -	-
119			Total Riders			\$ 4,495,930		\$ 4,495,930	\$ -	-
120			TOTAL REVENUE			\$ 14,523,272		\$ 14,523,272	\$ -	0.00%
121			Average			\$ 4,195.05		\$ 4,195.05	\$ -	0.00%
122										
123										
124										
125	TOTALS		Total Base Rates			\$ 83,101,367		\$ 85,855,505	\$ 2,754,137	3.31%
126			FAC			\$ 14,102,577		\$ 14,102,577	\$ -	-
127			ES			\$ 10,095,518		\$ 10,095,518	\$ -	-
128			Misc Adj			\$ 232		\$ 232	\$ -	-
129			Other			\$ 462		\$ 462	\$ -	-
130			Total Riders			\$ 24,198,788		\$ 24,198,788	\$ -	-
131			TOTAL REVENUE			\$ 107,300,156		\$ 110,054,293	\$ 2,754,137	2.57%
132										
133								Target:	\$ 2,755,741	
134								Variance:	\$ (1,604)	