

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-------------------------------|---|------------|
| THE ELECTRONIC APPLICATION OF |) | |
| BIG SANDY RURAL ELECTRIC |) | CASE NO. |
| COOPERATIVE CORPORATION |) | 2024-00287 |
| FOR A GENERAL ADJUSTMENT |) | |
| OF RATES |) | |

REBUTTAL TESTIMONY OF
JEFF PRATER, PRESIDENT/GENERAL MANAGER
OF BIG SANDY RURAL
ELECTRIC COOPERATIVE CORPORATION

Filed: February 10, 2025

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.**

2 A. My name is Jeff Prater. My business address is Big Sandy Rural Electric
3 Cooperative Corporation (“Big Sandy”), 504 11th Street, Paintsville, Kentucky
4 41240 . I am President/General Manager at Big Sandy.

5 **Q. ARE YOU THE SAME INDIVIDUAL THAT PROVIDED DIRECT**
6 **TESTIMONY IN THIS CASE?**

7 A. Yes.

8 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

9 A. The purpose of my rebuttal testimony is to respond to the Direct Testimony of Greg
10 R. Meyer (Meyer Direct) on behalf of the Office of the Attorney General of the
11 Commonwealth of Kentucky (“AG”). Specifically, I will address issues regarding
12 right of way (ROW).

13 **Q. THE ATTORNEY GENERAL RECOMMENDED REMOVING \$462,172**
14 **IN ROW EXPENSES. IS THIS REASONABLE?**

15 A. No. Big Sandy requested \$2.06 million in ROW expenses. This includes an
16 additional \$698,996 for ROW. It is necessary for Big Sandy to be permitted to
17 collect the additional \$698,996 to ensure Big Sandy has the money available to
18 complete vegetative management. As the Attorney General is aware, ROW
19 expenses have increased considerably for all utilities in the state¹ and Big Sandy is
20 attempting to balance the increasing costs of ROW maintenance with its duty to

¹ Case No. 2023-00276, *Electronic Application of Kenergy Corp. for a General Adjustment of Rates*, Office of the Attorney General Direct Testimony, Futral Direct and Exhibits at 6 (filed January 3, 2024).

1 provide adequate, efficient and reliable service. The amount requested does not
2 take into account the inflationary environment Big Sandy in which Big Sandy is
3 operating. The request in this proceeding is based upon today's current pricing,
4 which will inevitably rise during the next several years.

5 Big Sandy has determined that a seven-year ROW cycle is appropriate and
6 manageable for the cooperative. This requires Big Sandy to maintain 138 miles per
7 year. Mr. Meyer claims that because Big Sandy has not previously cleared 138
8 miles in a year, this means that Big Sandy is incapable of clearing 138 miles going
9 forward. What Mr. Meyer does not take into account is the reasons Big Sandy did
10 not trim 138 miles a year is because it did not have the money available. Due to
11 diligent management of the budget, Big Sandy was able to clear 108 miles in 2024.
12 However, to clear the full amount Big Sandy needs additional money for ROW
13 management. If Big Sandy is not awarded the full amount it is requesting for ROW
14 management, there is no way 138 miles will be trimmed per year.

15 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

16 **A.** Yes, it does.