

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION)	
OF SOUTH KENTUCKY RURAL)	CASE NO.
ELECTRIC COOPERATIVE)	2024-00402
CORPORATIONFOR A GENERAL)	
ADJUSTMENT OF RATES)	

**INITIAL DATA REQUESTS OF SOUTH KENTUCKY RURAL ELECTRIC
COOPERATIVE CORPORATION TO THE
KENTUCKY ATTORNEY GENERAL OFFICE OF RATE INTERVENTION**

Filed: May 28, 2025

I. DEFINITIONS AND INSTRUCTIONS

1. With respect to each discovery request, all information is to be divulged that is within the knowledge, possession or control of the parties to whom it is addressed, including their agents, employees, advisors, consultants, attorneys and/or investigators.

2. Please identify the witness(es) who will be prepared to answer questions concerning each request.

3. These requests shall be deemed continuing so as to require further and supplemental responses if the party receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

4. All answers must be separately and fully stated in writing under oath.

5. Where a data request calls for an answer in more than one part, each part should be separated in the answer so that the answer is clearly understandable.

6. If any request appears confusing, please request clarification directly from counsel for Big Sandy Rural Electric Cooperative Corporation (“Big Sandy”).

7. For purpose of these discovery requests, the following terms shall have meanings set forth below:

- (a) As used herein, “document,” “documentation” and/or “record,” whether stated as the singular or the plural, means any course of binders, book, pamphlet, periodical, letter, correspondence, memoranda, including but not limited to, any memorandum or report of a meeting or telephone or other conversation, invoice, account, credit memo, debit memo, financial statement, general ledger, ledger, journal, work papers, account work papers, report, diary, telegram, record, contract, agreement, study, draft,

telex, handwritten or other note, sketch, picture, photograph, plan, chart, paper, graph, index, tape, data processing card, data processing disc, data cells or sheet, check acceptance draft, e-mail, studies, analyses, contracts, estimates, summaries, statistical statements, analytical records, reports and/or summaries of investigations, opinions or reports of consultants, opinions or reports of accountants, trade letters, comparisons, brochures, pamphlets, circulars, bulletins, notices, forecasts, electronic communication, printouts, all other data compilations from which information can be obtained (translated if necessary by defendants into usable form), any preliminary versions, drafts or revisions of any of the foregoing, and/or any other written, recorded, transcribed, punched, taped, filmed or graphic matter, however produced or reproduced and regardless of origin or location, in the possession, custody and/or control of the defendant and/or their agents, accountants, employees, representatives and/or attorneys. "Document" and "record" also mean all copies of documents by whatever means made, if the copy bears any other markings or notations not found on the original.

- (b) The terms "relating to," "referring to," "referred to," "pertaining to," "pertained to" and "relates to" means referring to, reporting, embodying, establishing, evidencing, comprising, connected with, commenting on, responding to, showing, describing, analyzing, reflecting, presenting and/or constituting and/or in any way involving.

- (c) The terms “and,” “or,” and “and/or” within the meaning of this document shall include each other and shall be both inclusive and disjunctive and shall be construed to require production of all documents, as above-described, in the broadest possible fashion and manner.
- (d) Unless otherwise noted, the term “AG” shall mean The Kentucky Attorney General’s Office of Rate Intervention and shall include, but is not limited to, each and every employee, advisor, consultant and/or attorney of The Kentucky Attorney General’s Office of Rate Intervention. The term “you” shall be deemed to refer to the Kentucky Attorney General’s Office of Rate Intervention.
- (e) The term “Commission” shall mean the Kentucky Public Service Commission.
- (f) To “identify” shall mean:
 - (1) With respect to a document, to state its date, its author, its type (for example, letter, memorandum, chart, photograph, sound reproduction, etc.), its subject matter, its present location, and the name of its present custodian. The document may be produced in lieu of supplying the foregoing information. For each document which contains information as privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.

- (2) With regard to a natural person, to state his or her full name, last known employer or business affiliation, title and last known home address.
 - (3) With regard to a person other than a natural person, state the title of that person, any trade name, or corporate name or partnership name used by that person, and the principal business address of that person.
 - (g) To “produce” or to “identify and produce,” shall mean that Company shall produce each document or other requested tangible thing. For each tangible thing which Company contends is privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.
 - (h) The terms “Party or Parties” shall mean any organization, person, corporation, entity, etc., which intervened in the above-captioned proceeding and shall further include the Commission Staff.
8. The information requested herein shall be filed no later than June 6, 2025.

Respectfully submitted,

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Counsel for South Kentucky RECC

1. Refer to the Direct Testimony of Randy A. Futral (“Futral Direct Testimony”). Provide any other workpapers used by Mr. Futral to prepare his analysis and calculations. If such workpapers include spreadsheets, please provide in electronic format with all formulas, calculations, links and input data intact.
2. Refer to the Futral Direct Testimony at 6. Provide any orders of the Commission from 2014-2025 where the Commission has indicated an electric distribution cooperative may not propose rates based upon Operating Times Interest Earned Ratio (“OTIER”).
3. Refer to the Futral Direct Testimony at 6. Provide any orders of the Commission from 2014-2025 where the Commission authorized an OTIER of less than 1.85 for an electric distribution cooperative.
4. Refer to the Futral Direct Testimony at 6. Provide any orders of the Commission from 2014-2025 where the Commission authorized a Times Interest Earned Ratio (“TIER”) less than 2.0 for an electric distribution cooperative.
5. Refer to the June 30, 2022 Order in Case No. 2021-00407.¹ Provide an explanation of why South Kentucky RECC should receive a 1.85 TIER in this proceeding when the economic climate, inflation, and interest rates are worse in 2025 compared to 2021.
6. Refer to the July 31, 2024 Order Case No. 2023-00276.² Provide an explanation of why the Attorney General did not contest a 2.0 TIER in that proceeding for an electric distribution cooperative.

¹ Case No. 2021-00407, *Electronic Application of South Kentucky Rural Electric Cooperative Corporation for a General Adjustment of Rates, Approval of Depreciation Study, and other General Relief*, June 30, 2021 Order (Ky. PSC June 30, 2021).

² Case No. 2023-00276, *Electronic Application of Kenergy Corp. for a General Adjustment of Rates*, July 31, 2024 Order (Ky. PSC July 31, 2024).

7. Refer to Case No. 2024-00211, Combined Futral Testimony.³ Provide an explanation of why the Attorney General did not contest a 2.0 TIER in that proceeding for an electric distribution cooperative.
8. Refer to the Futral Testimony at 14-15. Explain how the Rural Utility Service (“RUS”) Cushion of Credit differs in this proceeding than in Case No. 2021-00407.
9. Confirm when the Commission authorizes a revenue requirement for a utility, the utility does not automatically collect that revenue. The utility must first have electric sales to generate the revenue.
10. Confirm the Attorney General is aware of the May 17, 2025, tornado that devastated South Kentucky’s service territory and destroyed South Kentucky’s headquarters.
11. Confirm that the Attorney General is aware South Kentucky’s Board of Directs approved the vegetation management plan to clear the 5,017.54 miles of line in six-year cycle resulting in approximately 836.26 miles of right-of-way (“ROW”) to be cleared annually.
12. Explain how a reduction in the requested revenue for right-of-way (“ROW”) will allow South Kentucky to maintain its Board approved ROW vegetation management plan.

³ Case No. 2024-00211, *Electronic Application of Licking Valley Rural Electric Cooperative Corporation for a General Adjustment of Rates and Other General Relief*, Combined Futral Testimony (filed October 18, 2024).