

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

**IN THE MATTER OF:**

ELECTRONIC APPLICATION OF AN	)	
ALTERNATIVE RATE ADJUSTMENT FOR BLUE	)	CASE NO.
GRASS ENERGY COOPERATIVE	)	2025-00103
CORPORATION PURSUANT TO 807 KAR 5:078	)	

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**RESPONSES TO COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION TO  
BLUE GRASS ENERGY COOPERATIVE CORP. DATED MAY 27, 2025**

**Filed: June 12, 2025**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF  
BLUE GRASS ENERGY COOPERATIVE  
CORPORATION FOR A GENERAL  
ADJUSTMENT OF RATES PURSUANT  
TO 807 KAR 5:0078

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)  
)

CASE NO.  
2025-00103

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VERIFICATION OF LAUREN LOGAN

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COMMONWEALTH OF KENTUCKY )  
COUNTY OF JESSAMINE )

Lauren Logan, Vice President of Financial Services and Chief Financial Officer of Blue Grass Energy Cooperative Corporation, being duly sworn, states that she has supervised the preparation of certain responses to data requests in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

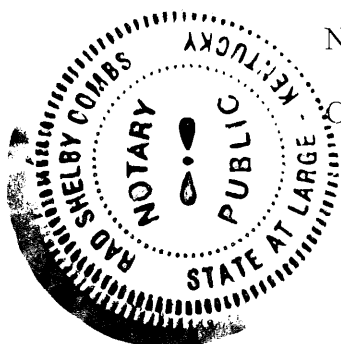
Lauren Logan  
Lauren Logan

The foregoing Verification was signed, acknowledged and sworn to before me this 12<sup>th</sup> day of June 2025, by Lauren Logan.

Rad Shelby Combs

Notary ID: KY NP 28263

Commission expiration: June 21, 2029



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF )  
BLUE GRASS ENERGY COOPERATIVE )  
CORPORATION FOR A GENERAL )  
ADJUSTMENT OF RATES PURSUANT )  
TO 807 KAR 5:0078 )

CASE NO.  
2025-00103

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VERIFICATION OF JOHN WOLFRAM

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COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF JEFFERSON )

John Wolfram, being duly sworn, states that he has supervised the preparation of his responses to certain requests for information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 29th day of May, 2025, by John Wolfram.

  
\_\_\_\_\_

Notary ID: KYNP 75270

Commission expiration: July 17, 2027

**GERALD A BECKMAN, JR**  
Notary Public - State at Large  
Kentucky  
My Commission Expires July 17, 2027  
Notary ID KYNP75270

**BLUE GRASS ENERGY COOPERATIVE CORP.**

**PSC CASE NO. 2025-00103**

**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 1**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 1.** State whether Blue Grass Energy has had any increase in Right-of-Way (ROW) Expense since the test year. If so, state the reason(s) for any increase.

**Response 1.** Blue Grass Energy has not seen a material increase in ROW expense since the test year and has not requested any additional funds to recover ROW costs in this proceeding.

**BLUE GRASS ENERGY COOPERATIVE CORP**  
**PSC CASE NO. 2025-00103**  
**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 2**

**RESPONSIBLE PARTY:**                **Lauren Logan**

**Request 2.**                Provide the number of miles of ROW maintenance, and cost per mile, and the total cost expended, individually, for each calendar year 2020, 2021, 2022, 2023, and 2024. Provide the projected cost for ROW maintenance for calendar year 2025.

**Response 2.**                The number of miles of ROW maintenance and cost per mile, and the total cost expended, individually, for each calendar year 2020, 2021, 2022, 2023, and 2024 as well as projected costs for 2025 are reflected in the table below.

Year	Miles Cleared	Cost Per Mile	Circuit Maintenance Expense	Other ROW Expense*	Total ROW Expense
2020	676.08	\$4,654.39	\$3,146,739.02	\$882,290.54	\$4,029,029.56
2021	773.81	\$4,547.67	\$3,519,030.05	\$762,056.76	\$4,281,086.81
2022	717.61	\$5,492.41	\$3,941,407.50	\$1,026,075.84	\$4,967,483.34
2023	742.35	\$5,395.80	\$4,005,570.24	\$1,089,811.10	\$5,095,381.34
2024	725.35	\$5,376.27	\$3,899,678.76	\$999,565.09	\$4,899,243.85
2025-Projected	817	\$4,601.11	\$3,759,105.38	\$1,154,301.62	\$4,913,407.00

\*Other ROW expense reported includes Blue Grass Energy's herbicide treatment program, costs to cut ROW in areas that are not currently in cycle but causing reliability issues on Blue Grass Energy's system, and costs for Blue Grass Energy personnel that manage the ROW program.

**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 3**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 3.** Refer to the response provided in Item 2 of this request. Explain whether the 2025 projection include cost necessary to “catch up” the previous year’s ROW maintenance. If so, provide the projected expense and miles of ROW attributable to a previous calendar year.

**Response 3.** The figure provided in Item 2 does not include any costs necessary to “catch up” the previous year’s ROW maintenance. Blue Grass Energy worked diligently to keep up its ROW cycle and there is currently no “catch up” necessary as all maintenance was completed as expected in the test year.

**BLUE GRASS ENERGY COOPERATIVE CORP  
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**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 4**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 4.** State whether Blue Grass Energy is presently meeting its six-year clearing cycle. If not, explain why and indicate how long it will take to meet the cycle under the proposed revenue requirement.

**Response 4.** Blue Grass Energy is presently meeting its six-year clearing cycle.

**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 5**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 5.** State whether Blue Grass Energy has considered a four-year or five-year ROW clearing cycle. If not, explain why.

**Response 5.** Blue Grass Energy has utilized a six-year right-of-way cycle for over 15 years. Blue Grass Energy has not recently considered a 4- or 5-year cycle. Blue Grass Energy works hard to balance both reliability and the expense of right of way clearing costs paid by Blue Grass Energy's members. Circuits are prioritized annually based on reliability, last trim date, customers affected, and current vegetation conditions. Using this information, Blue Grass Energy feels that a six-year right of way clearing cycle best achieves the objectives of higher reliability and expense to the members.



**BLUE GRASS ENERGY COOPERATIVE CORP  
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**REQUEST 6**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 6.** State the TIER and OTIER requirements for each of Blue Grass Energy's debt covenants.

**Response 6.** Blue Grass Energy has both RUS debt via FFB and CFC debt. The debt covenants for RUS debt require a TIER of 1.25 and an OTIER of 1.10 for the highest two-of-three year average. The debt covenant for CFC requires a 1.35 MDSC for the highest two-of-three year average.

**BLUE GRASS ENERGY COOPERATIVE CORP**  
**PSC CASE NO. 2025-00103**  
**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 7**

**RESPONSIBLE PARTY:**           **Lauren Logan**

**Request 7.**           Refer to Exhibit 25 and Schedule 1.08. Provide the line items from Exhibit 25 that make up the expense lines 1-6 from Schedule 1.08.

**Response 7.**           The line items from Exhibit 25 that make up the expense lines 1-6 from Schedule 1.08 are as follows:

Line 1: As stated on column 2 of Schedule 1.08, these expenses were originally recorded in Account 912.30 and therefore not included on Exhibit 25.

Line 2: Line 2 of Schedule 1.08 is made up of Lines 1 and 3-5 of the 930.40 SUM tab of Exhibit 25. All expenses have been removed from the revenue requirement from account 930.40 except employee certifications, which are necessary for Blue Grass Energy's employees to be successful in their jobs. Specific line numbers left in the revenue requirement from the 930.40 tab are Lines 8-10, 20, 25, 37,47,51,59 and 65 with all other lines on the 930.40 expense listing removed. All items removed are highlighted on attached Exhibit 25.

Line 3: Line 3 of Schedule 1.08 is made up of Lines 2-4 and Lines 8-9 of the 930.60 SUM tab of Exhibit 25. Specific line numbers removed from the revenue requirement from Exhibit 25 tab

930.60 are 3-5, 16-17,28-29,31,33-35,38-41, 58-68, 106-109 and 111. All items removed are highlighted on attached Exhibit 25.

Line 4: Line 4 of Schedule 1.08 is the entirety of account 930.10 listed in Exhibit 25. All items removed are highlighted on attached Exhibit 25.

Line 5: As stated on column 2 of Schedule 1.08, these expenses were originally recorded in Account 912.40 and therefore not included on Exhibit 25.

Line 6: Line 146 was partially removed from the test year as it was partially a gift and partially an employee clothing order. The gift amount was \$192, which needed tax added to it, arriving at a total cost of \$204.00.

**ATTACHMENT IS AN  
EXCEL SPREADSHEET  
UPLOADED SEPARATELY**

**BLUE GRASS ENERGY COOPERATIVE CORP  
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RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 8**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 8.** Refer to Schedule 1.08. Explain the calculation of the Pro Forma Year Amount of \$25,381.

**Response 8.** Blue Grass Energy added back in the portion of its Kentucky Living expense that was deemed to be Energy Efficiency, Safety Related or a required Fuel Adjustment Clause Notification. When looking at all 2024 Kentucky Living magazines distributed to Blue Grass Energy's members, 55 pages of the 720 total magazine pages had one of the above referenced items included. This equates to 7.64% of all Kentucky Living pages for 2024 having an Energy Efficiency, Safety Related, or required Fuel Adjustment Clause Notification. When applied to the total Kentucky Living Expense for 2024 of \$332,261, this calculates to \$25,381 of allowable expenses to be included in the revenue requirement.

**BLUE GRASS ENERGY COOPERATIVE CORP**  
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**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 9**

**RESPONSIBLE PARTY:**            **Lauren Logan**

**Request 9.**            Refer to Exhibit 25 and Schedule 1.09. Provide the line items from Exhibit 25 that make up the Director Expense amounts being removed in Schedule 1.09.

**Response 9.**            Blue Grass Energy believes that Staff means to refer to Exhibit 12 and Reference Schedule 1.09 and has responded as such. Items removed or partially removed from the revenue requirement are highlighted on the attached Exhibit 12.

Line 1: The expense removed from the revenue requirement of line 1 of Schedule 1.09 is Line 38, columns M and R of Exhibit 12.

Line 2: The expense removed from the revenue requirement of line 2 of Schedule 1.09 is Line 8, and Lines 10-13, column M of Exhibit 12.

Line 3: The expense removed from the revenue requirement of line 3 of Schedule 1.09 is Line 36-37, column M and R of Exhibit 12.

Line 4: The expense removed from the revenue requirement of line 4 of Schedule 1.09 is Line 42, column M of Exhibit 12.

Line 5: The expense removed from the revenue requirement of line 5 of Schedule 1.09 is Line 49, column M of Exhibit 12.

Line 6: The expenses removed from the revenue requirement of line 6 of Schedule 1.09 is Line 77-79, column M of Exhibit 12 and a partial amount (\$1,200) of Line 82, column M of Exhibit 12, the remainder of which is removed in line 7 below.

Line 7: The expenses removed from the revenue requirement of line 7 Schedule 1.09 is Line 80, column M of Exhibit 12, Line 84, column M of Exhibit 12, and a partial amount (\$300) of line 82, column M of Exhibit 12, the remainder of which is removed in line 6 above.

Line 8: The expense removed from the revenue requirement in line 8 of Schedule 1.09 is Line 104-108, column M of Exhibit 12.

Line 9: The expenses removed from the revenue requirement in line 9 of Schedule 1.09 is line 109 column M of Exhibit 12 and a partial amount of line 112 column M of Exhibit 12.

Line 10: The expenses removed from the revenue requirement in line 10 of Schedule 1.09 is line 135-136, column M of Exhibit 12.

Line 11: The expenses removed from the revenue requirement in line 11 of Schedule 1.09 is line 140, column P of Exhibit 12, and line 144 and 148, columns M and R of Exhibit 12.

Line 12 & 13: The expenses removed from the revenue requirement in line 12 and 13 of Schedule 1.09 are included in line 151 column N of Exhibit 12. This a refund that was received in 2025 for directors that cancelled conference registration before their scheduled trip.

**ATTACHMENT IS AN  
EXCEL SPREADSHEET  
UPLOADED SEPARATELY**



**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 10**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 10.** Refer to Schedule 1.11 and Exhibit 15. Provide all documentation for the 2025 FFB loan for \$10,000,000.

**Response 10.** Please see the loan documentation below regarding the FFB loan for \$10,000,000 from January 2025. Please note that while the stated rate of interest on the FFB loan documentation is 4.714%, there is an FFB servicing fee of .125% on every loan, resulting in the interest rate used in on Schedule 1.11 and Exhibit 15 of 4.839%.

INTEREST RATE CONFIRMATION NOTICE

This notice is given to the addressee(s) listed on Schedule I attached hereto to confirm that an advance of funds ("this Advance") has been made by the Federal Financing Bank ("FFB") as described below:

1. This Advance was made on account of the following obligor to FFB:  
BLUE GRASS ENERGY COOPERATIVE CORPORATION
2. This Advance was made under the following note or other obligation payable to FFB:  
BLUGRSS 0005
3. The "Advance Identifier" assigned to this Advance for use in all communications to FFB making reference to this Advance is as follows:  
BLUGRSS 0005 0003
4. This Advance was made in the following total amount:  
\$10,000,000.00
5. This Advance was made on the following date:  
January 31, 2025
6. This Advance matures on the following date:  
January 02, 2057
7. The following interest rate is applicable to this Advance:  
4.714%

The payment schedule for this Advance is attached to this notice as Schedule II.

FEDERAL FINANCING BANK  
January 30, 2025

SCHEDULE I

to

INTEREST RATE CONFIRMATION NOTICE  
ADDRESSEE(S) OF NOTICE

Mr. Dennis Moneyhon, Chairman  
Blue Grass Energy Cooperative Corporation  
P.O. BOX 990  
NICHOLASVILLE, KY 403400990

SCHEDULE II

Advance Identifier: BLUGRSS 0005 0003  
Date of Pricing: 01/31/2025  
Yield Curve Date: 01/30/2025  
Maturity Date: 01/02/2057  
FFB Rate: 4.714%  
Principal Amount: \$10,000,000.00

Payment Date	Accrued Interest Due	Principal Due	Total Due	Principal Balance
				\$10,000,000.00
03/31/2025	\$76,198.90	\$0.00	\$76,198.90	\$10,000,000.00
06/30/2025	\$117,527.12	\$34,721.88	\$152,249.00	\$9,965,278.12
09/30/2025	\$118,406.07	\$33,842.93	\$152,249.00	\$9,931,435.19
12/31/2025	\$118,003.95	\$34,245.05	\$152,249.00	\$9,897,190.14
03/31/2026	\$115,040.60	\$37,208.40	\$152,249.00	\$9,859,981.74
06/30/2026	\$115,881.53	\$36,367.47	\$152,249.00	\$9,823,614.27
09/30/2026	\$116,722.84	\$35,526.16	\$152,249.00	\$9,788,088.11
12/31/2026	\$116,300.72	\$35,948.28	\$152,249.00	\$9,752,139.83
03/31/2027	\$113,354.60	\$38,894.40	\$152,249.00	\$9,713,245.43
06/30/2027	\$114,156.98	\$38,092.02	\$152,249.00	\$9,675,153.41
09/30/2027	\$114,958.85	\$37,290.15	\$152,249.00	\$9,637,863.26
01/03/2028	\$118,239.78	\$34,009.22	\$152,249.00	\$9,603,854.04
03/31/2028	\$108,852.08	\$43,396.92	\$152,249.00	\$9,560,457.12
06/30/2028	\$112,054.30	\$40,194.70	\$152,249.00	\$9,520,262.42
10/02/2028	\$115,261.77	\$36,987.23	\$152,249.00	\$9,483,275.19
01/02/2029	\$112,377.80	\$39,871.20	\$152,249.00	\$9,443,403.99
04/02/2029	\$109,765.99	\$42,483.01	\$152,249.00	\$9,400,920.98
07/02/2029	\$110,486.32	\$41,762.68	\$152,249.00	\$9,359,158.30
10/01/2029	\$109,995.50	\$42,253.50	\$152,249.00	\$9,316,904.80
12/31/2029	\$109,498.90	\$42,750.10	\$152,249.00	\$9,274,154.70
04/01/2030	\$108,996.47	\$43,252.53	\$152,249.00	\$9,230,902.17
07/01/2030	\$108,488.14	\$43,760.86	\$152,249.00	\$9,187,141.31
09/30/2030	\$107,973.83	\$44,275.17	\$152,249.00	\$9,142,866.14
12/31/2030	\$108,634.28	\$43,614.72	\$152,249.00	\$9,099,251.42
03/31/2031	\$105,765.71	\$46,483.29	\$152,249.00	\$9,052,768.13
06/30/2031	\$106,394.58	\$45,854.42	\$152,249.00	\$9,006,913.71
09/30/2031	\$107,018.91	\$45,230.09	\$152,249.00	\$8,961,683.62
12/31/2031	\$106,481.50	\$45,767.50	\$152,249.00	\$8,915,916.12
03/31/2032	\$104,499.90	\$47,749.10	\$152,249.00	\$8,868,167.02
06/30/2032	\$103,940.25	\$48,308.75	\$152,249.00	\$8,819,858.27
09/30/2032	\$104,510.02	\$47,738.98	\$152,249.00	\$8,772,119.29
01/03/2033	\$107,343.12	\$44,905.88	\$152,249.00	\$8,727,213.41
03/31/2033	\$98,059.93	\$54,189.07	\$152,249.00	\$8,673,024.34
06/30/2033	\$101,931.56	\$50,317.44	\$152,249.00	\$8,622,706.90
09/30/2033	\$102,453.82	\$49,795.18	\$152,249.00	\$8,572,911.72
01/03/2034	\$105,183.75	\$47,065.25	\$152,249.00	\$8,525,846.47

Payment Date	Accrued Interest Due	Principal Due	Total Due	Principal Balance
03/31/2034	\$95,797.35	\$56,451.65	\$152,249.00	\$8,469,394.82
06/30/2034	\$99,538.36	\$52,710.64	\$152,249.00	\$8,416,684.18
10/02/2034	\$102,179.93	\$50,069.07	\$152,249.00	\$8,366,615.11
01/02/2035	\$99,410.97	\$52,838.03	\$152,249.00	\$8,313,777.08
04/02/2035	\$96,635.70	\$55,613.30	\$152,249.00	\$8,258,163.78
07/02/2035	\$97,055.82	\$55,193.18	\$152,249.00	\$8,202,970.60
10/01/2035	\$96,407.15	\$55,841.85	\$152,249.00	\$8,147,128.75
12/31/2035	\$95,750.86	\$56,498.14	\$152,249.00	\$8,090,630.61
03/31/2036	\$94,827.05	\$57,421.95	\$152,249.00	\$8,033,208.66
06/30/2036	\$94,154.03	\$58,094.97	\$152,249.00	\$7,975,113.69
09/30/2036	\$94,500.30	\$57,748.70	\$152,249.00	\$7,917,364.99
12/31/2036	\$93,816.02	\$58,432.98	\$152,249.00	\$7,858,932.01
03/31/2037	\$91,348.78	\$60,900.22	\$152,249.00	\$7,798,031.79
06/30/2037	\$91,648.02	\$60,600.98	\$152,249.00	\$7,737,430.81
09/30/2037	\$91,935.09	\$60,313.91	\$152,249.00	\$7,677,116.90
12/31/2037	\$91,218.45	\$61,030.55	\$152,249.00	\$7,616,086.35
03/31/2038	\$88,526.05	\$63,722.95	\$152,249.00	\$7,552,363.40
06/30/2038	\$88,760.75	\$63,488.25	\$152,249.00	\$7,488,875.15
09/30/2038	\$88,981.79	\$63,267.21	\$152,249.00	\$7,425,607.94
01/03/2039	\$91,107.12	\$61,141.88	\$152,249.00	\$7,364,466.06
03/31/2039	\$82,747.95	\$69,501.05	\$152,249.00	\$7,294,965.01
06/30/2039	\$85,735.63	\$66,513.37	\$152,249.00	\$7,228,451.64
09/30/2039	\$85,887.47	\$66,361.53	\$152,249.00	\$7,162,090.11
01/03/2040	\$87,866.36	\$64,382.64	\$152,249.00	\$7,097,707.47
04/02/2040	\$82,275.23	\$69,973.77	\$152,249.00	\$7,027,733.70
07/02/2040	\$82,369.26	\$69,879.74	\$152,249.00	\$6,957,853.96
10/01/2040	\$81,550.23	\$70,698.77	\$152,249.00	\$6,887,155.19
12/31/2040	\$80,721.60	\$71,527.40	\$152,249.00	\$6,815,627.79
04/01/2041	\$80,102.11	\$72,146.89	\$152,249.00	\$6,743,480.90
07/01/2041	\$79,254.19	\$72,994.81	\$152,249.00	\$6,670,486.09
09/30/2041	\$78,396.30	\$73,852.70	\$152,249.00	\$6,596,633.39
12/31/2041	\$78,380.29	\$73,868.71	\$152,249.00	\$6,522,764.68
03/31/2042	\$75,817.76	\$76,431.24	\$152,249.00	\$6,446,333.44
06/30/2042	\$75,761.90	\$76,487.10	\$152,249.00	\$6,369,846.34
09/30/2042	\$75,685.64	\$76,563.36	\$152,249.00	\$6,293,282.98
12/31/2042	\$74,775.93	\$77,473.07	\$152,249.00	\$6,215,809.91
03/31/2043	\$72,249.85	\$79,999.15	\$152,249.00	\$6,135,810.76
06/30/2043	\$72,112.42	\$80,136.58	\$152,249.00	\$6,055,674.18
09/30/2043	\$71,952.69	\$80,296.31	\$152,249.00	\$5,975,377.87
12/31/2043	\$70,998.62	\$81,250.38	\$152,249.00	\$5,894,127.49
03/31/2044	\$69,082.72	\$83,166.28	\$152,249.00	\$5,810,961.21
06/30/2044	\$68,107.96	\$84,141.04	\$152,249.00	\$5,726,820.17
09/30/2044	\$67,859.38	\$84,389.62	\$152,249.00	\$5,642,430.55
01/03/2045	\$69,045.58	\$83,203.42	\$152,249.00	\$5,559,227.13
03/31/2045	\$62,464.09	\$89,784.91	\$152,249.00	\$5,469,442.22
06/30/2045	\$64,280.78	\$87,968.22	\$152,249.00	\$5,381,474.00

Payment Date	Accrued Interest Due	Principal Due	Total Due	Principal Balance
10/02/2045	\$65,331.98	\$86,917.02	\$152,249.00	\$5,294,556.98
01/02/2046	\$62,909.20	\$89,339.80	\$152,249.00	\$5,205,217.18
04/02/2046	\$60,503.16	\$91,745.84	\$152,249.00	\$5,113,471.34
07/02/2046	\$60,097.16	\$92,151.84	\$152,249.00	\$5,021,319.50
10/01/2046	\$59,014.12	\$93,234.88	\$152,249.00	\$4,928,084.62
12/31/2046	\$57,918.36	\$94,330.64	\$152,249.00	\$4,833,753.98
04/01/2047	\$56,809.72	\$95,439.28	\$152,249.00	\$4,738,314.70
07/01/2047	\$55,688.05	\$96,560.95	\$152,249.00	\$4,641,753.75
09/30/2047	\$54,553.20	\$97,695.80	\$152,249.00	\$4,544,057.95
12/31/2047	\$53,991.87	\$98,257.13	\$152,249.00	\$4,445,800.82
03/31/2048	\$52,107.46	\$100,141.54	\$152,249.00	\$4,345,659.28
06/30/2048	\$50,933.74	\$101,315.26	\$152,249.00	\$4,244,344.02
09/30/2048	\$50,292.93	\$101,956.07	\$152,249.00	\$4,142,387.95
12/31/2048	\$49,084.81	\$103,164.19	\$152,249.00	\$4,039,223.76
03/31/2049	\$46,950.17	\$105,298.83	\$152,249.00	\$3,933,924.93
06/30/2049	\$46,234.29	\$106,014.71	\$152,249.00	\$3,827,910.22
09/30/2049	\$45,482.70	\$106,766.30	\$152,249.00	\$3,721,143.92
01/03/2050	\$45,655.89	\$106,593.11	\$152,249.00	\$3,614,550.81
03/31/2050	\$40,613.49	\$111,635.51	\$152,249.00	\$3,502,915.30
06/30/2050	\$41,168.76	\$111,080.24	\$152,249.00	\$3,391,835.06
09/30/2050	\$40,301.32	\$111,947.68	\$152,249.00	\$3,279,887.38
01/03/2051	\$40,241.97	\$112,007.03	\$152,249.00	\$3,167,880.35
03/31/2051	\$35,594.65	\$116,654.35	\$152,249.00	\$3,051,226.00
06/30/2051	\$35,860.18	\$116,388.82	\$152,249.00	\$2,934,837.18
10/02/2051	\$35,629.41	\$116,619.59	\$152,249.00	\$2,818,217.59
01/02/2052	\$33,483.69	\$118,765.31	\$152,249.00	\$2,699,452.28
04/01/2052	\$31,291.52	\$120,957.48	\$152,249.00	\$2,578,494.80
07/01/2052	\$30,221.51	\$122,027.49	\$152,249.00	\$2,456,467.31
09/30/2052	\$28,791.27	\$123,457.73	\$152,249.00	\$2,333,009.58
12/31/2052	\$27,644.76	\$124,604.24	\$152,249.00	\$2,208,405.34
03/31/2053	\$25,669.54	\$126,579.46	\$152,249.00	\$2,081,825.88
06/30/2053	\$24,467.10	\$127,781.90	\$152,249.00	\$1,954,043.98
09/30/2053	\$23,217.68	\$129,031.32	\$152,249.00	\$1,825,012.66
12/31/2053	\$21,684.55	\$130,564.45	\$152,249.00	\$1,694,448.21
03/31/2054	\$19,695.52	\$132,553.48	\$152,249.00	\$1,561,894.73
06/30/2054	\$18,356.50	\$133,892.50	\$152,249.00	\$1,428,002.23
09/30/2054	\$16,967.33	\$135,281.67	\$152,249.00	\$1,292,720.56
12/31/2054	\$15,359.93	\$136,889.07	\$152,249.00	\$1,155,831.49
03/31/2055	\$13,434.88	\$138,814.12	\$152,249.00	\$1,017,017.37
06/30/2055	\$11,952.71	\$140,296.29	\$152,249.00	\$876,721.08
09/30/2055	\$10,417.08	\$141,831.92	\$152,249.00	\$734,889.16
01/03/2056	\$9,015.81	\$143,233.19	\$152,249.00	\$591,655.97
03/31/2056	\$6,705.95	\$145,543.05	\$152,249.00	\$446,112.92
06/30/2056	\$5,228.71	\$147,020.29	\$152,249.00	\$299,092.63
10/02/2056	\$3,621.11	\$148,627.89	\$152,249.00	\$150,464.74
01/02/2057	\$1,783.02	\$150,464.74	\$152,247.76	\$0.00

Payment Date	Accrued Interest Due	Principal Due	Total Due	Principal Balance
	----- \$9,411,820.66	----- \$10,000,000.00	----- \$19,411,820.66	

**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 11**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 11.** Refer to Direct Testimony of Laura Logan, pages 9-10.

- a. Provide the annual wage and salary surveys used for wage increases.
- b. Describe the annual performance reviews used to determine wage increases.
- c. Provide any written criteria or approved criteria by the Board regarding wage increases.

**Response 11.**

- a. Annual wage and salary surveys used for wage increases are being filed under seal pursuant to a motion for confidential treatment.
- b. Blue Grass Energy has a formal annual performance review process. The results of this process are taken into account when awarding wage increases to employees. Each supervisor at the Cooperative will evaluate each of their direct reports on 8 categories including quantity of work, quality of work, job knowledge, working relations, judgement/initiative, member service, corporate image and attendance. These evaluations are all reviewed by senior management as a group to ensure an accurate and consistent evaluation across all employees. After reviewing all employee evaluations and performance, wage increases are awarded consistent with the budget and wage and salary plan approved by the Board of Directors.



- c. Please see attached Policy 4-2, filed under seal pursuant to a motion for confidential treatment, established by Blue Grass Energy's Board of Directors which governs wage increases and administration.

**ATTACHMENT FILED  
UNDER SEAL PURSUANT  
TO A MOTION FOR  
CONFIDENTIAL  
TREATMENT**

**BLUE GRASS ENERGY COOPERATIVE CORP**  
**PSC CASE NO. 2025-00103**  
**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 12**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 12.** Refer to Schedule 1.12.

- a. Provide the number of employees Blue Grass Energy would need to be fully staffed.
- b. Provide the number of Blue Grass Energy employees as of the filing of this data request.
- c. Explain why the regular hours worked over 2,080 for employees during the test year were not considered overtime.

**Response 12.**

- a. Blue Grass Energy needs 92 employees to be fully staffed.
- b. Blue Grass Energy has 87 employees as of the date of this filing. Please note that Blue Grass Energy does have unfilled vacancies as of the date of the filing. There is currently a staking vacancy, MSR vacancy, 2 Crew Chiefs vacancies and a lineman vacancy.
- c. In 2024, there were 53 Mondays and 53 Tuesday instead of 52. One of these is due to it being a leap year and one of them is due to the way the calendar happened to fall in 2024. This resulted in 2,096 hours being paid at regular time instead of the typical 2,080. In addition, Blue Grass Energy has a policy to allow employees to sell earned vacation time in lieu of taking time off subject to certain limitations. When an employee elects to sell

vacation hours, these hours are paid out at the regular rate instead of an overtime rate and this can increase the total hours paid to an employee during the year.

**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 13**

**RESPONSIBLE PARTY:           John Wolfram**

**Request 13.**           Refer to the Wolfram Direct Testimony, Exhibit JW-3 at 1. The General Service Time-of-Day Rate shows a rate of return before rate revisions of 1.88 percent, which is less than the total rate of return of 1.95 percent. Explain why Blue Grass Energy did not propose an increase to the General Service Time-of-Day Rate, as it is currently a subsidized rate class.

**Response 13.**           Relative to the residential rate classes, the degree of subsidization for GS-2 was small. Because the overall increase in this case is just under 2 percent, the full amount of that increase is attributed to residential classes (plus lighting), and that does not even fully eliminate the subsidization of residential by the other classes. The residential class GS-1 in particular comprises a huge share of the revenue and energy usage of the cooperative, and had a much lower rate of return, so the corrective action was focused on this rate class.

**BLUE GRASS ENERGY COOPERATIVE CORP  
PSC CASE NO. 2025-00103  
RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 14**

**RESPONSIBLE PARTY: John Wolfram**

**Request 14.** Refer to the Wolfram Direct Testimony, page 24, lines 4 through 6, and Exhibit JW-3, pages 1 and 2. The Residential and Farm Time-of-Day Rate shows a negative rate of return after proposed rate revisions. The Residential and Farm Time-of-Day Rate also has a cost-based customer charge of \$23.25 per month. The current customer charge is \$25.91. Explain how the rate of return remains negative with a customer charge currently set over a cost-based customer charge rate.

**Response 14.** The time of day rate classes are more complicated because it is difficult to assess the effects of the on-peak period billings and the off-peak period billings. The COSS determines an annual, all-in cost-based rate for energy; the COSS does not split out the on-peak cost-to-serve and the off-peak cost-to-serve. Either way, the rate of return is driven by the customer charge revenue and the energy charge revenue, and the amount of expense allocated to the class, and the amount invested in order to serve the class (i.e. rate base). In other words the small difference between current vs. cost-based customer charge for a rate class that averaged only 19 members per month during the test year is likely outweighed by the effects of the energy charge applied to consumption for these members in the on-peak and off-peak periods.

**BLUE GRASS ENERGY COOPERATIVE CORP**  
**PSC CASE NO. 2025-00103**  
**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 15**

**RESPONSIBLE PARTY:**           **Lauren Logan**

**Request 15.**           Provide a detailed schedule of rate case expenses incurred to date for the categories listed below. For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation supporting charges incurred in preparing this rate case. Indicate any costs incurred for this case that occurred during the test year.

- A. Accounting;
- B. Engineering;
- C. Legal;
- D. Consultants; and
- E. Other Expenses (Identify separately).

**Response 15.**           Please see attached Excel document.

**ATTACHMENT IS AN  
EXCEL SPREADSHEET  
UPLOADED SEPARATELY**



**BLUE GRASS ENERGY COOPERATIVE CORP**  
**PSC CASE NO. 2025-00103**  
**RESPONSE TO REQUEST FOR INFORMATION**

**PSC'S REQUEST FOR INFORMATION DATED 05/27/25**

**REQUEST 16**

**RESPONSIBLE PARTY: Lauren Logan**

**Request 16.** Refer to Question 15, Items a-e. Provide an itemized estimate of the total rate case expense to be incurred for this case. Expenses should be broken down into the same categories as identified in Items a-e above, with an estimate of the hours to be worked and the hourly rates. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

**Response 16.** See attached Excel file from Response to Request 15 for a breakdown of remaining estimated expenses to be incurred in this case. Blue Grass Energy consultants and attorneys are experienced with rate case filings and were able to use historical data from prior streamlined rate case experience to determine estimated expense Blue Grass Energy would incur during this proceeding.

**ATTACHMENT IS AN  
EXCEL SPREADSHEET  
UPLOADED SEPARATELY**