

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

In the Matter of:

ELECTRONIC APPLICATION OF	)	
BLUE GRASS ENERGY COOPERATIVE	)	CASE NO. 2025-00103
CORPORATION FOR A GENERAL	)	
ADJUSTMENT OF RATES PURSUANT	)	
TO 807 KAR 5:0078	)	

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**DATA REQUESTS OF THE ATTORNEY GENERAL**

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Comes now the Attorney General of the Commonwealth of Kentucky, by his Office of Rate Intervention (“Attorney General”), and submits these Data Requests to Blue Grass Energy Cooperative Corporation (hereinafter “Blue Grass or “company”) to be answered by the date specified in the Commission’s May 14, 2025 Order of Procedure, in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the companies receive or generate additional information within the scope of these requests between the time of the response

and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify undersigned Counsel as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing,

all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored

information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

RUSSELL COLEMAN  
ATTORNEY GENERAL



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*Certificate of Service and Filing*

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that, on May 29, 2025 an electronic copy of the foregoing was served via the Commission's electronic filing system.

this 29th day of May, 2025.

A handwritten signature in blue ink, appearing to read "Thomas John" followed by a stylized flourish.

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Assistant Attorney General

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

**Data Requests**

1. Explain why Blue Grass decided to proceed with a streamlined rate case, instead of a general rate case.
2. Refer to the Application generally. Provide an organizational chart of Blue Grass, including all positions. If a position is vacant designate as such.
3. Refer to the Application, page 1, in which Blue Grass states that it provides electric power to approximately 64,000 members in the Kentucky counties of Anderson, Bourbon, Bracken, Estill, Fayette, Franklin, Garrard, Grant, Harrison, Henry, Jackson, Jessamine, Madison, Mercer, Nelson, Nicholas, Pendleton, Robertson, Scott, Shelby, Spencer, Washington, and Woodford.
  - a. Provide a detailed account of all economic issues that the Company's customers in the above-referenced counties are combating at the present time.
  - b. Provide Blue Grass actual number of customers for the years 2015 – 2025.
  - c. Explain in detail whether Blue Grass projects a future gain or loss in its customer count and provide copies of all projections concerning the same.
  - d. Provide Blue Grass's total annual energy sales for the years 2015 – 2025.
  - e. Explain whether Blue Grass expects annual energy sales to increase or decrease and provide copies of all projections concerning the same.
  - f. Provide a map of the company's electric service territory.
  - g. Provide a list of all rural electric cooperatives and investor-owned electric utilities whose service territory is contiguous with Blue Grass's service territory.
  - h. Explain whether Blue Grass has ever worked, or plans on working, with any other rural electric cooperative or investor-owned electric utility on any joint ventures to provide electricity to Anderson, Bourbon, Bracken, Estill, Fayette, Franklin, Garrard, Grant, Harrison, Henry, Jackson, Jessamine, Madison, Mercer, Nelson, Nicholas, Pendleton, Robertson, Scott, Shelby, Spencer, Washington, and Woodford.
  - i. Based upon the most recent United States Census information, the poverty rates for Blue Grass electric service area are as follows:

Anderson County – 9.0%,

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Bourbon County – 14.2%,  
Bracken County– 14.3%,  
Estill County – 22.7%,  
Fayette County – 15.7%<sup>1</sup>,  
Franklin County – 11.8%,  
Garrard County – 17.6%,  
Grant County – 13.0%,  
Harrison County – 13.9%,  
Henry County– 14.6%<sup>2</sup>,  
Jackson County – 23.9%,  
Jessamine County – 10.3%,  
Madison County – 13.8%,  
Mercer County – 13.4%,  
Nelson County – 12.9%<sup>3</sup>,  
Nicholas County – 17.2%,  
Pendleton County – 13.2%,  
Robertson County – 19.6%,  
Scott County – 10.0%,  
Shelby County – 11.6%<sup>4</sup>,  
Spencer County – 7.0%,

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<sup>1</sup><https://www.census.gov/quickfacts/fact/table/fayettecountykentucky,estillcountykentucky,brackencountykentucky,bourboncountykentucky,andersoncountykentucky,US/IPE120223>

<sup>2</sup><https://www.census.gov/quickfacts/fact/table/henrycountykentucky,harrisoncountykentucky,grantcountykentucky,garrardcountykentucky,franklincountykentucky,US/IPE120223>

<sup>3</sup><https://www.census.gov/quickfacts/fact/table/nelsoncountykentucky,mercercountykentucky,madisoncountykentucky,jessaminecountykentucky,jacksoncountykentucky,US/IPE120223>

<sup>4</sup><https://www.census.gov/quickfacts/fact/table/shelbycountykentucky,scottcountykentucky,robertsoncountykentucky,pendletoncountykentucky,nicholascountykentucky,US/IPE120223>



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Washington County– 13.1%,

Woodford County – 10.6%<sup>5</sup>,

Confirm that Blue Grass is aware of the above percentages of its electric customers who live at or below the poverty line or on fixed incomes.

- j. Based upon the poverty rates that exist in the Blue Grass electric service area, explain in detail all low-income assistance programs and payment plan options that Blue Grass provides to its customers experiencing difficulty paying their electric bills.
  - k. Explain whether Blue Grass has any plans in place in the event that LIPHEAP funds are cut in 2026 or in the immediate future.
4. Refer to the Application, pages 1-2. Blue Grass asserts that its existing rates went into effect on May 31, 2015, and since then, the costs of operation have increased, despite attempts to minimize cost escalation.
- a. Please provide a list of all pro forma adjustments, the monetary value of each adjustment, and a description of why each adjustment is being requested.
  - b. Explain in detail and provide examples of how management has attempted to minimize cost escalation.
  - c. Explain why Blue Grass is requesting the opportunity to achieve an Operating Times Interest Earned Ratio (“OTIER”) of 1.85.
  - d. Identify the Time Interest Earned Ratio (“TIER”) which corresponds to the requested OTIER.
  - e. Provide the TIER and OTIER that are required by all loan contract terms.
  - f. Provide rate adjustments reflecting the lowest TIER and OTIER required by loan contracts.
  - g. If Blue Grass requests an OTIER higher than the loan contract requirements, explain why it is making such request.

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<sup>5</sup><https://www.census.gov/quickfacts/fact/table/woodfordcountykentucky,washingtoncountykentucky,spencercountykentucky,US/IPE120223>

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- h. Provide Blue Grass's annual TIER and OTIER beginning on May 29, 2015 through the present day.
- 5. Refer to Application, page 3. Blue Grass states that it has determined that an adjustment of retail rates is necessary for virtually all areas of operations.
  - a. Explain the criteria Blue Grass uses to determine if the rates provide sufficient revenue.
  - b. Explain the criteria Blue Grass uses to determine if it has the requisite financial strength.
- 6. Refer to the Application generally. Provide the following information for Blue Grass executive staff employees.
  - a. Provide the position title and salary for each executive staff employee for the years 2015 – 2025.
  - b. Provide the average raise that the executive staff employees received for the years 2015 – 2025. Ensure to explain whether the annual raise is directly connected to a performance review.
  - c. Provide the average bonus that each executive staff employee received for the years 2015 - 2025.
  - d. Provide all awards given to the executive staff employees for the years 2015 – 2025.
  - e. Provide all vehicle allowances given to the executive staff employees for the years 2015 – 2025.
  - f. Provide all incentive compensation given to the executive staff employees for the years 2015 – 2025.
  - g. Provide the average raise, if any, which will be given to executive staff employees in 2026.
  - h. Provide a detailed explanation of the insurance benefits provided to the Company's executive staff employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's executive staff employees, premiums paid by the Company

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or parent company on the executive staff employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.

- i. Provide a detailed explanation of the retirement benefits provided to the Company's executive staff employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc. Identify all employees who are eligible for both the defined benefit plan and 401k contributions from the Company.
  - j. Explain whether any of the executive staff employees are members of a union.
7. Refer to the Application generally. Provide the following information for Blue Grass salaried employees.
- a. Provide the position title and salary for each salaried employee for the years 2015 - 2025.
  - b. Provide the average raise that the salaried employees received for the years 2015 - 2025. Ensure to explain whether the annual raise is directly connected to a performance review.
  - c. Provide the average bonus that each salaried employee received for the years 2015 - 2025. Ensure to explain all bases used to calculate all bonuses.
  - d. Provide all awards given to the salaried employees for the years 2015 - 2025.
  - e. Provide all vehicle allowances given to the salaried employees for the years 2015 - 2025.
  - f. Provide all incentive compensation given to the salaried employees for the years 2015 - 2025.
  - g. Provide the average raise, if any, which will be given to salaried employees for 2026.
  - h. Provide a detailed explanation of the insurance benefits provided to the Company's salaried employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's salaried employees, premiums paid by the Company or parent company on the salaried employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.
  - i. Provide a detailed explanation of the retirement benefits provided to the Company's salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.

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- j. Explain whether any of the salaried employees are members of a union.
- 8. Refer to the Application generally. Provide the following information for Blue Grass non-salaried employees.
  - a. Provide the position title and wages for each non-salaried employee for the years 2015 – 2025.
  - b. Provide the average raise provided to the non-salaried employees for the years 2015 – 2025. Ensure to explain whether the annual raise is directly connected to a performance review.
  - c. Provide the average bonus provided to the non-salaried employees for the years 2015 – 2025.
  - d. Provide all awards given to the non-salaried employees for the years 2015 – 2025.
  - e. Provide all vehicle allowances given to the non-salaried employees for the years 2015 – 2025.
  - f. Provide all incentive compensation given to the non-salaried employees for the years 2015 – 2025.
  - g. Provide the average raise, if any, which will be given to non-salaried employees for 2026.
  - h. Provide a detailed explanation of the insurance benefits provided to the Company's non-salaried employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's non-salaried employees, premiums paid by the Company on the non-salaried employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.
  - i. Provide a detailed explanation of the retirement benefits provided to the Company's non-salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.
  - j. Explain whether any of the non-salaried employees are members of a union.
- 9. Refer to the Application generally. Provide a copy of all formal studies conducted that compare Blue Grass wage and benefit information to the local wage and benefit information for the geographic area in which Blue Grass operates. If no such study exists, explain why not.

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10. Refer to the Application generally. Explain the current process of awarding wage/salary increases to salaried versus non-salaried and union versus non-union employees.
11. Refer to the Application generally.
  - a. Provide a detailed explanation of all salary and benefits provided to the members of the Board of Directors during the years 2015 – 2025. Ensure to provide the salary amounts, and specific details regarding all benefit packages, including but not limited to health, dental, vision, accidental death and disability, life insurance, bonuses, awards, vehicle allowances, reimbursement of travel expenses, and the like.
  - b. Provide the total amount of the Board of Directors’ fees for the test year.
  - c. Provide a breakdown of the total amount of the Board of Directors’ fees for the test year.
  - d. Discuss if there will be any changes to the Board of Directors’ salaries and/or benefit packages in 2026.
  - e. When setting the Board of Directors’ fees and benefits did the Company review other Kentucky rural electric cooperative Board of Directors’ fees and benefits? If so, explain in detail the findings. If not, explain in detail why not.
  - f. Provide a detailed explanation of all salary and benefits provided to the Company’s attorney during the years 2021 – 2025. Ensure to provide the salary amounts, and specific details regarding all benefit packages, including but not limited to health, dental, vision, accidental death and disability, life insurance, bonuses, awards, vehicle allowances, reimbursement for travel expenses, and the like.
12. Refer to Williams Testimony, page 6. Please provide costs incurred in relation to storm damage. Additionally, provide the amount refunded that is expected to be refunded by FEMA.
13. Refer to Logan testimony, page 7. Had Blue Grass incurred any additional debt not referenced in this testimony as of the filing of the application? If so, please provide the amount owed and the names of the creditors.
14. Refer to Logan testimony, pages 7-8. Regarding comments made about the Blue Grass workforce, has there been any changes to the amount of vacant positions available? If so, please provide a list of all open positions and the wages or salaries offered.

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- a. Are there plans to create additional positions in the coming year?
15. Reference the Wolfram testimony at page 19. Please clarify which rate classes are subsidized and to what extent under the proposed rate increase.
16. Blue Grass states that it is requesting an increase in the monthly residential customer charge from \$17.10 to \$23.60.
  - a. Explain how seeking to increase the monthly residential customer charge from \$17.62 to \$25.00, which is an increase of approximately 38.01%, is in line with the principle of gradualism.
  - b. Explain whether Blue Grass contemplated proposing a lower increase to the monthly residential customer charge so as not to create rate shock for the customers.
  - c. Explain whether Blue Grass contemplated implementing the proposed higher customer charge in two or multiple phases instead of a 38.01% increase at one time, as was implemented in the previous rate case.
  - d. Explain whether the increase in the customer charge is beneficial to residential ratepayers, and if so, how.
  - e. Explain whether Blue Grass contemplated the prospect of more members being unable to timely pay their monthly bills in the event that the proposed increase is approved.
  - f. Explain how much of the cost of service for each rate class in the instant application is comprised of fixed costs.
  - g. Provide a list of all electric utilities in Kentucky, with the corresponding monthly residential customer charge, residential volumetric charge, average residential customer bill, and rank the utilities from lowest to highest average bill. Compare to Blue Grass's current and proposed residential customer charge, residential volumetric charge, residential average bill, and rank based upon its proposed revenue requirement.
17. Refer to the Application generally. Provide the current average residential customer's monthly usage, total monthly bill, and the projected average bill if the Commission grants Blue Grass's rate increase request.
18. Please advise as to why Blue Grass only proposes raising the rates of the Resident and Farm customers, not any of the other classes.

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19. Explain whether any members of the Blue Grass Board of Directors, or the Company's chief executives serve on the boards of directors of any other organizations. If so, identify all such organizations, including their name and address, the nature of each such organization, and the length of time they served as a member of that board.
20. Explain whether Blue Grass is seeking any funds/grants from federal, state, or local sources which have been or will be made available. If so, identify the source and amount of those funds/grants, and the current status of the applications for all such funds / grants. If the Company has foregone any relevant opportunities for funds/grants for which it is eligible, explain why.
21. Please provide a detailed list of all organizations to which Blue Grass pays membership dues, and the annual amount of these dues. Please also identify if Blue Grass has already, or plans to, renew its membership in these organizations. Please advise if these dues are included in the revenue requirement in the pending rate case, and if so, precisely where.
22. Confirm that all charitable contributions and lobbying expenses have been removed from the application.
23. Please advise if there have been substantial changes to the membership in the rate class data since 2024. Has there been any notable changes to the customer classes?