

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

In the Matter of:

| | | |
|-----------------------------------|---|------------|
| THE ELECTRONIC APPLICATION OF |) | |
| FARMERS RURAL ELECTRIC |) | CASE NO. |
| COOPERATIVE CORPORATION |) | 2025-00107 |
| FOR A GENERAL ADJUSTMENT OF RATES |) | |

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION'S
VERIFIED RESPONSE TO THE COMMISSION
STAFF'S SECOND REHEARING REQUEST FOR INFORMATION
ENTERED APRIL 1, 2026

Comes now Farmers Rural Electric Cooperative Corporation (Farmers), by counsel, and does hereby tender its Verified Response to Commission Staff's Second Rehearing Request for Information entered April 1, 2026.

Filed: April 7, 2026

Farmers Rural Electric Cooperative Corporation
Case No. 2025-00107
Commission Staff's Second Rehearing Request for Information

Request 1: Refer to Farmers RECC's response to Commission Staff's First Rehearing Request for Information (Staff's First Rehearing Request), Item 5. Provide a detailed breakdown of what it costs Farmers RECC to reconnect or disconnect collared meters. Do not include lost revenues associated with the service.

Response 1: Farmers believes it has provided a thorough cost breakdown of the costs to reconnect and disconnect collared meters. Farmers believes these costs justifications are fair, just and reasonable. Additionally, these charges are consistent with the reconnect/disconnect charges that other cooperatives recover through rates.¹

Please see Farmers' Response to the Commission's Second Request for Information, Item 7(b):

Farmers has made a significant investment to establish its advance metering infrastructure ("AMI"). One of the benefits of the AMI system is its remote reconnection capability. Annual depreciation expense, software maintenance costs and secure internet connections are all cost justifications for the \$30 reconnect fee. Farmers believes it is fair and reasonable that member utilizing remote reconnection should cover the cost. The AMI remote capability is also a direct benefit to members as it allows for timely billing data and the ability for members

¹ See Big Sandy Rural Electric Cooperative Corporation Tariff, First Revised Sheet No. 14; Blue Grass Energy Cooperative Corporation Tariff P.S.C. Ky. No. 1, First Revised Sheet 12; Clark Energy Cooperative Inc. Tariff P.S.C. No. 2, First Revision Sheet No. 11; Cumberland Valley Electric, Incorporated Tariff P.S.C. Ky. No. 4, Original Sheet No. 28; Fleming-Mason Energy Cooperative, Inc. Tariff, P.S.C. No. 4, Original Sheet No. 100.7; Grayson Rural Electric Cooperative Corporation Tariff, P.S.C. No. 5, 1st Revised Sheet No. 38; Inter-County Energy Tariff, P.S.C. Ky. No. 8, Revision #1 Sheet No. 127; Jackson Energy Cooperative Corporation Tariff, P.S.C. No. 5, 1st Revised Sheet No. 103; Licking Valley Rural Electric Cooperative Corporation Tariff, P.S.C. Ky No. 34, Fourth Revised Sheet No. 19; Nolin RECC Tariff, PSC Ky. No. 10, 6th Revision Sheet No. 6; Owen Electric Cooperative, Inc. Tariff, P.S.C. Ky. No. 6, 2nd Revised Sheet No. 59; Salt River Electric Coop. Corp. Tariff, P.S.C. No. 12, 1st Revised Sheet No. 44; Shelby Energy Cooperative, Inc. Tariff, PSC KY No. 9, 1st Revised Sheet No. 222; and Taylor County Rural Electric Cooperative Corporation Tariff, PSC KY No. 5, Second Revised Sheet No. 31.

to see their energy usage data. Without the reconnection fee, the lost revenue would need to be collected through either the fixed customer charge or the kWh energy charge.

There is also an internal labor/benefit cost for the administration of the reconnect/disconnect of collared meters in-house. However, in Commission Staff's Post-Hearing Request for Information, Request 11, the Commission stated that, for miscellaneous revenues cost justifications, Farmers could not include labor costs in the calculations unless the work takes place after hours. This was further evident in the January 29, 2026 Order where the Commission removed labor/benefit costs from Farmers' return check fees.

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Request 2: Refer to Farmers RECC's response to Staff's First Rehearing Request, Item 5.

Request 2(a): Explain the circumstances associated with the disconnections for all collared meters provided in the first table.

Request 2(b): Explain whether Farmers RECC has investigated the cause of the significant amount of disconnects and reconnects associated with the collared meters.

Response 2(a)-(b): The circumstances associated with disconnections are non-payment. As stated in Farmers' Response to the Attorney General's First Request for Information, Item 39(j) and 3(k)

Farmers, as a normal part of daily business, has always worked with its members in a sensitive and professional manner when they experience difficulty paying for their electric service. Farmers works with its members in need to establish payment plans in an attempt to avoid disconnection for non-payment. Farmers also readily advocates to its members who express a need to contact assistance programs run by certain agencies, such as community action agencies.

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Request 3: Refer to Farmers RECC's response to Staff's First Hearing Request, Item 1.

Request 3(a): Provide the number of reconnections during the test period that involved collared meters.

Request 3(b): Explain whether Farmers RECC's sends an employee to reconnect service of a customer issued a collared meter or if it can reconnect service remotely.

Response 3(a):

Below is the number of reconnections during the 2024 test period that involved collared meters:

| | Meters Subject to Reconnect: | | | % of collared meters subject to reconnect |
|--------|------------------------------|-------------|---------|---|
| | TOTAL | Non-Collars | Collars | |
| Jan-24 | 82 | 0 | 82 | |
| Feb-24 | 111 | 0 | 111 | |
| Mar-24 | 123 | 2 | 121 | |
| Apr-24 | 220 | 2 | 218 | |
| May-24 | 72 | 0 | 72 | |
| Jun-24 | 115 | 0 | 115 | |
| Jul-24 | 134 | 0 | 134 | |
| Aug-24 | 86 | 2 | 84 | |
| Sep-24 | 166 | 2 | 164 | |
| Oct-24 | 108 | 1 | 107 | |
| Nov-24 | 115 | 7 | 108 | |
| Dec-24 | 106 | 0 | 106 | |
| | 1438 | | 1422 | 98.9% |

Response 3(b): A collared meter should have the capability to be reconnected remotely. However, there are circumstances in which the meter will not connect remotely/internally. In those instances, Farmers will send an employee to the member's location to investigate.