

**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
COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION
ENTERED JULY 1, 2025

Comes now Farmers Rural Electric Cooperative Corporation (Farmers), by counsel, and does hereby tender its Verified Response to Commission Staff's Third Request for Information entered July 1, 2025.

Filed: July 16, 2025

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

VERIFICATION OF TOBIAS MOSS


COMMONWEALTH OF KENTUCKY)
)
COUNTY OF BARREN)

Tobias Moss, President and CEO of Farmers Rural Electric Cooperative Corporation, being duly sworn, states that he has supervised the preparation of certain responses to Commission Staff's Third Request 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.

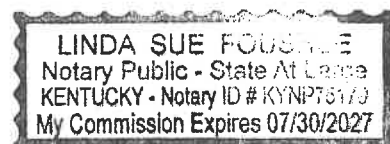


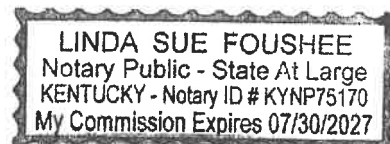
Tobias Moss

The foregoing Verification was signed, acknowledged and sworn to before me this 9th day of July, 2025 by Tobias Moss.



NOTARY PUBLIC





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

Request 1: Provide the number of customers receiving service under P.S.C. KY No. 10, First Revised Sheet No. 46.

Response 1: Please refer to the attachment provided in response to the Commission Staff's First Request for Information, Response 14, "Net Metering". The number of customers receiving service under P.S.C. Ky No. 10, First Revised Sheet No. 46 was 84 members as of December 31, 2024 and 85 members as of June 30, 2025.

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

Request 2: Refer to Farmers RECC's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 5. Provide the number of reconnects by month for the years 2020, 2021, 2022, 2023, 2024 and 2025 year to date. Include in the response, if possible, the number reconnects for customers without remote capabilities.

Response 2: Please refer to Attachment PSC 3-2. It is not possible to provide a breakdown of the number of reconnects between those members with remote capabilities and those members without remote capabilities.

**ATTACHMENTS ARE
EXCEL SPREADHSEETS
AND UPLOADED
SEPERATELY**

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

Request 3: Refer to Farmers RECC's response to Staff's Second Request, Item 5 and Item 7(a).

a. Provide the number of customers who has service without remote service capabilities. Include in that response the number as a percentage of the total number customers as well.

b. Provide the number of customers who have had the opportunity to have advanced metering infrastructure (AMI) installed but have opted out. Include that number as a percentage of all customers.

c. Explain Farmers RECC's plan for the installation of AMI for the remaining customers. Provide the explanation a specific timeline and specific number of members.

Response 3(a):

Response is being filed confidentially under seal pursuant to a motion for confidential treatment.

Response 3(b): There are no members that have opted out of having an AMI meter.

Response 3(c): Response is being filed confidentially under seal pursuant to a motion for confidential treatment.

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

Request 4: Refer to Farmers RECC's response to Staff's Second Request, Item 6.

- a. Provide the full amount Farmers RECC pays to a third-party contractor for meter testing, by meter.
- b. Provide the calculation for the \$40-meter test charge.

Response 4(a): Farmers RECC pays Luthan Electric Meter Testing ("Luthan") for its meter testing. A copy of their price schedule is filed in the Attachment to Response 5.

In 2024, five meters (5 x \$40) were tested at the request of members. The \$200 in meter testing fees was recorded in general ledger account 451.60, miscellaneous service revenue/meter test fees. The information was also disclosed in the response to Commission Staff's First Request for Information, Item 51.

Response 4(b): A copy of Luthan's price schedule is filed confidentially in Response 5. The charge is not intended to recover the full cost of testing a meter but rather to deter unwarranted requests to have meters tested. Since the member requesting the test is driving the cost, Farmers believes the \$40-meter test charge is justified to have the member cover the cost if the meter tests within the Commission's limits.

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

Request 5: Refer to Farmers RECC's response to Staff's Second Request, Item 6. Provide the contract between Farmers RECC and the third-party vendor for meter testing.

Response 5: The third-party vendor for meter testing is Luthan Electric Meter Testing ("Luthan"). Luthan and Farmers established a working relationship in 2007. This price list would include services performed in test year 2024. The price listing was updated in 2025. The contract is being filed confidentially under seal pursuant to a motion for confidential treatment.

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

Request 6: Refer to Farmers RECC's response to Staff's Second Request, Item 7(b) and the statement, "annual depreciation expense, software maintenance costs and secure internet connections are all cost justifications for the \$30 reconnect fee." Confirm that depreciation expense, software maintenance expense and internet expense is recovered as part of base rates. If confirmed, explain why the separate fee is necessary.

Response 6: Depreciation expense, software maintenance expense, and internet expense are recoverable as part of base rates. Approximately 76 percent of Farmers' meters do not have the capability of remote reconnection. In the event one of these meters required reconnection, Farmers dispatched employees during regular business hours to replace the existing meter with a meter capable of remote reconnection. Without the \$30 reconnect fee, the lost revenue would need to be collected elsewhere which would result in some residential members subsidizing the cost of those member who utilize remote reconnection.

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

Request 7: Refer to Farmers RECC's response to Staff's Second Request, Item 12. Explain why Farmers RECC believe that a five-year weather normalization period is appropriate.

Response 7: Farmers' budgeting model averages the last five years of data, reviewing total revenue and kWh sales. Therefore, the model uses a five-year period to account for a range of weather patterns and to smooth out any short-term fluctuations.

It should be noted, the five years weather normalization used for the budget is not "weather normalization" as the term is used forecasted rate proceedings. The budgeting process does not utilize heating degree days or cooling degree days that were then used in a linear regression to correlate usage and weather, which is necessary for a complete weather normalization analysis. Farmers also believes that for a complete weather normalization a much longer time period of 20/30 years is necessary. Farmers only utilizes the five years of data for budgeting. Farmers is not advocating for, nor does Farmers preform, a weather normalization adjustment in the traditional use of the term.