COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	**)**	**CASE NO. 2025-00208**

RESPONSES TO STAFF'S SECOND INFORMATION REQUEST

TO EAST KENTUCKY POWER COOPERATIVE, INC.

DATED SEPTEMBER 4, 2025

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	))))))	**CASE NO. 2025-00208**

CERTIFICATE

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF CUMBERLAND)

John J. Spanos, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Second Request for Information in the above-referenced case dated September 4, 2025, 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 J. Spanos

Subscribed and sworn before me on this 17th day of September, 2025.

Commonwealth of Pennsylvania - Notary Seal
MEGAN LYNN ECKRICH - Notary Public
Cumberland County
My Commission Expires September 16, 2027
Commission Number 1264513

Notary Public

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	))))))	**CASE NO. 2025-00208**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Thomas J. Stachnik, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Second Request for Information in the above-referenced case dated September 4, 2025, 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.

Thomas J. Stachnik

Subscribed and sworn before me on this 15 day of September, 2025.

JOHN CHRISTIAN EVERLY
Notary Public
Commonwealth of Kentucky
Commission Number KYNP104251
My Commission Expires Aug 27, 2029

Notary Public

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	))))))	**CASE NO. 2025-00208**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Jacob R. Watson, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Second Request for Information in the above-referenced case dated September 4, 2025, 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.

Jacob R. Watson

Subscribed and sworn before me on this 17 day of September, 2025.

JOHN CHRISTIAN EVERLY
Notary Public
Commonwealth of Kentucky
Commission Number KYNP104251
My Commission Expires Aug 27, 2029

Notary Public

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	))))))	**CASE NO. 2025-00208**

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF OLDHAM)

Jeffrey W, Wernert, Jr., being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Commission Staff's Second Request for Information in the above-referenced case dated September 4, 2025, 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.

Jeffrey W. Wernert, Jr.

Subscribed and sworn before me on this 15th day of September, 2025.

Notary Public

CHASE BRINKSNEADER
Notary Public - State at Large
Kentucky
My Commission Expires Apr. 22, 2029
Notary ID KYNP99172

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 1
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 1. Refer to the Direct Testimony of Jeffrey W. Wernet, Jr. (Wernert Direct Testimony), at 7. Explain if any other methodologies were evaluated by EKPC when allocating production fixed costs in the Cost-of-Service Study (COSS). Additionally, provide explanation as to why the "Average & Excess" (A&E) method was chosen out of all methodologies evaluated.

Response 1. No other production cost allocation methodologies were evaluated by EKPC in the development of the COSS. As mentioned in Mr. Wernert's testimony, the A&E methodology was accepted by the Commission in at least two of EKPC's prior base rate cases.[1] EKPC believes that the A&E methodology continues to strike the appropriate balance for production cost allocation based on the fuel mix of the cooperative's generation fleet which includes both baseload capacity for around-the-clock energy and peaking capacity during times of peak demand to best serve the Owner-Members.

[1] Case No. 2006-00472, *In the Matter of: General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.,* (Ky. P.S.C., Feb. 6, 2007); Case No. 2021-00103, *In the Matter of: Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets and Other General Relief,* (Ky. P.S.C., April 6, 2021).

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 2
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 2. Refer to the Wernert Direct Testimony, Exhibits JWW-1 and JWW-2. Explain whether there were any changes made to the methodologies utilized in performing EKPC's COSS from its last general rate case, Case No. 2021-00103.

Response 2. Although Mr. Wernert was not involved in EKPC's last general rate case, a review of Case No. 2021-00103 was conducted in preparation for this proceeding. Based upon this review, the methodologies utilized in performing EKPC's current COSS are generally consistent with those utilized in Case No. 2021-00103. While there may be some minor differences in how certain proforma adjustments are handled, the allocation methodologies for the primary functional groupings of Production (Average and Excess), Transmission (12CP), and Distribution (direct-assignment) are similar to those used in EKPC's last general rate case.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 3
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 3. Refer to the Wernert Direct Testimony at 16, lines 17-20. Explain how the principle of gradualism was used to determine the percentage increases allocated to each class. Additionally, provide explanation on why EKPC did not propose to move toward fully cost-based revenue increases as justified by the COSS.

Response 3. In a cost-of-service study ("COSS"), classes with rates of return greater than the overall proposed rate of return are paying subsidies to rate classes with rates of return lower than the total proposed rate of return. It is a well-established principle within the utility industry to apply gradualism in reducing subsidies based on the COSS when allocating the proposed increase to each rate schedule. Applying gradualism prevents rate shock among affected customer classes. The precise point at which one balances those two considerations can vary greatly depending on how much emphasis one puts on gradualism versus how much one puts on subsidy reduction. Often, it is common to group rate classes with similar rates of return in allocating proposed increases, because the bill impacts mitigate against strictly following what the

COSS would suggest in reducing or eliminating the subsidy between classes. This is especially true if some classes require a significant decrease in order to reduce or eliminate subsidies. Calculating the revenue increases or decreases required to equalize the class rates of return would require the following approximate increases and decreases in revenue for each class. This does not consider the bill impacts that will result from strictly following the COSS

Rate E – 5.79%
Rate B – 9.27%
Rate C – 8.43%
Rate G – 14.10%
Large Special Contract – 24.58%
Special Contract Pumping Stations – 7.01%
Steam --(29.57%)

Based upon my professional experience, some of these changes would be too extreme to propose during a single rate change, most notably those for Rate G, Large Special Contract, and Steam. Given these results, it was determined that strictly following the COSS was not appropriate. As such, by grouping certain classes together, some extreme amounts were removed by strictly taking into consideration subsidy reduction and not considering bill impacts. The proposed allocation of the increase in this proceeding to each rate class is based on EKPC's consideration on how to best balance the bill impacts resulting from the proposed increases with the goal of reducing subsidies between rate classes. Sometimes the bill impacts that result from reducing the subsidies between classes are so large that subsidies may not be able to be reduced for all classes. Also, classes with rates of return above the proposed overall company rate of return would receive a rate decrease, most notably Steam Service, which would result in even larger rate increases for classes with rates of return below the overall proposed EKPC rate of return. Despite Steam Service's high rate of

return, EKPC proposed Steam should receive a minimal increase of 2.50% to help reduce the bill impacts for the other rate classes.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 4
RESPONSIBLE PARTY: Jeffrey W. Wernert

Request 4. Refer to the Wernert Direct Testimony at 16, line 19. Explain how a maximum increase of 11 percent is gradual.

Response 4. As discussed in more detail in the response to Request No. 3, the results of the Cost-of-Service Study ("COSS") showed that certain rate classes required more than 11% increases to achieve equalized rates of return. In an effort to minimize the bill impacts to all rate classes while also reducing subsidies, EKPC set the maximum increase that any class would receive to 11%, which is a more gradual move towards cost of service than proposing a revenue allocation that went strictly off the results of the COSS.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 5
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 5. Refer to the Wernert Direct Testimony at 17, lines 2-5. Provide explanation as to why Steam Service received a revenue increase regardless of its very high rate of return instead of allocating the remaining revenue increase proportionally across the underperforming rate classes.

Response 5. As discussed in more detail in the response to Request No. 3, EKPC proposed Steam Service should receive a minimal increase of 2.50% to help reduce the bill impacts for the other rate classes.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 6
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 6. Refer to the Wernert Direct Testimony at 17-18, Table 2, Class Rates of Return. Explain the reasoning behind Rate E subsidizing under-performing rate classes when a portion of Rate E's proposed revenue increase could have been allocated to those rate classes to lessen interclass subsidization.

Response 6. As discussed in more detail in the response to Request No. 3, the cost-of service study ("COSS") could have justified larger increases to certain rate classes and in an effort to apply gradualism, EKPC capped the maximum increase to any class at 11%. This meant that Rate E received a slightly larger increase to recover the remaining revenue requirement after larger increases were applied to other rate classes. Even though some level of subsidization remains, the proposed revenue allocation takes a significant step in the direction of lessening interclass subsidization moving forward.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 7
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 7. Provide a side-by-side comparison by rate class of the revenue allocation the COSS determined versus the proposed revenue allocation. Additionally, provide the percentage increase the COSS determined versus the proposed percentage increase by rate class.

Response 7. See below a comparison of the revenue allocation to achieve equalized rates of return based on the results of the COSS at the proposed EKPC system rate of return of 4.64%.

Revenue Allocation Comparison		
Customer Class	**COSS Equalized Allocation**	**Proposed Allocation**
Rate E	$46,553,257	$55,671,585
Rate B	$7,1111,264	$6,898,140
Rate C	$2,553,167	$2,723,402
Rate G	$6,448,539	$9,063,284
Large Special Contract	$20,264,730	$20,252,799
Special Contract – Pumping Stations	$923,724	$0
Steam Service	$(4,122,767)	$348,497
Total	$79,731,915	$79,731,915

Percentage Increase Comparison		
Customer Class	**COSS Equalized Allocation**	**Proposed Allocation**
Rate E	5.80%	6.94%
Rate B	9.28%	9.00%
Rate C	8.44%	9.00%
Rate G	14.11%	11.00%
Large Special Contract	24.59%	11.00%
Special Contract – Pumping Stations	7.01%	0.00%
Steam Service	-29.56%	2.50%
Total	7.49%	7.49%

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 8
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr

Request 8. Refer to the Wernert Direct Testimony at 19. Provide further explanation on how a 50-50 split between demand and energy revenues was determined. Additionally, provide explanation as to why EKPC chose not to allocate the revenue to energy-related costs and demand-related costs based on the COSS results.

Response 8. As shown in Exhibit JWW-4, a revenue reconciliation was performed in conjunction with the COSS for EKPC. The revenue reconciliation was used as a guide to design rates which collected the proposed revenue allocation of the revenue requirement increase proposed by EKPC. After calculating the proposed allocation of the increase for each rate class, the 50-50 split was applied to the overall increase to determine how much of allocated increase should be captured from energy and demand charges for each respective rate class.

For example, based on the proposed 9% increase in revenue for Rate B using the COSS results, Rate B's allocated increase is $6,898,655 (rounded to the nearest dollar). Fifty percent of the allocated increase is $3,449,327 which was the targeted increase in revenue needed from both

energy and demand charges collected from Rate B during the 2023 test year. Rates were then designed to try and collect an additional $3,449,327 from the energy charges under Rate B rounding to the nearest sixth decimal place on the energy charge. This led to a proposed energy charge of $0.05433, a $0.003198/kWh increase, which would collect an additional $3,447,614 in revenue based on the 2023 billing determinants. A similar process was performed on the demand charges, targeting $3,449,327 in additional revenue to be collected and charges were designed to collect as close to the target revenue as possible. This led to the proposed charges of $9.38/kW for Firm Demand and $10.87/kW for Excess Demand charges, which collect a total of $3,450,526 in additional revenue based on the 2023 billing determinants. The sum total of the changes for both energy and demand charges is $6,898,140 was as close as possible to the target revenue within rounding on the rate components. Of this total, 50.02% of the proposed revenue increase is collected from changes in the demand charges ($3,450,526 / $6,898,140) and 49.98% of the proposed revenue increase is collected from the change in the energy charge ($3,447,614 / $6,898,655). These values are shown in more detail in cells Q38 through Q46 on the "Rate B" tab of Exhibit JWW-4.

A similar process was performed for all the other rate classes with an additional step taken for Rate E. For Rate E, an attempt was made to evenly split the proposed revenue changes from the Metering and Substation charges between the targeted increases for demand and energy charges. This led to approximately 49.17% of the proposed revenue increase from changes in the demand charges and 48.88% of the proposed revenue increase from the changes in the energy charges, with the remaining 1.95% coming from the changes in the Metering and Substation charges.

As mentioned in the testimony of Jeffrey Wernert, EKPC preferred the 50-50 split between demand and energy charges to strike a balance between moving rates in the direction of cost of service while also minimizing the impact of the proposed rate changes on member retail rates from the passthrough rate procedure. Had EKPC proposed moving to completely cost-based rates, the resulting rates could have potentially caused more radical changes to EKPC's Owner-Member retail rates than was feasible given the differences in the rate structures between EKPC and their Owner-Members.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 9
RESPONSIBLE PARTY: Jeffrey W. Wernert

Request 9. Refer to the Wernert Direct Testimony at 18-19. Provide a table that details the current and proposed demand-related revenue recovery and energy-related revenue recovery, in dollar amounts and percentages, for each rate class.

Response 9.

Rate Recovery Comparison – Energy (excluding ES and FAC)				
Customer Class	**Current Energy - Related Revenue**	**Percentage of Total Current Revenue**	**Proposed Energy - Related Revenue**	**Percentage of Total Proposed Revenue**
Rate E	$536,826,418	66.92%	$564,039,220	65.75%
Rate B	$55,125,172	71.92%	$58,572,786	70.11%
Rate C	$22,451,437	74.19%	$23,813,434	72.19%
Rate G	$35,796,910	78.33%	38,303,351	75.51%
Large Special Contract	$68,133,922	82.69%	$72,670,720	79.45%
Steam Service	$9,991,895	71.65%	$10,166,118	71.12%

Rate Recovery Comparison – Demand (includes Interruptible Credits)				
Customer Class	**Current Demand - Related Revenue**	**Percentage of Total Current Revenue**	**Proposed Demand - Related Revenue**	**Percentage of Total Proposed Revenue**
Rate E	$148,938,429	18.57%	$176,314,132	20.55%
Rate B	12,576,385	16.41%	$16,062,911	19.18%
Rate C	$4,524,497	14.95%	$5,885,902	17.84%
Rate G	$7,831,719	17.14%	$10,347,471	20.40%
Large Special Contract	$6,500,363	7.89%	$11,026,849	12.06%
Steam Service	$2,078,740	14.91%	$2,253,014	15.76%

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 10
RESPONSIBLE PARTY: Jacob R. Watson

Request 10. Refer to the Direct Testimony of Jacob Watson (Watson Direct Testimony) at 11, lines 9-12. Provide further explanation on how utilizing the COSS properly allocates environmental costs in comparison to an environmental surcharge roll-in.

Response 10. A COSS should be used to properly allocate costs associated with the Environmental Surcharge ("ESC") during a roll-in to base rates. Costs recovered through the ESC consist of both fixed and variable. Ideally, fixed costs would be recovered through demand charges and variable costs would be recovered through energy charges. A COSS would properly identify the split of costs between fixed and variable as well as allocate the recovery of fixed and variable costs between the rate classes.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 11
RESPONSIBLE PARTY: Jacob R. Watson

Request 11. Refer to the Watson Direct Testimony, page 31, lines 10-14. Elaborate on how the proposed PJM Interconnection, LLC (PJM) Regional Transmission Expansion Plan (RTEP) Tracker will provide EKPC with a more proactive approach to managing the swings in costs allocated to it by PJM.

Response 11. Establishing the RTEP tracker will help protect EKPC's finances from future swings in RTEP expenses by utilizing a regulatory asset for expenses in excess of the amount included in base rates. This would protect EKPC's financial position in years that dramatic increases occur. Establishing a tracking mechanism in advance of future swings would be more proactive than asking for a regulatory asset after the swings occur. In future rate cases, amortization and recovery of the regulatory asset would be requested over an appropriate period of time.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 12
RESPONSIBLE PARTY: Jacob R. Watson

Request 12. Refer to the Watson Direct Testimony, Exhibit JRW-1, Schedule 1.04. Confirm that each bond, note, and Federal Financing Bank (FFB) note listed in Schedule 1.04 has fixed interest rates. If not confirmed, provide a list of each debt instrument listed in Schedule 1.04 with a variable interest rate.

Response 12. Every type of debt listed in Schedule 1.04 has a fixed interest rate besides the two listed below, which have variable interest rates.

- Cooper Solid Waste Disposal Bonds (line 13)
- Unsecured Credit Facility (line 198)

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 13
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 13. Refer to the Watson Direct Testimony at 11, lines 20-22. Explain how each Owner-Member's share of the EKPC proposed revenue increase is allocated on a proportional basis. Additionally, provide a table that outlines the allocation of EKPC's proposed revenue increase to each Owner-Member in dollar amounts and percentages.

Response 13. EKPC allocated the proposed revenue increase to each rate schedule in EKPC's tariff based on the results of the COSS and did not allocate the proposed increase directly to each Owner-Member. The allocation of EKPC's proposed revenue increase would be unique to each Owner-Member based on which EKPC rates they take service under. Below is a table of the proposed increase allocation to each owner-member including all rates shown in the COSS:

Rate Class	Proposed Increased	Percent Change
Big Sandy	$1,230,766	6.90%
Blue Grass	8,200,579	7.30%
Clark	2,580,377	6.91%
Cumberland Valley	3,328,779	7.67%
Farmers	2,831,918	6.93%
Fleming-Mason	5,424,810	6.17%
Grayson	1,824,668	7.33%
Inter-County	4,108,776	8.54%
Jackson	5,843,545	7.20%
Licking Valley	1,594,902	7.11%
Nolin	4,366,046	7.36%
Owen	17,602,625	9.15%
Salt River	7,416,474	6.98%
Shelby	2,875,652	7.38%
South Kentucky	7,720,788	7.21%
Taylor County	2,781,209	6.30%
Total	79,731,915	7.49%

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 14
RESPONSIBLE PARTY: Jacob R. Watson

Request 14. Refer to the Watson Direct Testimony at 17, lines 1-2. Provide the Board of Directors' meeting minutes authorizing both the salary and pay merit increase in 2023 and 2024.

Response 14. Please see attachments *PSC DR2 Request 14 - May 2023 Board Minutes.pdf* and *PSC DR2 Request 14 - April 2024 Board Minutes.pdf.*

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 15
RESPONSIBLE PARTY: Jacob R. Watson

Request 15. Refer to the Watson Direct Testimony at 17, lines 10-13.

a. Explain the approximate 39 percent increase in part-time employees from the end of the test year to July 5, 2024.

b. Refer also to Attachment JRW-1, Schedule 1.06. Explain what wage and salary expenses are typically recovered through the environmental surcharge.

Response 15.

a. EKPC hires more students during the summer months. This is a benefit to the students who are looking to gain experience during their summer breaks and is also a benefit to EKPC as it provides lower cost labor and is a recruitment tool.

b. Wages and salaries that are directly tied to environmental projects approved by the Commission for recovery are recovered through the ESC as part of the project.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 16
RESPONSIBLE PARTY: Jacob R. Watson

Request 16. Refer to the Watson Direct Testimony at 24, lines 22-34 and at 25, lines 1-13. Provide support for the proposed threshold based on a four-year average of general maintenance costs from 2020-2023, rather than a threshold based on a five year average similar to the threshold established in EKPC's prior rate case.

Response 16. At the time EKPC was preparing the rate case, 2024 year-end generation maintenance expense information was not yet available. When evaluating the threshold, EKPC believed that 2019 was not an accurate representation of costs that were being incurred for the new threshold to be established considering those costs were utilized in the 2021 rate case and those costs have since increased. Therefore, EKPC based the threshold on a four-year average rather than a five-year average. However, since filing this application, 2024 information is now available and is provided in Response 17.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 17
RESPONSIBLE PARTY: Jacob R. Watson

Request 17. Refer to attachment JRW-1 Schedule 1.27. Provide the same adjustment calculation using five years instead of the requested four years.

Response 17. Please see attachment *PSC DR2 Request 17 – Generation Maintenance.xlsx*. EKPC would also like to note that in accordance with the 2021 Settlement Agreement, while Schedule 1.27 establishes the threshold for the generation maintenance regulatory asset, Schedule 1.26 is the amortization of the net accumulated balance for the generation maintenance regulatory asset. Therefore, in order to remain consistent and to limit the possibility of regulatory/recovery mismatch, EKPC has also included the five-year balance of the generation maintenance regulatory asset to be amortized for Schedule 1.26 rather than the threshold being based on a five-year average and the amortization being based on a four-year balance.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 18
RESPONSIBLE PARTY: Jacob R. Watson

Request 18. Refer to the Watson Direct Testimony at 28, lines 21-23. Provide further explanation on how limiting demand changes to two updates per year improves EKPC's ability to recover capacity costs.

Response 18. The current Rate B tariff does not stipulate the number of contract demand changes per year. This led to contract demands being reset regularly, with instances of contract demands being reset eleven out of twelve months. The Rate B tariff bills the higher of contract demand or Coincident Peak ("CP"). If the CP is higher than the contract demand, there is an excess charge for the amount greater than the contract demand. Changing the contract demand monthly can avoid the excess charge by increasing the contract demand in months higher demand is expected and then lowering the demand when it is expected to be lower. EKPC's capacity costs are based upon the annual peak. Limiting the number of allowable contract demand changes per year will increase EKPC's ability to recover the capacity costs incurred to serve or has planned to serve for Rate B. EKPC also notes the administrative burden of changing the contract demands

monthly. Each change takes roughly 30 minutes to process, as well as some review time of the supervisor. In 2024 EKPC processed 180 contract demand changes for Rate B.

Other tariffs, such as Rate C and G, bill based upon the higher of contract demand of a ratchet mechanism. The ratchet mechanism looks at the highest CP of the current month or preceding eleven months. This allows EKPC to recover the contract demand that EKPC planned to serve, or the actual demand served over twelve months. Limiting Rate B's contract demand changes to two per year would bring the Rate B tariff more in line with the Rate C and G tariffs.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 2025-00208
SECOND REQUEST FOR INFORMATION RESPONSE

STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 19
RESPONSIBLE PARTY: Jacob R. Watson

Request 19. Refer to the Watson Direct Testimony at 29, lines 5-7. Explain how removing the cap of 20,000 kW would alleviate pressures with capacity planning.

Response 19. EKPC does not currently serve any loads impacted by this change. However, EKPC could attract future loads applicable to Rate D in excess of the current 20,000 kW limit. Rate D is only applicable to Rates B, C, E, and G. Removing this limit would help attract those new loads while also alleviating pressures on capacity planning associated with serving those loads. In capacity planning, EKPC assumes Rate D retail Owner-Members are interrupted during the peak. This change would allow EKPC to attract larger loads while reducing the burden placed on securing capacity to serve that load.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 20
RESPONSIBLE PARTY: Jacob R. Watson

Request 20. Refer to the Watson Direct Testimony at 29, lines 10-12. Provide further explanation as to why EKPC believes the Rate D interruption timing restrictions should be removed and that interruptions should be able to be called at any time necessary.

Response 20. PJM's Locational Marginal Pricing ("LMP") is a driver of EKPC's decision to call economic interruptions. LMPs could reach levels that would warrant an economic interruption outside of the current hours detailed in the tariff.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 21
RESPONSIBLE PARTY: Jacob R. Watson

Request 21. Refer to the Watson Direct Testimony at 29, lines 13-17. Provide any available usage data involving Rate H Option B in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

Response 21. Please see attachment *PSC DR2 Request 21 – Rate H Usage.xlsx.*

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 22
RESPONSIBLE PARTY: Jacob R. Watson

Request 22. Refer to the Watson Direct Testimony at 29-30, Rate EM - Earnings Mechanism. Provide further explanation as to why Rate EM is burdensome to EKPC and why utilizing the capital credit program is better for EKPC.

Response 22. The initial burden was getting the necessary programing in place for all the billings systems across the Owner-Members. The ongoing burden would be the distribution of the credits. Even with the billing system programing in place, it is still a difficult exercise for the Owner-Members to work through distributing the credit. There are time consuming steps that are crucial to execute. It is also worth adding that the only credit that has been distributed through the earnings mechanism was extremely small, especially to the residential members.

The existing capital credit program is a better way to return earnings for EKPC and the Owner-Members. In years that equity exceeds 20%, EKPC's Board of Directors can decide to pay capital credits. Use of the capital credit program gives the Board the ability to protect and guide EKPC's financial health. With an understanding of EKPC's future, the Board should be able to

decide when EKPC should build capital and when EKPC has the financial position to pay capital credits. EKPC's Board is comprised of rate paying members. The EM does not take into consideration the financial position or upcoming projects that EKPC is facing. The capital credit program is the better avenue to distribute credits as it can be guided by facts and decided on by the rate paying Owner-Members on the Board.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 23
RESPONSIBLE PARTY: Jacob R. Watson

Request 23. Refer to the Watson Direct Testimony at 35, lines 3-7. Provide a table that illustrates the level of subsidization between EKPC's Owner-Members.

Response 23. Due to fluctuations in sales and DSM participation, any illustration would also vary based upon the period being reviewed. Those not participating in DSM programs will be paying a small amount for the programs they are not participating in and participants are paying slightly less than their actual costs. However, participation in DSM also has positive impacts on the system as a whole through avoided need for new generation units, in which everyone benefits. EKPC believes those not participating in the DSM program are also receiving the benefit of those avoided costs. The DSM programs all have a TRC above 1.0, which indicates the program benefits to all rate payers are larger than program costs.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 24
RESPONSIBLE PARTY: Jacob R. Watson

Request 24. Refer to the Watson Direct Testimony, Attachment JRW-1. For all applicable schedules, provide details regarding the adjustments to remove/exclude amounts recovered through the environmental surcharge. In the response, include the adjustment amount, as well as specification on where the adjustment is being made within the schedule(s).

Response 24. For simplicity, EKPC made all environmental surcharge adjustments within two schedules; 1.02 - ES, and 1.03 ES Off-System. Schedule 1.02 removes $302,845,695. Schedule 1.03 removes $657,368.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 25
RESPONSIBLE PARTY: Jacob R. Watson

Request 25. Refer to the Application, Exhibit 16 – Attachment JRW-1 – Workpaper 1.06 Wages-Salaries.xlsx. Provide the support for an approximate 198 percent increase from the test year for the FERC account (152) Fuel Stock Undistributed.

Response 25. In using a single payroll cycle, the month-end or year-end closing adjustments that redistribute account (152) Fuel Stock Undistributed to production expense were not taken into consideration on this schedule. Had the redistribution adjustment been made, EKPC's production expense adjustment would have increased rather than decrease. This ultimately resulted in EKPC asking for a lower revenue requirement than it was eligible for under its adjustment for normalizing July 2024's payroll.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 26
RESPONSIBLE PARTY: John J. Spanos

Request 26. Refer to the Direct Testimony of John Spanos (Spanos Direct Testimony), Exhibit JJS-1, General Plant. Explain what investments were made to Transportation Equipment that resulted in the increase in original cost and book depreciation reserve since the 2019 Depreciation Study.

Response 26. Additions to Account 392.00, Transportation Equipment include large trucks, small trucks, trailers, cars, a truck-mounted crane, and other vehicles increase the original cost. The book reserve increased as a result of annual accruals that are calculated each month or year by applying the depreciation rate to the original cost.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 27
RESPONSIBLE PARTY: John J. Spanos

Request 27. Refer to the Spanos Direct Testimony, Exhibit JJS-1, General Plant. Explain what specific factors, since 2019, resulted in the increase to the calculated annual accrual rate for Transportation Equipment.

Response 27. The change between studies in both the plant and reserve balances can affect the accrual rate. The relationship between the change in plant and reserve activity also affects the accrual rate. Since the 2019 study was performed there has been considerable retirements and additions within the account. When a retirement occurs both the plant and reserve are reduced by the same amount. Therefore, since the 2019 study the book reserve has decreased due to the high retirement levels so the book reserve to plant ratio is much lower which causes the annual accrual rate to increase in order to recover the remaining future accruals over the life of the assets. The reserve did not grow at the same rate that the plant grew.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 28
RESPONSIBLE PARTY: John J. Spanos

Request 28. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Prime Movers. Explain why Cooperative Solar was included on the 2019 Depreciation Study but excluded from the 2023 Depreciation Study.

Response 28. In the 2019 Depreciation Study, the assets were identified in each account based on the anticipated retirement unit. However, since the 2019 Depreciation Study, the assets for Cooperative Solar have been properly unitized to their most appropriate solar account. According to the Uniform System of Accounts ("UsoA") there should not be any solar assets in Account 343, Prime Movers.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 29
RESPONSIBLE PARTY: John J. Spanos

Request 29. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Miscellaneous Power Plant Equipment. Explain why Cooper Unit 1 was excluded from the 2019 Depreciation Study and included in the 2023 Depreciation Study. Further, explain what specific investments EKPC made to cause this inclusion.

Response 29. There was an economizer added to the Cooper Unit 1 location in 2023 which was identified to be unitized in Account 346, Miscellaneous Power Plant Equipment.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 30
RESPONSIBLE PARTY: John J. Spanos

Request 30. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Miscellaneous Power Plant Equipment. Provide the justification for Laurel Ridge Landfill's composite remaining life declining from 18.0 in the 2019 Depreciation Study to 1.0 in the 2023 Depreciation Study.

Response 30. Please refer to the Probable Retirement Date in column (2) of Table 1 in the Depreciation Study. Laurel Ridge Landfill is set to be retired at the end of 2024. This means that since the depreciation rates were calculated as of December 31, 2023, Lauren Ridge Landfill would have a remaining life of 1 year.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 31
RESPONSIBLE PARTY: John J. Spanos

Request 31. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Transmission Plant. Provide the justification for the composite remaining life for Station Equipment (353) declining from 46.1 in the 2019 Depreciation Study to 36.9 in the 2023 Depreciation Study.

Response 31. The average service life estimate for Account 353, Station Equipment was 60 years in the 2019 Depreciation Study. Based on the nature of the assets in the account and expectations of the life characteristics of the asset into the future an estimate of 52 years was recommended in the current study. The change in life cycle is the primary factor for a shorter composite remaining life.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 32
RESPONSIBLE PARTY: John J. Spanos

Request 32. Refer to the Spanos Direct Testimony, Exhibit JJS-1, Steam Production Plant Land and Land Rights. Explain what investments were made to Spurlock Common – Landfill, that constitute an approximate 217 percent increase in original cost from the 2019 Depreciation Study to the 2023 Depreciation Study.

Response 32. There were a number of additions made to the Spurlock Common – Landfill location between depreciation studies. Some of the larger ones were related to the landfill expansion area, a haul road extension, a clay liner, and investment in the Leachate system area.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 33
RESPONSIBLE PARTY: Jacob R. Watson

Request 33. Refer to the Direct Testimony of Michelle K. Carpenter (Carpenter Direct Testimony) at 7, lines 17-19. Provide support for amortizing the balance of the General Maintenance Tracker regulatory asset over three years. In the response, provide the advantages and disadvantages of longer amortization periods versus shorter amortization periods for regulatory assets as it pertains to EKPC's operations.

Response 33. Amortizing and recovering the balance of the General Maintenance Tracker provides EKPC recovery over a reasonable period of time. The proposal of three years is an attempt at balancing the speed of recovery with the impact on rates and financials. Too short of an amortization period, such as one year, would create too much impact on rates. Too long of an amortization could result in an under recovery of EKPC's expenses incurred due to the time value of money. The goal of the proposed three-year amortization is EKPC's attempt to balance those factors.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 34
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 34. Refer to the Direct Testimony of Thomas J. Stachnik (Stachnik Direct Testimony) at 3, lines 22-23 and at 4, lines 1-2. Explain what efforts EKPC has made to reduce its discretionary expenditures.

Response 34. EKPC notes that this refers to a statement made by Fitch Ratings as to what EKPC can do to maintain a strong financial profile. EKPC's budget process looks at all expenses each year and determines appropriate levels of spending in all expense areas and endeavors to only spend appropriately on items that maintain the reliability of the system while maintaining the necessary metrics to ensure financial strength. Therefore, reducing discretionary expenses alone will not allow EKPC to maintain financial strength.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 35
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 35. Refer to the Stachnik Direct Testimony at 6, lines 22-23 and at 7, lines 1-2. Explain the effects of EKPC being in the 'bbb' credit rating range versus the 'aa' range in general, as well as if EKPC's cost of debt has changed as a result.

Response 35. For clarification, the lower case 'bbb' refers to the 'financial profile' as discussed in Fitch's rating report as outlined in Attachment TJS-4, page 3, and not the credit rating (BBB+ (negative outlook)). EKPC's cost of unsecured variable rate financing with relationship banks is unaffected by the Fitch rating as EKPC negotiated a pricing grid which only considers S&P Rating.[2] However, any private placement debt investors would consider both ratings. Thus, the cost of private placement debt would vary depending on the Fitch rating at the time of issuance.

[2] Direct Testimony of Thomas J. Stachnik, page 9, line 20.

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REQUEST 36
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 36. Refer to the Stachnik Direct Testimony at 9, lines 6-10.

a. Explain whether these metrics are currently still at these levels.

b. Explain whether EKPC anticipates these metrics will change as a result of its requests in this proceeding.

c. If so, explain how it anticipates they will change.

Response 36.

a. EKPC's DSC ratio has remained at or above 1.25 and is expected to achieve close to that level in 2025. However, without a rate increase, it would likely decline in 2026. The equity ratio has levelled out and is expected to decrease as EKPC pursues large capital projects since the denominator of that ratio is assets.

b. Yes.

c. As a result of this proceeding, DSC ratio will remain comfortably above 1.25. (Note however that TIER or MFI ratio are more directly driving the need for increased revenues more than is DSC). Even with the increase in revenues, equity ratio will decline for a few years

but an increase in revenue will shorten that decline and help to reestablish an increasing equity ratio.

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REQUEST 37
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 37. Refer to the Stachnik Direct Testimony at 12, lines 6-22. Provide a more in-depth discussion regarding EKPC's risk profile, specifically as compared to distribution cooperatives.

Response 37. EKPC depends on the Owner-Members' ability to pay their bills. Which in turn requires the distribution cooperatives to rely on revenues from their much more diverse customer base. EKPC is much more capital intensive than its Owner-Members resulting in using much more debt and thus interest expense. Since distribution cooperatives do not have as much debt resulting from capital expenditures, they also have less interest expense. With these differences in the level of interest expense relative to other expenses, it is not appropriate to assume that distributions cooperatives would require the same return as a percentage of interest expenses as a generation and transmission cooperative.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 38
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 38. Refer to the Stachnik Direct Testimony at 17, lines 1-4. Provide data for EKPC's equity ratio for the past 10 calendar years.

Response 38.

Year	Equity to Asset% (RUS)	Equity to Asset% (GAAP)
2015	15.7	15.4
2016	17.4	15.5
2017	18.5	16.0
2018	20.1	17.4
2019	20.8	18.9
2020	21.2	21.2
2021	21.6	21.6
2022	20.9	21.0
2023	20.1	20.2
2024	20.1	20.2

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 39
RESPONSIBLE PARTY: Jeffrey W. Wernert, Jr.

Request 39. Refer to the Wernert Direct Testimony, Exhibit JWW-1 at 6. Steam Power's Operation Supervision & Engineering utilized the functional vector for Production Plant (F001) and Steam Power's Maintenance Supervision & Engineering utilized the functional vector for Energy. Explain why those line items are not being functionalized by the same vector and the significance to that decision.

Response 39. For Production operation and maintenance expenses, EKPC's COSS utilizes the FERC Predominance Methodology. Under the FERC Predominance Methodology, production operation and maintenance accounts that are predominately fixed, i.e. expenses that the FERC has determined to be predominately incurred independently of kilowatt hour levels of output, are classified as demand-related. Production operation and maintenance accounts that are predominately variable, i.e., expenses that the FERC has determined to vary predominately with output (kWh), are considered to be energy related. The predominance methodology has been accepted in FERC proceedings for over 25 years and is a standard methodology for classifying production operation and maintenance expenses. For example, see Public Service Company of

New Mexico, 10 FERC ¶ 63,020 (1980), Illinois Power Company, 11 FERC ¶ 63,040 (1980), Delmarva Power & Light Company, 17 FERC ¶ 63,044 (1981), and Ohio Edison Company, 24 FERC ¶ 63,068 (1983). The Predominance Methodology has also been used in the COSS submitted by Kentucky Utilities and Louisville Gas and Electric Company in Case Nos. 2003-00433, 2003-00434, 2008-000251, 2008-00252, 2009-00548, and 2009-00549, by Big Rivers Electric Corporation in Case No. 2011-00036, and by EKPC in Case No. 2008-00409.

Below is a more detailed table which shows the classifications for production expenses under the Predominance Methodology:

FERC Predominance Method
Classification of Production Expenses

USoA Acct #	Description	Classification	
		Demand	Energy
	Steam Power Generation Operation		
500	Operations Supervision and Engineering	X	
501	Fuel		X
502	Steam Expenses	X	
503	Steam From Other Sources		X
504	Steam Transferred - Cr.		X
505	Electric Expenses	X	
506	Miscellaneous Steam Power Expenses	X	
507	Rents	X	
	Maintenance		
510	Supervision and Engineering		X
511	Structures	X	
512	Boiler Plant		X
513	Electric Plant		X
514	Miscellaneous Steam Plant	X	
	Nuclear Power Generation Operation		

517	Operations Supervision and Engineering	X	
518	Fuel		X
519	Coolants and Water	X	
520	Steam Expenses	X	
523	Electric Expenses	X	
524	Miscellaneous Nuclear Power Expenses	X	
525	Rents	X	
	Maintenance		
528	Supervision and Engineering		X
529	Structures	X	
530	Reactor Plant Equipment		X
531	Electric Plant		X
532	Miscellaneous Nuclear Plant	X	
	Hydraulic Power Generation Operation		
535	Operations Supervision and Engineering	X	
536	Water for Power	X	
537	Hydraulic Expenses	X	
538	Electric Expenses	X	
539	Miscellaneous Hydraulic Power Expenses	X	
540	Rents	X	
	Maintenance		
541	Supervision and Engineering	X	
542	Structures	X	
543	Reservoirs, Dams and Waterways	X	
544	Electric Plant		X
545	Miscellaneous Hydraulic Plant	X	
	Other Power Generation Operation		
546	Operations Supervision and Engineering	X	
547	Fuel		X
548	Generation Expenses	X	
549	Miscellaneous Other Power Generation	X	

550	Rents	X	
	Maintenance		
551	Supervision and Engineering	X	
552	Structures	X	
553	Generating and Electric Equipment	X	
554	Miscellaneous Other Power Generation Plant	X	
555	Purchased Power		As Billed
556	System Control and Load Dispatching	X	
557	Other Expenses	X	

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 40
RESPONSIBLE PARTY: Thomas J. Stachnik

Request 40. Refer to Schedule A1, Excel file, Calculation of Average Capital Structure, and the 2024 Annual Report, page 34. Explain the discrepancy among the long-term debt amounts.

Response 40. The total in Schedule A1 is the total debt including the current portion of long-term debt and unamortized debt issuance costs. The difference can be seen on page 62 of the 2024 Annual Report.

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STAFF'S REQUEST DATED SEPTEMBER 4, 2025
REQUEST 41
TRESPONSIBLE PARTY: Thomas J. Stachnik

Request 41. Refer to the Direct Testimony of Cliff Scott, page 7, line 5, the Stachnik Direct Testimony, page 17, line 22, and Schedule 1.04, the Excel file. Provide support that the weighted average interest rate on all debt increased from 3.4 percent in 2021 to 4.0 percent in 2023.

Response 41. See *PSC DR2 Request 41 - 2021 Average Interest Rate.pdf* and *PSC DR2 Request 41 - 2023 Average Interest Rate.pdf.*