

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
SALT RIVER ELECTRIC COOPERATIVE)	
CORPORATION FOR PASS-THROUGH OF)	Case No. 2025-00214
EAST KENTUCKY POWER COOPERATIVE,)	
INC.'S WHOLESALE RATE ADJUSTMENT)	

SALT RIVER ELECTRIC COOPERATIVE CORPORATION'S
VERIFIED RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
ENTERED SEPTEMBER 3, 2025

Comes now Salt River Electric Cooperative Corporation ("Salt River"), by counsel, and does hereby tender its Verified Response to the Commission Staff's First Request for Information entered September 3, 2025.

Dated September 16, 2025

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THE ELECTRONIC APPLICATION OF)
SALT RIVER ELECTRIC COOPERATIVE)
CORPORATION FOR PASS-THROUGH OF)
EAST KENTUCKY POWER COOPERATIVE,)
INC.'S WHOLESALE RATE ADJUSTMENT)

Case No. 2025-00214


VERIFICATION OF TIM SHARP

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF NELSON)

Tim Sharp, President/CEO, being duly sworn, states that he has supervised the preparation of responses to Commission Staff's First 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.


Tim Sharp

The foregoing Verification was signed, acknowledged and sworn to before me this 15th day of September 2025, by Tim Sharp.


Commission expiration: July 5, 2027

VERIFICATION OF JOHN WOLFRAM

Commission expiration: April 9, 2025

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Request 1. Refer to Exhibit 4 of the Application, Billing Analysis. Provide the billing analysis in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible. Reconcile Salt River Electric's allocation of the East Kentucky Power Cooperative, Inc. (EKPC) wholesale increase to the allocation assigned by EKPC to Salt River Electric and explain any variance shown in Exhibit 4.

Response 1. Please see Attachment 1-1. For the reconciliation, see Application Exhibit 4, page 1 and Attachment 1-1, Summary tab, last three lines and last column. The slight variance is the result of rounding the proposed per unit charges to the appropriate number of decimal places.

**ATTACHMENT
IS AN EXCEL
SPREADSHEET
AND UPLOADED
SEPARATELY**

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Request 2. Refer to Exhibit 6 of the Application, the Customer Notice.

- a. Reconcile the percent increase listed for Net Metering B2 Commercial (Rate Class 45) in the breakdown by customer classification section, as well as the average bill section.
- b. Reconcile these numbers with the numbers reflected in Exhibit 4, Page 5 of the Billing Analysis.

Response 2. The data in the customer notice in the middle table inadvertently refers to the percentage increase to base rates, not total bill, from Exhibit 4. The data in the notice in the average bill section and in Exhibit 4 Page 5 is correct. See Attachment 1-1.

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Request 3. Refer to the Direct Testimony of John Wolfram, Exhibit 7.

- a. Confirm that Salt River Electric's proposed rates reflect a strict proportional pass-through of EKPC's wholesale increase in accordance with KRS 278.455. If not confirmed, explain the variance.
- b. If Salt River Electric considered any deviation from strict proportionality pass-through of the wholesale rate increase, identify and explain why no such deviation was proposed.
- c. Provide the class billing determinants used to support the proportional pass-through of the wholesale rate increase.

Response 3(a): Confirmed.

Response 3(b): Not applicable.

Response 3(c): Please see Application Exhibit 4, column Billing Units, beginning on page 2.

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Request 4. Refer to Case No. 2023-00014, which examined EKPC's fuel adjustment clause (FAC) adjustments and recovery.

- a. Provide a reconciliation between the \$0.0117 per kWh FAC roll-in incorporated in Exhibit 4 and Salt River Electric's FAC Form A filings filed after the August 30, 2024 Order in Case No. 2023-00014. Identify any differences between the billing analysis in Exhibit 4 and the FAC recovery amounts reported in Salt River Electric's semi-annual filings.
- b. Confirm that Salt River Electric will continue to apply monthly FAC adjustments filed under 807 KAR 5:056 on customer bills following implementation of the proposed pass-through rates. If not confirmed, explain the response.

Response 4(a): The FAC roll-in incorporated in Exhibit 4 reflects the adjustment specified in the Commission's Order in Case No. 2023-00014. The amount shown at the bottom of Exhibit 4 in the Present Rate column was moved from the FAC line to the base energy charge line for all rates on Exhibit 4 which include an energy charge. The amount is annualized such that the "Present Rate" reflects the movement of the ordered incremental energy charge from the FAC to base energy. This is evident in the Excel file provided in response to Item 1a, by comparing the energy charge and FAC in columns "2023 Revenue" and "Present Revenue" for each rate in Exhibit 4. (Note for Salt River the amount is \$0.01170 per kWh not \$0.01194 per kWh.)

Response 4(b): Confirmed.

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Request 5. Refer to Schedule CL (Commercial Lighting Service) and Schedule LED (LED Outdoor Lighting) of Salt River Electric's current tariff.

- a. Confirm that service under Schedule CL and Schedule LED is un-metered and billed on a per-light, per-month basis. If not confirmed, explain the response.
- b. Provide the assumed monthly kWh per fixture by type used in the billing analysis and show how those assumptions translate into the proposed monthly charges.
- c. Explain how the FAC roll-in is reflected for Schedule CL and Schedule LED.

Response 5(a): Confirmed.

Response 5(b): The billing analysis for lighting in Exhibit 4 is based on the number of lights, not the assumed usage. The proposed charges reflect the proportional application of the increase to the present per-unit charges (which include the FAC roll-in approved by the Commission in Case No. 2023-00014).

Response 5(c): A small error was identified in the FAC Roll-in for lighting. To correctly incorporate the FAC roll-in for lighting, the difference between the pre Roll-in rate revenue and the post Roll-in revenue is removed from the FAC line item. This is shown in the Excel file provided in Item 1 by comparing the Total Base Rates and the FAC lines for lighting in columns "2023 Revenue" and "Present Revenue."

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Request 6. Describe how bills will be calculated for service periods that straddle the effective date of the new retail rates, consistent with its current billing cycle and tariff provisions.

- a. State whether any portion of the bill will be prorated, and identify which components (customer, energy, demand, lighting) are prorated and which are not.
- b. Describe the allocation method used to split usage/charges between the pre- and post-effective-date portions (e.g., by calendar days, meter-read splits, interval-data allocation), and provide the formulas used.
- c. Identify any tariff provisions, internal policies/procedures, or billing-system constraints relied upon in calculating the billing calculations described.

Response 6a. Customer and Energy charges will be prorated based on the number of days of service at the old and new rate. Demand, and Lighting rates will not be prorated, but will go into effect with the next full billing cycle.

Response 6b. Customer and Energy prorated rates will be calculated based on the following formula:

[(number of days on the original rate * original rate) + (number of days on
the new rate * new rate)] / Total days in billing cycle

Response 6c. Salt River's current billing software prevents entering multiple rates for the same billing cycle.

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Request 7. Refer to Exhibit 4 of the Application, Billing Analysis, page 3, Large Power LLP-1 energy charge. Refer also to Exhibit 2, Proposed Tariffs, Large Power Service (Over 37.5 – Under 500 KW) Schedule LLP-1 and Exhibit 3, page 1. The billing analysis gives a proposed energy charge of \$0.080110 per kWh while Exhibits 2 and 3 state \$0.08011 per kWh. Explain why the last 0 was not included in Exhibits 2 and 3.

Response 7. This is a formatting issue. The values used in the Billing Analysis are mathematically equivalent to those in the other exhibits.

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Request 8. Refer to Exhibit 4 of the Application, Billing Analysis, generally. Refer also to Exhibit 2, Proposed Tariffs, generally. Net Metering, Net Metering LLP-1 Large Power, Net Metering B2 Commercial, and Prepaid Metering were all included in the billing analysis without a proposed tariff associated with the proposed rate changes. Provide an updated tariff to support the changes made to the net metering rates.

Response 8. Existing tariffs for net metering and prepaid metering will not change. Those tariffs refer to other tariffs with rates that will change and be used in the application of net metering and prepaid metering. However, net metering and prepaid tariffs do not explicitly contain rates that are affected by pass through rates.

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Request 9. Refer to Exhibit 4 of the Application, Billing Analysis, generally. Refer also to Exhibit 6, Customer Notice, page 26J. Net Metering, Net Metering LLP-1 Large Power, Net Metering B2 Commercial, and Prepaid Metering were all included the rate changes. Explain why the net metering rates were excluded from that table in the customer notice.

Response 9. Please see the response to Request 8.

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Request 10. Refer to Exhibit 4 of the Application, Billing Analysis, page 2. Explain why the Farm & Home Service Prepay Charge per Day rate is not proposed to receive an increase.

Response 10. The Prepay Service is a fee, not a base charge. Like other riders and/or fees, the Prepay Service fee is not adjusted in the billing analysis. This is consistent with the treatment afforded in the most recent set of pass-through cases.

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Request 11. Refer to Exhibit 4 of the Application, Billing Analysis, page 5. Refer also to Exhibit 6, Customer Notice, page 26L. The table in the customer notice showing the class bill increase in dollars and percent does not match the bill impacts outlined in the billing analysis for Prepaid Metering. Explain the discrepancy and confirm which bill impacts are correct.

Response 11. The data in the customer notice inadvertently shows the average bill percentage from Exhibit 4 instead of the average bill dollar amount. The data in Exhibit 4 page 5 is correct.