

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

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
FARMERS RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR PASS-THROUGH OF)	Case No. 2025-00221
EAST KENTUCKY POWER COOPERATIVE,)	
INC.'S WHOLESALE RATE ADJUSTMENT)	

FARMERS RECC COOPERATIVE
CORPORATION'S VERIFIED RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
ENTERED SEPTEMBER 9, 2025

Comes now Farmers Rural Electric Cooperative Corporation ("Farmers RECC"), by counsel, and does hereby tender its Verified Response to the Commission Staff's First Request for Information entered September 9, 2025.

Dated September 22, 2025

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

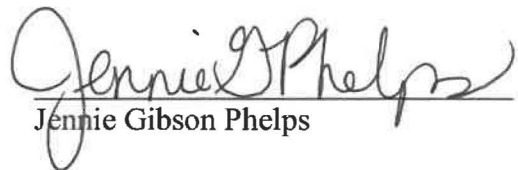
In the Matter of:

THE ELECTRONIC APPLICATION OF FARMERS)	
RURAL ELECTRIC COOPERATIVE CORPORATION)	
FOR PASS-THROUGH OF EAST KENTUCKY)	CASE NO.
POWER COOPERATIVE, INC'S WHOLESALE RATE)	2025-00221
ADJUSTMENT)	

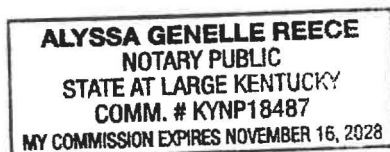
VERIFICATION OF JENNIE GIBSON PHELPS

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF BARREN)

Jennie Gibson Phelps, Vice President, Finance & Accounting of Farmers Rural Electric Cooperative Corporation, being duly sworn, states that she has supervised the preparation of certain 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 her knowledge, information and belief, formed after reasonable inquiry.


Jennie Gibson Phelps

The foregoing Verification was signed, acknowledged and sworn to before me this 17th day of September, 2025 by Jennie Gibson Phelps.





NOTARY PUBLIC

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

VERIFICATION OF JOHN WOLFRAM

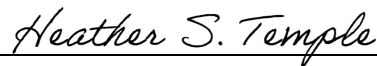
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

John Wolfram, being duly sworn, states that he has supervised the preparation of his responses to Requests for Information in this 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.



John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 9th day of September, 2025, by John Wolfram.



Notary Commission No. KYNP98715

Commission expiration: April 9, 2025

Farmers Rural Electric Cooperative Corporation
Case No. 2025-00221
Commission Staff's First Request for Information

Request 1: Refer to Exhibit 4 of the Application

- a. Provide the billing analysis in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.
- b. Reconcile Farmers RECC's allocation of the East Kentucky Power Cooperative, Inc. (EKPC) wholesale increase to the allocation assigned by EKPC to Farmers RECC and explain any variance shown in Exhibit 4.

Response 1(a): Please see Attachment 1-1.

Response 1(b): See Application Exhibit 4, page 1. Also see 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**

Farmers Rural Electric Cooperative Corporation
Case No. 2025-00221
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Request 2: Refer to the Direct Testimony of John Wolfram, Exhibit 7.

- a. Confirm that Farmers RECC'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 response.
- b. If Farmers RECC considered any deviation from strict proportionality, identify and explain why no such deviation was proposed.
- c. Provide the class billing determinants used to support the proportional pass-through.

Response 2(a): Confirmed.

Response 2(b): Not applicable.

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

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Request 3: Refer to Case No. 2023-00014, which examined EKPC's fuel adjustment clause (FAC) adjustments and recovery.

- a. Provide a reconciliation between the \$0.01185 per kWh FAC roll-in incorporated in Exhibit 4 and Farmers RECC's FAC Form A filings filed after the August 30, 2024 Order in Case No. 2023-00014.
- b. Identify any differences between the billing analysis in Exhibit 4 and the FAC recovery amounts reported in Farmers RECC's semi-annual filings.
- c. Confirm that Farmers RECC 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 3(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 Farmers RECC the amount is \$0.01185 per kWh not \$0.01194 per kWh.)

Response 3(b): The billing analysis annualizes the FAC roll-in based on test year billing determinants, while the semi-annual filings reflect actual FAC amounts.

Response 3(c): Confirmed.

Farmers Rural Electric Cooperative Corporation
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Request 4: Refer to Farmers RECC's current tariff.

- a. Describe how Farmers RECC will implement the new rates for bills with service periods that straddle the effective date, consistent with its current billing cycle and tariff provisions.
- b. State whether any portion of the bill will be prorated, and if so, identify which components (customer, energy, demand, lighting) are prorated and which are not.
- c. 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.
- d. Identify any tariff provisions, internal policies/procedures, or billing-system constraints relied upon in making these billing calculations.

Response 4(a): Farmers RECC will prorate the kWh energy charge and customer charge for bills with service periods that straddle the effective date of new rates. The charges will be allocated based on the number of days in the service period for the applicable rates.

Response 4(b): Farmers RECC will prorate the kWh energy charge and customer charge for bills with service periods that straddle the effective date of the new rates.

Response 4(c): Please see Attached 1-4(c) provided separately. The example assumes an effective date of July 1, 2026, and reflects a residential account for a service period from June 7, 2026 to July 9, 2026. The Fuel Cost Adjustment and Environmental Surcharge are based on Farmers' most recent billing amounts and are for illustrative purposes only.

Response 4(d): Farmers RECC is unaware of any significant constraints relied upon in making these billing calculations.

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Farmers Rural Electric Cooperative Corporation
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Request 5: Refer to Exhibit 4 of the Application.

- a. Regarding the lighting schedules included in Exhibit 4 of the billing analysis, identify which are billed on a per-light, per-month basis.
- b. For each such schedule, 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 is reflected for these unmetered lighting accounts.

Response 5(a): All lights are billed on this basis.

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): The FAC for unmetered lighting is accounted for in the usage for the rate class assigned to the premise with which the lighting is associated.

Farmers Rural Electric Cooperative Corporation
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Request 6: Refer to Exhibit 4, Billing Analysis, page 6. Refer also to Exhibit 2, Proposed Tariffs, Schedule OL – Outdoor Lighting Service. The billing analysis shows a rate for LED Light 105 Watt, yet the proposed tariff shows a rate for LED Lighting 104 Watts. Confirm whether these represent the same rate and reconcile the discrepancy.

Response 6: The two are the same rate. The correct label is 104 Watts as noted in the tariff. See file provided in response to Item 1.

Farmers Rural Electric Cooperative Corporation
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Request 7: Refer to Exhibit 2, Proposed Tariffs. Refer also to Exhibit 3, Current and Proposed Rates, and Exhibit 4, Billing Analysis. Exhibit 3 and Exhibit 4 both include the proposed Net Metering rate. However, Net Metering was not included in the proposed tariffs. Explain and reconcile the discrepancy.

Response 7: This rate schedule does not list a specific rate in the tariff; instead it references the rate schedule it follows. Thus, no proposed rate changes for the tariff are provided.

Farmers Rural Electric Cooperative Corporation
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Request 8: Refer to Exhibit 6, Customer Notice, page 26H. Refer also to Exhibit 4, Billing Analysis, page 1. Explain why the overall revenue increase was excluded in the table outlining the dollar and percentage change in revenue for each class.

Response 8. The total row was inadvertently omitted in the table. See Attachment 1-1.

Farmers Rural Electric Cooperative Corporation
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Request 9: Refer to Exhibit 6, Customer Notice, page 26H. Refer also to Exhibit 4, Billing Analysis, page 5. The TOD Three Phase – Schedule C rate shows a dollar amount bill impact of \$25.81 on the billing analysis. However, on the customer notice, it lists \$0.05. Explain and reconcile the discrepancy.

Response 9: The correct average monthly bill impact for this rate class is \$25.81 as shown on Exhibit 4 page 5 line 153. The field in the notice inadvertently links to the percentage of 4.77% (displayed numerically in dollars).