

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
BIG SANDY RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR PASS-THROUGH OF EAST)	Case No. 2025-00222
KENTUCKY POWER COOPERATIVE, INC.'S)	
WHOLESALE RATE ADJUSTMENT)	

BIG SANDY RURAL ELECTRIC COOPERATIVE
CORPORATION'S APPLICATION

Comes now Big Sandy Rural Electric Cooperative Corporation ("Big Sandy"), by counsel, pursuant to KRS 278.455(2), 807 KAR 5:007 and other applicable law, and does hereby request the Kentucky Public Service Commission ("Commission") to grant it a pass-through of East Kentucky Power Cooperative Inc.'s ("EKPC") wholesale rate adjustment, respectfully stating as follows:

1. Big Sandy is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Big Sandy is engaged in the business of distributing retail electric power to approximately 12,733 members in the Kentucky counties of Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin, and Morgan.

2. Pursuant to 807 KAR 5:001, Section 14(1) and 807 KAR 5:007, Sections 1(2) and Section 2(2), Big Sandy's mailing address is 504 11th Street, Paintsville, Kentucky, 41240 and its electronic mail address is jprater@bigsandyrecc.com. Big Sandy's telephone number is (606) 789-4095 and its fax number is (606) 789-5454. Big Sandy requests the following individuals be included on the service list:

Jeff Prater, President/General Manager

jprater@bigsandyrecc.com

L. Allyson Honaker, Honaker Law Office

allyson@hloky.com

Heather S. Temple, Honaker Law Office

heather@hloky.com

Meredith Cave, Honaker Law Office

meredith@hloky.com

3. Pursuant to 807 KAR 5:001, Section 14(2), Big Sandy is a Kentucky corporation that was incorporated on September 5, 1940, and is currently in good standing to conduct business within the Commonwealth of Kentucky. A copy of the Certificate of Good Standing is attached as **Exhibit 1**.

4. Pursuant to 807 KAR 5:007, Sections 1(3) and Section 2(2), Big Sandy is one of the sixteen owner-member cooperatives of EKPC. EKPC has filed an Application for a general adjustment of its existing wholesale rates to its owner-members, including Big Sandy.¹ In accordance with KRS 278.455, Big Sandy seeks to pass-through the increase in EKPC's wholesale rates to Big Sandy's retail members.

5. Pursuant to 807 KAR 5:007 Section 2(1), attached as **Exhibit 2** to this Application are the proposed tariffs of Big Sandy incorporating the new rates and proposing an effective date of September 1, 2025, which is the same effective date proposed by EKPC in its rate case.

6. Pursuant to 807 KAR 5:007 Sections 1(4) and Section 2(2), attached as **Exhibit 3** to this Application is a comparison of the current and the proposed rates of Big Sandy.

¹ See *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*, Application, Case No. 2025-00208 (filed August 1 2025).

7. Pursuant to 807 KAR 5:007 Sections 1(5)(a)-(b) and Section 2(2), attached as **Exhibit 4** to this Application is a billing analysis which shows the existing and proposed rates for each of Big Sandy's rate classes. Big Sandy further states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail members through its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.

8. Pursuant to 807 KAR 5:007 Sections 1(6) and Section 2(2), a certification that a complete copy of this filing has been electronically mailed to the Kentucky Attorney General's Office of Rate Intervention and an electronic copy was also sent to rateintervention@ag.ky.gov is attached as **Exhibit 5**.

9. Pursuant to 807 KAR 5:007 Sections 1(7)(b) and (8) and Section 2(2), notice of the proposed rate changes has been given, not more than thirty (30) days prior to August 1, 2025, by publication in *Kentucky Living*, which was sent to all of Big Sandy's members. A copy of the notice is attached as **Exhibit 6** and contains all of the required information pursuant to 807 KAR 5:007, Section 3.

10. This application is supported by the Testimony of Mr. John Wolfram, which is attached as **Exhibit 7**.

WHEREFORE, on the basis of the foregoing, Big Sandy respectfully requests that the Commission accept this Application for filing and allow Big Sandy to pass-through to its retail members the increase in the wholesale rates granted to EKPC and for the effective date of Big Sandy's pass-through rates to be the same as the effective date of EKPC's rate increase.

This the 1st day of August 2025.

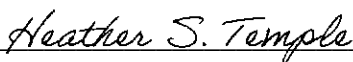
Respectfully submitted,



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Heather S. Temple
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meredith@hloky.com
*Counsel for Big Sandy Rural Electric
Cooperative Corporation*

CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Commission on August 1, 2025, and that there are no parties that the Commission has excused from participation by electronic means in this proceeding. Pursuant to prior Commission Orders, no paper copies of this filing will be made.



*Counsel for Big Sandy Rural Electric
Cooperative Corporation*

Exhibit List

Document	Tab
Certificate of Good Standing	1
Proposed Tariffs Incorporating the New Rates Proposed	2
Comparison of the Current and Proposed Rates	3
Billing Analysis Showing the Existing and Proposed Rates for Each Rate Class	4
Certification of Mailing to Office of Rate Intervention	5
Copy of Notice	6
Testimony of John Wolfram	7

Exhibit 1

Certificate of Good Standing

ATTACHMENT JP-1

Commonwealth of Kentucky Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 319566

Visit <https://web.sos.ky.gov/ftsshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 272, whose date of incorporation is September 5, 1940 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 19th day of September, 2024, in the 233rd year of the Commonwealth.



Michael G. Adams

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
319566/0004187

Exhibit 2

Present and Proposed Tariffs

Proposed Tariffs

PSC KY NO. 2025-00222

CANCELS PSC KY NO. 2004-00468

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

OF
504 11th STREET
PAINTSVILLE, KENTUCKY 41240
bigsandyrecc.com

(N)

(N)

RATES, RULES AND REGULATIONS FOR FURNISHING
ELECTRICITY

AT

Johnson, Floyd, Martin, Lawrence, Morgan, Magoffin, Knott and Breathitt Counties in
Kentucky

Filed with
PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED: AUGUST 1, 2025 EFFECTIVE: SEPTEMBER 1, 2025

Issued By: Big Sandy Rural Electric
Cooperative Corporation

BY:_____

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2025-00222****8th REVISED SHEET NO. 1****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2024-00287****7th REVISED SHEET NO. 1**

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	\$29.64 per month	I
Energy charge	0.11699 per KWH	I
Off peak energy charge	0.06677	I

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months**Off-Peak Hours (EST)**

October through April

12:00 noon to 5:00 PM

10:00 PM to 7:00 AM

May through September

10:00 PM to 10:00 AM

DATE OF ISSUE: August 1, 2025**DATE EFFECTIVE:** -September 1, 2025**ISSUED BY:** _____**TITLE:** PRESIDENT/GENERAL MANAGERIssued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2025-00222****6th REVISED SHEET NO. 4****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2024-00287****5th REVISED SHEET NO. 4**

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:Available to commercial loads having a required transformer
capacity not to exceed 25 KVA**TYPE OF SERVICE:**

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	\$32.42	per month	I
Energy charge	.08539	per KWH	I
Demand charge	5.94	per KW	I

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be \$32.42 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: August 1, 2025**DATE EFFECTIVE:** -September 1, 2025**ISSUED BY:** _____**TITLE:** PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2025-00222

7th REVISED SHEET NO. 13BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2024-00287

6th REVISED SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit. Please see the list under "Rates" for the types of equivalent lighting units.

RATES: Flat rate per light per month as follows:

175 Watt	\$ 11.80 per month	(I)
400 Watt	18.19 per month	(I)
500 Watt	21.67 per month	(I)
1,500 Watt	51.68 per month	(I)
400 Watt Flood	24.09 per month	(I)
<u>YL-1 Equivalent Lighting</u>		(I)
<u>175-Watt Mercury Vapor:</u>		
150 Watt High Pressure Sodium	11.80 per month	(I)
85-Watt Induction	11.80 per month	(I)
55-Watt LED	11.80 per month	(I)
60-Watt LED	11.80 per month	(I)
65-Watt LED	11.80 per month	(I)
70-Watt LED	11.80 per month	(I)
100-Watt Metal Halide	11.80 per month	(I)
<u>400-Watt Flood Mercury Vapor:</u>		
250-Watt Flood Metal Halide	24.09 per month	(I)
<u>400-Watt Mercury Vapor</u>		
120-Watt LED	18.19 per month	(I)
146-Watt Flood	18.19 per month	(i)
250-Watt High Pressure Sodium	18.19 per month	(I)
145-Watt LED	18.19 per month	(I)
250-Watt Metal Halide	18.19 per month	(I)

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10%

DATE OF ISSUE: August 1, 2025

DATE EFFECTIVE: September 1, 2025

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
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FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****PSC NO. 2025-00222****7th REVISED SHEET NO. 7****CANCELLING PSC NO. 2024-00287****6th REVISED SHEET NO. 7**

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	\$ 6.78	per KW of billing	I
Secondary Meter Energy Charge	.08410	per KWH	I
Primary Meter Energy Charge	.07660	per KWH	I
Customer Charge Per Delivery Point	100.81	per Month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

DATE OF ISSUE: August 1, 2025**DATE EFFECTIVE:** September 1, 2025**ISSUED BY:** _____**TITLE:** PRESIDENT/GENERAL MANAGERIssued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2025-00222

7th REVISED SHEET NO. 10

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2024-00287

6th REVISED SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$ 6.99	per KW of billing demand	I
Secondary Meter Energy Charge:	.07473	per KWH	I
Primary Meter Energy Charge:	.06808	per KWH	I
Customer Charge Per Delivery Point:	\$123.74	per month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

DATE OF ISSUE: August 1, 2025

DATE EFFECTIVE: September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

**Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____**

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****PSC NO. 2025-00222****4th REVISED SHEET NO. 15****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2023-00014****3rd REVISED SHEET NO. 15**

CLASSIFICATION OF SERVICE

SCHEDULE IND 1**RATE PER UNIT**

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 6.41	per KW of Billing Demand	I
Secondary Meter Energy Charge	0.06962	per KWH	I
Primary Meter Energy Charge:	0.06894	per KWH	I
Customer Charge:	178.48		I

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer's highest demand during the current month or the preceding eleven months coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months:

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

DATE OF ISSUE: August 1, 2025**DATE EFFECTIVE:** September 1, 2025**ISSUED BY:** _____**TITLE:** PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2025-00222

5th REVISED SHEET NO. 19

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO2023-00014

4th REVISED SHEET NO. 19

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a “two party” contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 6.41	per KW of Billing Demand	I
Secondary Meter Energy Charge	.06367	per KWH	I
Primary Meter Energy Charge	.06315	per KWH	I
Customer Charge	\$1,272.03		I

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer’s highest demand during the current month or the preceding eleven months coincident with the load center’s peak demand. The load center’s peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein.

DATE OF ISSUE: August 1, 2025

DATE EFFECTIVE: –September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____

FORM FOR FILING RATE SCHEDULES**FOR TERRITORIES SERVED****PSC NO. 2025-00222****8th REVISED SHEET NO. 25****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. 2024-00287****7th REVISED SHEET NO. 25**

CLASSIFICATION OF SERVICE

SCHEDULE IND 1-B**RATE PER UNIT**

APPLICABLE:

Applicable to contracts with contract demands of 500 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of Billing Demand. These contracts will be a “two party” contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members

MONTHLY RATE:

Demand Charge			
Contract Demand	\$8.04	per kW of Billing Demand	I
Excess Demand	\$10.71	per kW of Billing Demand	I
Secondary Meter Energy Charge	.7517	per kWh	I
Primary Meter Energy Charge	.07432	per kWh	I
Customer Charge	\$192.06		I

BILLING DEMAND:

The monthly Billing Demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer’s peak demand, during the current month, exceeds the contract demand. The consumer’s peak demand is the highest average rate at which energy is used during any fifteen-minute interval, (in the below listed hours) for each month, and adjusted for power factor as provided herein.

Months – All hours are Eastern Standard Time	
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE: –August 1, 2025**DATE EFFECTIVE: –September 1, 2025****ISSUED BY:****TITLE: PRESIDENT/GENERAL MANAGER****Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. dated**

**Big Sandy Rural Electric
Cooperative Corporation**

CLASSIFICATION OF SERVICE

SCHEDULE LP-G-Large Power-10,000KW or greater

**RATE
PER UNIT**

APPLICABLE:

All consumers in the territory served (Breathitt, Johnson, Lawrence, Martin, Floyd, Knott, and Morgan Counties, Kentucky).

AVAILABILITY:

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 10,000 KW or greater and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS:

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

TYPE OF SERVICE:

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE:

<u>Consumer Charge:</u>	\$	6,127.60	(I)
<u>Demand Charge:</u>	\$	9.14 per KW of Billing Demand	(I)
<u>Energy Charge:</u>	\$	0.05446 perKWH	(I)

DATE OF ISSUE: August 1, 2025

DATE EFFECTIVE: September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. dated

Strike Through Tariffs

PSC KY NO. ~~2004-00468~~
2025-0022

CANCELS PSC KY NO. ~~2002-00436~~
~~2004-00468~~

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

OF
504 11th STREET
PAINTSVILLE, KENTUCKY 41240
bigsandyrecc.com

(N)

(N)

RATES, RULES AND REGULATIONS FOR FURNISHING
ELECTRICITY

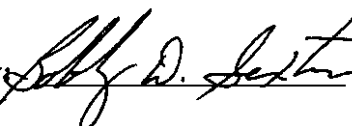
AT

Johnson, Floyd, Martin, Lawrence, Morgan, Magoffin, Knott and Breathitt Counties in
Kentucky

Filed with
PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED: ~~MAY 24, 2005~~ EFFECTIVE: ~~JUNE 1, 2005~~
AUGUST 1, 2025 SEPTEMBER 1, 2025

Issued By: Big Sandy Rural Electric
Cooperative Corporation

By: 

FORM FOR FILING RATE SCHEDULES**FOR ALL TERRITORIES SERVED****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**PSC NO. ~~2024-00287~~ 2025-002228th ~~7th~~ REVISED SHEET NO. 1CANCELLING PSC NO. ~~2023-00014-2024-00287~~7th 6TH REVISED SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME**RATE PER UNIT**

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	\$28.32 <u>29.64</u>	per month	I
Energy charge	0.11180 <u>0.11699</u>	per KWH	I
Off peak energy charge	0.06381 <u>0.06677</u>		I

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months	Off-Peak Hours (EST)
October through April	12:00 noon to 5:00 PM 10:00 PM to 7:00 AM
May through September	10:00 PM to 10:00 AM

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2023-00014-2024-00287~~ dated ~~August 30, 2024~~

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2023-00014~~ 2025-00222~~6th~~ ~~5th~~-REVISED SHEET NO. 4BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATIONCANCELLING PSC NO. ~~2021-00014~~ 2024-00287~~5th~~ ~~4th~~ REVISED SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to commercial loads having a required transformer
capacity not to exceed 25 KVA

TYPE OF SERVICE:

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	\$ 30.98 <u>32.42</u>	per month	I
Energy charge	.08160 <u>.08539</u>	per KWH	I
Demand charge	5.68 <u>5.94</u>	per KW	I

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be ~~\$30.98~~ \$32.42 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2023-00014-2024-00287~~ dated ~~August 30, 2024~~

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2024-00287~~ 2025-002227th ~~6th~~ REVISED SHEET NO. 13BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATIONCANCELLING PSC NO. ~~2023-00014~~

2024-00287

6th ~~5th~~ REVISED SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit. Please see the list under "Rates" for the types of equivalent lighting units.

RATES: Flat rate per light per month as follows:

175	Watt	\$ 11.28 11.80	per month	(I)
400	Watt	17.38 18.19	per month	(I)
500	Watt	20.74 21.67	per month	(I)
1,500	Watt	49.39 51.68	per month	(I)
400	Watt Flood,			
<u>YL-1 Equivalent Lighting</u>		23.02 24.09	per month	(I)
<u>175-Watt Mercury Vapor:</u>				
150	Watt High Pressure Sodium	11.28 11.80	per month	
85	Watt Induction	11.28 11.80	per month	
55	Watt LED	11.28 11.80	per month	
60	WattLED	11.28 11.80	per month	
65	WattLED	11.28 11.80	per month	
70	Watt LED	11.28 11.80	per month	
100	Watt Metal Halide	11.28 11.80	per month	
<u>400-Watt Flood Mercury Vapor:</u>				
250	Watt Flood Metal Halide,	23.02 24.09	per month	
<u>400-Watt Mercury Vapor</u>				
120	WattLED	17.38 18.19	per month	
146	Watt Flood	17.38 18.19	per month	
250	Watt High Pressure Sodium	17.38 18.19	per month	
145	Watt LED	17.38 18.19	per month	
250	Watt Metal Halide	17.38 18.19	per month	

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10%

DATE OF ISSUE: ~~July 10, 2025~~ August 1, 2025

DATE EFFECTIVE: ~~June 20, 2025~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2024-00287~~ dated ~~June 20, 2025~~

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2043-00287-2025-00222~~~~7th~~ 6th REVISED SHEET NO. 7BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATIONCANCELLING PSC NO. ~~2023-00014~~ 2024-002876th ~~5th~~ REVISED SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	\$6.48 <u>6.78</u>	per KW of billing	I
Secondary Meter Energy Charge	0.08206 <u>.08410</u>	per KWH	I
Primary Meter Energy Charge	0.07473 <u>.07660</u>	per KWH	I
Customer Charge Per Delivery Point	96.34 <u>100.81</u>	per Month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No., ~~2023-00014~~ dated ~~August 30, 2024~~

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2024-00287~~ 2025-00222

~~7th 6th~~ REVISED SHEET NO. 10

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2023-00014 2024-00287

6th ~~5th~~ REVISED SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$	6.68 <u>6.99</u>	per KW of billing demand	I
Secondary Meter Energy Charge:		0.07303 <u>0.07473</u>	per KWH	I
Primary Meter Energy Charge:		0.06653 <u>0.06808</u>	per KWH	I
Customer Charge Per Delivery Point:	\$	118.25 <u>123.74</u>	per month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025

DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2023-00014~~ dated ~~August 30, 2024~~

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2023-00014~~ 2025-00222

4th REVISED SHEET NO. 15

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATIONCANCELLING PSC NO. 2021-00104 2023-00014

3rd REVISED SHEET NO. 15

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 6.12 <u>6.41</u>	per KW of Billing Demand	I
Secondary Meter Energy Charge	0.06649 <u>0.06962</u>	per KWH	I
Primary Meter Energy Charge:	0.06584 <u>0.06894</u>	per KWH	I
Customer Charge:	\$ 170.47 <u>178.48</u>		I

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer's highest demand during the current month or the preceding eleven months coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months:

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2023-00014~~ 2024-00287 dated ~~August 30, 2024~~.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2023-00014~~ 2025-00222

5th ~~4th~~ REVISED SHEET NO. 19

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. ~~2023-00014~~ 2023-00014

4th ~~3rd~~ REVISED SHEET NO. 19

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 6.12 <u>6.41</u>	per KW of Billing Demand I
Secondary Meter Energy Charge	0.06081 <u>0.06367</u>	per KWH I
Primary Meter Energy Charge	0.06031 <u>0.06315</u>	per KWH I
Customer Charge	\$ 1,214.91 <u>1,272.03</u>	I

BILLING DEMAND:

The Kilowatt Demand shall be the greater of (A) or (B) listed below:

- A. The Contract Demand.
- B. The ultimate consumer's highest demand during the current month or the preceding eleven months coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein.

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025

DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. ~~2024-00287~~ dated ~~August 30, 2024~~

FORM FOR FILING RATE SCHEDULES**FOR TERRITORIES SERVED****PSC NO. ~~2024-00287~~ 2025-00222****8th ~~7th~~ REVISED SHEET NO. 25****BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION****CANCELLING PSC NO. ~~2023-00014~~ 2024-00287****7th ~~6th~~ REVISED SHEET NO. 25**

CLASSIFICATION OF SERVICE

SCHEDULE IND 1-B**RATE PER UNIT**

APPLICABLE:

Applicable to contracts with contract demands of 500 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of Billing Demand. These contracts will be a “two party” contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members

MONTHLY RATE:

Demand Charge			
Contract Demand	\$ 7.49 <u>8.04</u>	per kW of Billing Demand	I
Excess Demand	—9.98 <u>10.71</u>	per kW of Billing Demand	I
Secondary Meter Energy Charge	.07075 <u>.7517</u>	per kWh	I
Primary Meter Energy Charge	.06996 <u>.07432</u>	per kWh	I
Customer Charge	\$ 179.01 <u>192.06</u>		I

BILLING DEMAND:

The monthly Billing Demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer’s peak demand, during the current month, exceeds the contract demand. The consumer’s peak demand is the highest average rate at which energy is used during any fifteen-minute interval, (in the below listed hours) for each month, and adjusted for power factor as provided herein.

Months – All hours are Eastern Standard Time	
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025**DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025****ISSUED BY:****TITLE: PRESIDENT/GENERAL MANAGER****Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. 2024-00287 dated ~~August 30, 2024~~**

Big Sandy Rural Electric
Cooperative Corporation

CLASSIFICATION OF SERVICE

SCHEDULE LP-G-Large Power-10,000KW or greater

RATE
PER UNIT

APPLICABLE:

All consumers in the territory served (Breathitt, Johnson, Lawrence, Martin, Floyd, Knott, and Morgan Counties, Kentucky).

AVAILABILITY:

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 10,000 KW or greater and a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

CONDITIONS:

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

TYPE OF SERVICE:

Three-phase 60 Hertz alternating current as specified in the Industrial Power Agreement for purchased power.

MONTHLY RATE:

<u>Consumer Charge:</u>	\$	5,726.70 6,127.60	(I)
<u>Demand Charge:</u>	\$	7.30 9.14 per KW of Billing Demand	(I)
<u>Energy Charge:</u>	\$	0.05103 .05446 perKWH	(I)

DATE OF ISSUE: ~~September 5, 2024~~ August 1, 2025

DATE EFFECTIVE: ~~September 1, 2024~~ September 1, 2025

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission

of Kentucky in Case No. ~~2023-00014~~ dated ~~September 1, 2024~~

Exhibit 3

Comparison of the Current and Proposed Rates

BIG SANDY RECC
Present & Proposed Rates

Rate	Item	Present	Proposed
A1 <u>Farm & Home</u>	Customer Charge	\$ 28.32	\$ 29.64
	Energy Charge per kWh	\$ 0.11180	\$ 0.11699
A1-ETS <u>Farm & Home (ETS)</u>	Energy Charge Off Peak per kWh	\$ 0.06381	\$ 0.06677
A2 <u>Commercial & Small Power</u>	Customer Charge	\$ 30.98	\$ 32.42
	Demand Charge per kW	\$ 5.68	\$ 5.94
	Energy Charge per kWh	\$ 0.08160	\$ 0.08539
LP <u>Large Power Service (25-750 kV)</u>	Customer Charge	\$ 96.34	\$ 100.81
	Demand Charge per kW	\$ 6.48	\$ 6.78
	Energy Charge Secondary per kWh	\$ 0.08037	\$ 0.08410
	Energy Charge Primary per kWh	\$ 0.07320	\$ 0.07660
LPR <u>Large Power Service (750 kVA +)</u>	Customer Charge	\$ 118.25	\$ 123.74
	Demand Charge per kW	\$ 6.68	\$ 6.99
	Energy Charge Secondary per kWh	\$ 0.07141	\$ 0.07473
	Energy Charge Primary per kWh	\$ 0.06506	\$ 0.06808
IND-1B <u>Industrial</u>	Customer Charge	179.01	192.06
	Demand Charge-Contract per kW	7.49	8.04
	Demand Charge-Excess per kW	9.98	10.71
	Energy Charge Secondary per kWh	\$ 0.07006	\$ 0.07517
	Energy Charge Primary per kWh	\$ 0.06927	\$ 0.07432
IND-1 <u>Industrial</u>	Customer Charge	\$ 170.47	\$ 178.48
	Demand Charge per kW	\$ 6.12	\$ 6.41
	Energy Charge Secondary per kWh	\$ 0.06649	\$ 0.06962
	Energy Charge Primary per kWh	\$ 0.06584	\$ 0.06894
IND-2 <u>Industrial</u>	Customer Charge	\$ 1,214.91	\$ 1,272.03
	Demand Charge per kW	\$ 6.12	\$ 6.41
	Energy Charge Secondary per kWh	\$ 0.06081	\$ 0.06367
	Energy Charge Primary per kWh	\$ 0.06031	\$ 0.06315
LP-G <u>Large Power 10,000 kW +</u>	Customer Charge	\$ 5,726.70	\$ 6,127.60
	Demand Charge per kW	\$ 7.30	\$ 9.14
	Energy Charge per kWh	\$ 0.05103	\$ 0.05446
YL1 <u>Lighting</u>	175 Watt 6000-13000 Lumens	\$ 11.28	\$ 11.80
	400 Watt 13001-25000 Lumens	\$ 17.38	\$ 18.19
	500 Watt	20.71	21.67
	1500 Watt	\$ 49.39	\$ 51.68
	400 Watt Flood 13000-25000 Lumens	\$ 23.02	\$ 24.09

Exhibit 4

Billing Analysis for Each Rate Class

BIG SANDY RECC
Billing Analysis for Pass-Through Rate Increase

Rate B Increase Allocated by East Kentucky Power Cooperative: \$41,223
Remaining Revenue Increase Allocated by East Kentucky Power Cooperative: \$1,189,503

#	Item	Code	Present Revenue	Present Share	Allocation Revenue	Allocation Share	Allocated Increase	Proposed Revenue	Proposed Share	Base Rate Increase	Base %	Total %	Rounding
1	<u>Base Rates</u>												
2	Farm & Home	A1	\$ 19,912,048	77.75%	\$ 19,912,048	77.75%	\$ 924,849	\$ 20,837,150	77.75%	\$ 925,101	4.65%	4.22%	\$ 252
3	Farm & Home (ETS)	A1-ETS	\$ 723	0.00%	\$ 723	0.00%	\$ 34	\$ 756	0.00%	\$ 34	4.64%	4.52%	\$ (0)
4	Commercial & Small Power	A2	\$ 1,242,099	4.85%	\$ 1,242,099	4.85%	\$ 57,691	\$ 1,299,802	4.85%	\$ 57,702	4.65%	4.17%	\$ 11
5	Large Power Service (25-750 kV)	LP	\$ 2,421,985	9.46%	\$ 2,421,985	9.46%	\$ 112,493	\$ 2,534,373	9.46%	\$ 112,388	4.64%	4.19%	\$ (105)
6	Large Power Service (750 kVA +)	LPR	\$ 962,053	3.76%	\$ 962,053	3.76%	\$ 44,684	\$ 1,006,708	3.76%	\$ 44,654	4.64%	4.18%	\$ (30)
7	Lighting	YL1	\$ 1,071,150	4.18%	\$ 1,071,150	4.18%	\$ 49,751	\$ 1,120,667	4.18%	\$ 49,517	4.62%	4.62%	\$ (234)
8	SubTotal Base Rates		\$ 25,610,059	100.00%	\$ 25,610,059	100.00%	\$ 1,189,503	\$ 26,799,456	100.00%	\$ 1,189,397	4.64%		\$ (106)
9													
10	Industrial	IND-1B	\$ 565,497	100.00%	\$ 565,497	100.00%	\$ 41,223	\$ 606,773	100.00%	\$ 41,276	7.30%	6.63%	\$ 53
11													
12	TOTAL Base Rates		\$ 26,175,555	100.00%	\$ 26,175,555	100.00%	\$ 1,230,726	\$ 27,406,228	100.00%	\$ 1,230,673	4.64%		\$ (106)
13													
14	<u>Riders</u>												
15	FAC		\$ 71,996				\$ 71,996						
16	ES		\$ 2,508,036				\$ 2,508,036						
17	Misc Adj		\$ 597				\$ 597						
18	Other		\$ -				\$ -						
19	Total Riders		\$ 2,580,629				\$ 2,580,629						
20													
21	Total Revenue		\$ 28,756,184				\$ 29,986,857			\$ 1,230,673		4.28%	
22	Target Revenue									\$ 1,230,726			
23	Rate Rounding Variance									\$ (53)			
24	Rate Rounding Variance									0.00%			

BIG SANDY RECC

Billing Analysis for Pass-Through Rate Increase

[illegible]

BIG SANDY RECC

Billing Analysis for Pass-Through Rate Increase

[illegible]

BIG SANDY RECC

Billing Analysis for Pass-Through Rate Increase

#	Classification	Code	Billing Component	Billing Units	Present Rate	Present Revenue	Target Share	Target Revenue	Proposed Rate	Proposed Revenue	Increase \$	%	Proposed Share	Share Variance	Rate Variance
92			TOTALS	Total Base Rates		\$ 26,175,555				\$ 27,406,228	\$ 1,230,673	4.70%			
94			FAC			\$ 71,996				\$ 71,996	\$ -				
95			ES			\$ 2,508,036				\$ 2,508,036	\$ -				
96			Misc Adj			\$ 597				\$ 597	\$ -				
97			Other			\$ -				\$ -	\$ -				
98			Total Riders			\$ 2,523,139				\$ 2,523,139	\$ -				
99			TOTAL REVENUE			\$ 28,698,694				\$ 29,929,367	\$ 1,230,673	4.29%			
100			Rate Rounding Variance								\$ (53)				
101			RATES WITH NO CURRENT MEMBERS												
102															
103															
104															
105	Industrial	IND-1	Customer Charge			170.47				178.48					
106			Demand Charge per kW			6.12				6.40774					
107			Energy Charge Secondary per kWh			0.06649				0.06962					
108			Energy Charge Primary per kWh			0.06584				0.06894					
109															
110	Industrial	IND-2	Customer Charge			1,214.91				1,272.03					
111			Demand Charge per kW			6.12				6.40774					
112			Energy Charge Secondary per kWh			0.06081				0.06367					
113			Energy Charge Primary per kWh			0.06031				0.06315					
114															
115	Large Power 10,000 kW +	LP-G	Customer Charge			5,726.70				6,127.60					
116			Demand Charge per kW			7.30				9.14					
117			Energy Charge per kWh			0.05103				0.05446					
118															
						FAC Roll-in >				0.01187					

Exhibit 5

Certificate of Service to Attorney General

Exhibit 5
Statement of Service to the Attorney General

Pursuant to 807 KAR 5:007, Sections 1(6) and Section 2(2), the undersigned does hereby certify that a complete copy of this filing has been sent electronically to the Kentucky Attorney General's Office of Rate Intervention at rateintervention@ag.ky.gov on this the 1st day of August 2025.

Heather S. Temple

Heather S. Temple
Attorney, Honaker Law Office

Exhibit 6

Customer Notice

AFFIDAVIT OF MAILING

Notice is hereby given that the August 2025 issue of *KENTUCKY LIVING*, bearing official notice of PSC Case No. 2025-00222 for the purpose of proposing a general adjustment of the existing rates of **BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION** to reflect the wholesale rate adjustment of wholesale supplier, East Kentucky Power Cooperative, Inc., according to the requirements of the Cooperative's bylaws, was entered as direct mail on July 30, 2025.



Shannon Brock
Editor
Kentucky Living

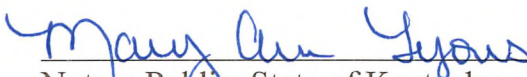
County of Jefferson
State of Kentucky

Sworn to and subscribed before me, a Notary Public,

This 30th day of July, 2025.

My commission expires 6-9-2029



 # KYNP100716
Notary Public, State of Kentucky

East Kentucky Power Cooperative seeks rate increase

East Kentucky Power Cooperative, which generates and transmits wholesale electricity to Big Sandy RECC, is seeking to raise the base rates it charges Big Sandy RECC and 15 other electric co-ops.

The proposed rate increase is from EKPC, not Big Sandy RECC, and any additional revenue from this rate increase will go to EKPC, not Big Sandy RECC.

EKPC filed the rate-adjustment request with the Kentucky Public Service Commission on August 1, 2025. Big Sandy RECC also filed an application with the PSC detailing how the adjustment would be passed through its monthly bills to the membership.

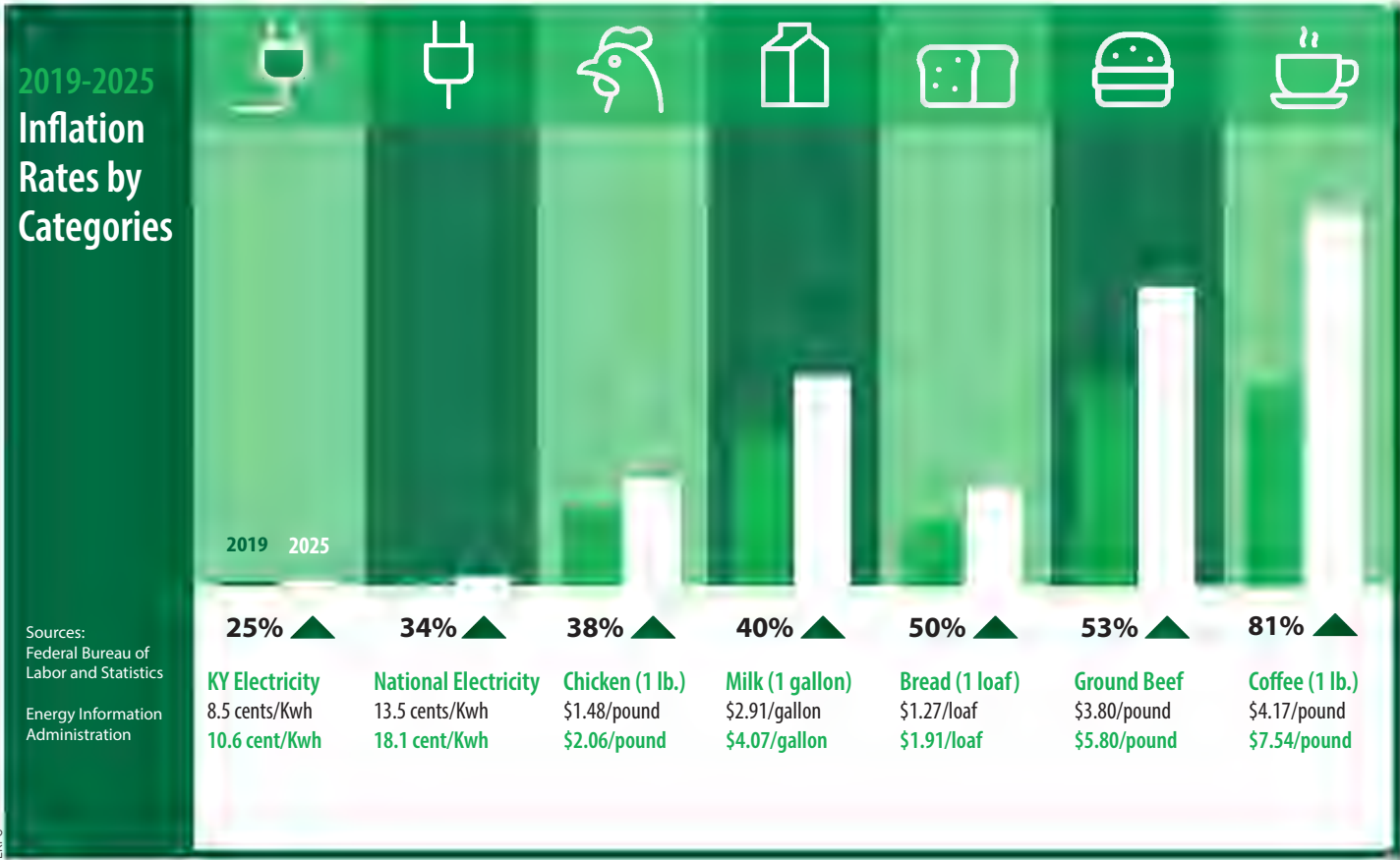
If approved by the PSC, the proposal by EKPC will increase Big Sandy RECC's rates and add about \$6.73 or 4.27% to the monthly bill of the average residential member.

EKPC needs a base rate increase to ensure there are

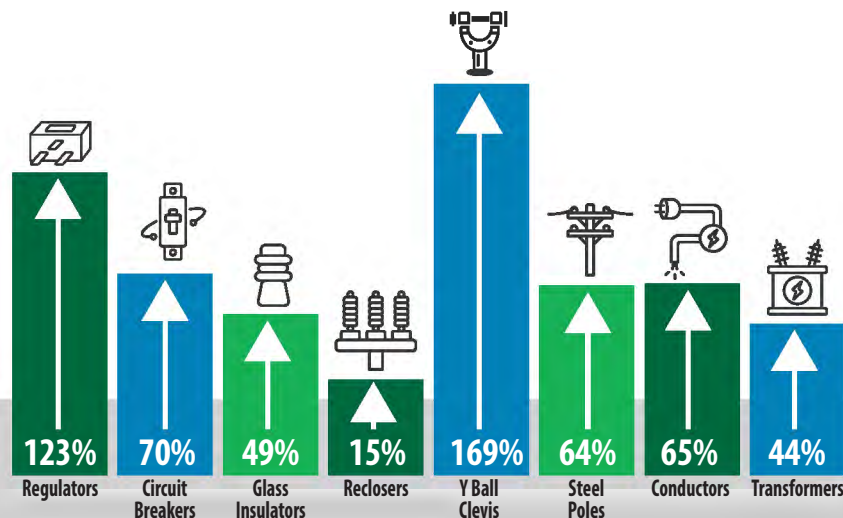
sufficient margins to maintain financial strength and reliable service. Inflationary costs of the materials needed to operate and maintain the system along with increased interest expense from higher interest rates are driving the need for an increase.

Please bear in mind that the wholesale power (EKPC) component of your electric bill is about 75%. The remaining funds are used by Big Sandy RECC to maintain and operate its system and to cover other costs.

As a not-for-profit, member-owned organization, EKPC strives to keep rates steady by containing and reducing operating costs. One of the most effective ways EKPC has done that is by obtaining low-cost energy through PJM, a major regional energy marketplace. As a result of the effort by our co-op and EKPC to keep energy economical, Big Sandy RECC's rates are competitive with neighboring utilities.



Equipment Price Increase Since 2020



EKPC

Value of electricity

People living in the late 19th century would hardly know what to do if they could see the world in 2025.

The entirety of the way we live has changed so drastically in the last 150 years it would be unrecognizable to anyone living before December 1879. That was the time period when Thomas Edison produced his first “incandescent” lamps.

A precursor to today’s modern LED lightbulb, Edison’s first successful electric lamp, and later his first electric generation station, Pearl Street Generation Station (1882), would usher in a lifestyle that was truly unimaginable as recently as the 1870s.

Today, almost all of us wake up in a home that is at a comfortable temperature, connected to a nationwide power grid. Most of us have the entirety of the world’s information available at our fingertips via devices that also play music, serve as alarm clocks, and allow us to talk to anyone in the world at any time. It’s all powered by electricity.

According to the U.S. Energy Information Administration, total U.S. electricity consumption was 4.07 trillion kilowatt hours in 2022. That’s 14 times more electric than was used in 1950. We not only depend on electricity for everything; it would be hard to imagine a life without it.

Think about what your kitchen or living room would look like without electricity. No oven, refrigerator, freezer, icemaker, toaster oven, microwave, lights

or air conditioning. No television or modern arts like film and TV shows. No recorded music. No ceiling fans. No LED lighting. Entertainment might be reading a book via candlelight and a fire for warmth.

Electricity remains an undeniable bargain. It is one of life’s great conveniences, and in modern times, is a necessity. It has made our lives easier and more enjoyable, too.

Like everything else, the cost for electricity has gone up over time due to a number of factors.

But consider the cost of a gallon of gas 30 years ago compared to today’s price. How about a pound of coffee or a loaf of bread? The cost of electricity is somewhat higher than it was 30 years ago. While this doesn’t take the sting out of rising costs, electricity has typically increased at a rate lower than that of normal inflation.

Whenever you plug in an electrical device, flip on the TV or get a cold drink from the fridge, electricity remains a good value for the lifestyle we all enjoy.

Here are some common household electronics and how much it typically costs to operate them:

- Refrigerator: 22¢ for 24 hours
- Ceiling fan: 10¢ for 24 hours
- Microwave: 2¢ for 5 minutes
- Phone charger: 50¢ for 1 year
- Dishwasher: 4¢ for 1 hour
- 40-inch HD TV: 4¢ for 2 hours

Sources: U.S. Department of Energy, U.S. Energy Information Administration

NOTICE

In accordance with the requirements of the Public Service Commission ("Commission") as set forth in 807 KAR 5:001, Section 17 and 807 KAR 5:007, Section 3, of the Rules and Regulations of the Commission, notice is hereby given to the member consumers of Big Sandy Rural Electric Cooperative Corporation ("Big Sandy RECC") of a proposed rate adjustment. Big Sandy RECC intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc., pursuant to KRS 278.455(2), by filing an application with the Commission on or after August 1, 2025, in Case No. 2025-00222. The application will request that the proposed rates become effective on or after September 1, 2025.

The present and proposed rates for each customer classification to which the proposed rates will apply are set forth below:

RATE	ITEM	PRESENT	PROPOSED
A1	Farm & Home		
	Customer Charge	\$ 28.32	\$ 29.64
	Energy Charge per kWh	\$ 0.11180	\$ 0.11699
A1-ETS	Farm & Home (ETS)		
	Energy Charge Off Peak per kWh	\$ 0.06381	\$ 0.06677
A2	Commercial & Small Power		
	Customer Charge	\$ 30.98	\$ 32.42
	Demand Charge per kW	\$ 5.68	\$ 5.94
	Energy Charge per kWh	\$ 0.08160	\$ 0.08539
LP	Large Power Service (25-750 kV)		
	Customer Charge	\$ 96.34	\$ 100.81
	Demand Charge per kW	\$ 6.48	\$ 6.78
	Energy Charge Secondary per kWh	\$ 0.08037	\$ 0.08410
	Energy Charge Primary per kWh	\$ 0.07320	\$ 0.07660
LPR	Large Power Service (750 kVA +)		
	Customer Charge	\$ 118.25	\$ 123.74
	Demand Charge per kW	\$ 6.68	\$ 6.99
	Energy Charge Secondary per kWh	\$ 0.07141	\$ 0.07473
	Energy Charge Primary per kWh	\$ 0.06506	\$ 0.06808
IND-1B	Industrial		
	Customer Charge	\$ 179.01	\$ 192.06
	Demand Charge-Contract per kW	\$ 7.49	\$ 8.04
	Demand Charge-Excess per kW	\$ 9.98	\$ 10.71
	Energy Charge Secondary per kWh	\$ 0.07006	\$ 0.07517
	Energy Charge Primary per kWh	\$ 0.06927	\$ 0.07432
IND-1	Industrial		
	Customer Charge	\$ 170.47	\$ 178.48
	Demand Charge per kW	\$ 6.12	\$ 6.41
	Energy Charge Secondary per kWh	\$ 0.06649	\$ 0.06962
	Energy Charge Primary per kWh	\$ 0.06584	\$ 0.06894
IND-2	Industrial		
	Customer Charge	\$ 1,214.91	\$ 1,272.03
	Demand Charge per kW	\$ 6.12	\$ 6.41
	Energy Charge Secondary per kWh	\$ 0.06081	\$ 0.06367
	Energy Charge Primary per kWh	\$ 0.06031	\$ 0.06315
LP-G	Large Power 10,000 kW +		
	Customer Charge	\$ 5,726.70	\$ 6,127.60
	Demand Charge per kW	\$ 7.30	\$ 9.14
	Energy Charge per kWh	\$ 0.05103	\$ 0.05446
YL1	Lighting		
	175 Watt 6000-13000 Lumens	\$ 11.28	\$ 11.80
	400 Watt 13001-25000 Lumens	\$ 17.38	\$ 18.19
	500 Watt	\$ 20.71	\$ 21.67
	1500 Watt	\$ 49.39	\$ 51.68
	400 Watt Flood 13000-25000 Lumens	\$ 23.02	\$ 24.09

The effect of the change requested, in both dollar amounts and as a percentage, for each customer classification to which the proposed rates will apply is set forth below:

RATE CLASS		INCREASE	
		DOLLARS	PERCENT
A1	Farm & Home	\$ 925,101	4.22%
A1-ETS	Farm & Home (ETS)	\$ 34	4.52%
A2	Commercial & Small Power	\$ 57,702	4.17%
LP	Large Power Service (25-750 kV)	\$ 112,388	4.19%
LPR	Large Power Service (750 kVA +)	\$ 44,654	4.18%
IND-1B	Industrial	\$ 41,276	6.63%
YL1	Lighting	\$ 49,517	4.62%
Total		\$ 1,230,673	4.28%

The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply is set forth below:

RATE CLASS		AVERAGE USAGE (KWH)	INCREASE	
			DOLLARS	PERCENT
A1	Farm & Home	1,027	\$ 6.65	4.22%
A1-ETS	Farm & Home (ETS)	NA	NA	4.52%
A2	Commercial & Small Power	815	\$ 5.51	4.17%
LP	Large Power Service (25-750 kV)	8,302	\$ 58.44	4.19%
LPR	Large Power Service (750 kVA +)	103,000	\$ 437.79	4.18%
IND-1B	Industrial	564,900	\$ 3,439.67	6.63%
YL1	Lighting	NA	NA	4.62%

A person may examine the application and any related documents Big Sandy RECC has filed with the PSC at the utility's principal office, located at 504 11th Street, Paintsville, Kentucky, 41240, (606) 789-4095.

A person may also examine the application: (i) at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or (ii) through the Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Big Sandy RECC, but the Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Commission at Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

Exhibit 7

Direct Testimony of John Wolfram

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

DIRECT TESTIMONY

OF

**JOHN WOLFRAM
PRINCIPAL OF CATALYST CONSULTING LLC**

ON BEHALF OF

**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
BLUE GRASS ENERGY COOPERATIVE CORPORATION
CLARK ENERGY COOPERATIVE, INC.
CUMBERLAND VALLEY ELECTRIC INC.
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION
FLEMING-MASON ENERGY COOPERATIVE, INC.
GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION
INTER-COUNTY ENERGY COOPERATIVE CORPORATION
JACKSON ENERGY COOPERATIVE CORPORATION
LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION
NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
OWEN ELECTRIC COOPERATIVE INC.
SALT RIVER ELECTRIC COOPERATIVE CORPORATION
SHELBY ENERGY COOPERATIVE INC.
SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION**

FILED: August 1, 2025

VERIFICATION OF JOHN WOLFRAM

Commission expiration: April 9, 2029

**DIRECT TESTIMONY
OF
JOHN WOLFRAM**

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4

5 **I. INTRODUCTION**

6 **Q. Please state your name, business address and occupation.**

7 A. My name is John Wolfram. I am the Principal of Catalyst Consulting LLC. My business
8 address is 3308 Haddon Road, Louisville, Kentucky 40241.

9 **Q. On whose behalf are you testifying?**

10 A. I am testifying on behalf of each of the sixteen Owner-Members of East Kentucky Power
11 Cooperative, Inc. ("EKPC").

12 **Q. Please summarize your education and professional experience.**

13 A. I received a Bachelor of Science degree in Electrical Engineering from the University of
14 Notre Dame in 1990 and a Master of Science degree in Electrical Engineering from Drexel
15 University in 1997. I founded Catalyst Consulting LLC in June 2012. I have developed
16 cost of service studies and rates for numerous electric utilities, including electric
17 distribution cooperatives, generation and transmission cooperatives, municipal utilities,
18 and investor-owned utilities. I have performed economic analyses, rate mechanism
19 reviews, special rate designs, and wholesale formula rate reviews. From March 2010
20 through May 2012, I was a Senior Consultant with The Prime Group, LLC. I have also
21 been employed by the parent companies of Louisville Gas and Electric Company
22 ("LG&E") and Kentucky Utilities Company ("KU"), by the PJM Interconnection, and by
23 the Cincinnati Gas & Electric Company.

24 **Q. Have you previously testified before the Kentucky Public Service Commission**
25 **("Commission")?**

1 A. Yes. To date I have testified or otherwise participated in nearly eighty different regulatory
2 proceedings before this Commission, most recently in Case No. 2025-00107.¹

3 **Q. What is the purpose of your testimony in this proceeding?**

4 A. The purpose of my testimony is to support the proposed rates of the Owner-Members of
5 EKPC, reflecting the flow through of the effects of the increase in wholesale rates proposed
6 by EKPC in Case No. 2025-00208,² pursuant to KRS 278.455.

7 **Q. Are you sponsoring any Exhibits?**

8 A. Yes. I have prepared the following exhibits to the Application in this docket:

- 9 • Exhibit 3: Comparison of Current and Proposed Rates
10 • Exhibit 4: Billing Analysis

11

12 **II. PASS THROUGH OF WHOLESALE RATE INCREASE: OVERVIEW**

13 **Q. What does KRS 278.455 permit for the pass-through of wholesale rate increases?**

14 A. KRS 278.455(2) specifies that

15 “Notwithstanding any other statute, **any revenue increase authorized by**
16 **the Public Service Commission** or any revenue decrease authorized in
17 subsection (1) of this section **that is to flow through the effects of an**
18 **increase or decrease in wholesale rates may, at the distribution**
19 **cooperative's discretion, be allocated to each class and within each tariff**
20 **on a proportional basis that will result in no change in the rate design**
21 **currently in effect....”** (emphasis added)

22

23 KRS 278.455(3) specifies that

24 “Any rate increase or decrease as provided for in subsections (1) and (2) of
25 this section **shall not apply to special contracts** under which the rates are

¹ See *In the Matter of: The Electronic Application of Farmers Rural Electric Cooperative Corporation for a General Adjustment of Rates*, Case No. 2025-00107 (Ky. P.S.C. May 5, 2025).

² See *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*, Case No. 2025-00208 (filed August 1, 2025).

1 subject to change or adjustment only as stipulated in the contract.”
2 (emphasis added)
3

4 **Q. What is the historical test period for the pass-through rate modeling?**

5 A. The historical test period for the filing is the 12 months ended December 31, 2023.

6 **Q. Why is this period used?**

7 A. The historical test period for the pass-through cases was chosen to match that used by
8 EKPC in its wholesale rate case. The pass-through of wholesale rate increases to retail is
9 best achieved when the wholesale and retail billing determinants align.

10 **Q. Please generally describe the approach you used to determine the proposed rates for**
11 **each distribution cooperative.**

12 A. The approach can be divided into two steps. First, for each distribution cooperative, I
13 collected 2023 billing information for each rate class in the cooperative’s Commission-
14 approved tariffs, to correspond with the 2023 test period used by EKPC in Case No. 2025-
15 00208. I calculated the billings for each rate class and for each base rate billing component
16 within the respective classes (*e.g.*, customer charge, energy charge, demand charge). I also
17 compiled annual amounts for rate riders, billing adjustments, and other non-base-rate
18 billing items by class. I then determined “present” rates and revenues by accounting for a
19 limited number of adjustments that I describe below. All of this is necessary for the
20 proportional allocation of the EKPC revenue increase to the retail classes under the statute.

21 Second, I allocated the EKPC wholesale rate increase to the classes in a
22 proportional manner, as described in more detail below.

23 **Q. Did EKPC provide you with the relevant data regarding its proposed wholesale**
24 **increase?**

1 A. Yes. EKPC provided me with a summary of the proposed increase in dollars and percent,
2 by distribution cooperative and by wholesale rate class, along with the proposed per-unit
3 charges for each wholesale rate class.

4 **Q. Please describe how you allocated the EKPC increases to the retail rate classes for**
5 **each cooperative.**

6 A. For each cooperative, I calculated the current share of (a) each rate class revenue to total
7 cooperative revenue, and (b) each rate class rate component revenue (e.g., customer charge,
8 energy charge, demand charge) to total rate class revenue. This is the “to and within the
9 classes” information (in that order). Then I allocated the EKPC wholesale rate revenue
10 increases proportionately, first to the relevant retail rate classes, and then to the individual
11 base rate billing components of each class, such that the shares of (a) and (b) did not
12 change.³ This means I determined the proposed per-unit charges such that the rate class
13 revenue allocation shares and the billing component allocation shares were maintained. In
14 other words, I allocated the increase first to the rate classes and then to the billing
15 components on a proportionate basis – “to and within the rate classes” -- ensuring to the
16 fullest extent possible that the result would not change the rate design currently in effect,
17 consistent with the statute.

18

19 **III. PASS THROUGH OF WHOLESALE RATE INCREASE: DETAIL**

20 **Q. Please describe the relationship between the EKPC wholesale rate schedules, and the**
21 **retail rate schedules for most of the Owner-Members.**

³ The data does include *de minimis* variations due to rate rounding.

1 A. EKPC provides service to its 16 Owner-Members on four standard rate schedules – Rates
2 B, C, G, and E – plus various rate riders – along with contracts for one large customer, gas
3 pumping stations, and steam service. Most Owner-Members meet the needs of most of
4 their retail rate classes pursuant to EKPC Rate E. Some Owner-Members have a few
5 members taking service under EKPC Rates B or C, and a handful have special contracts
6 that correspond to EKPC Rate G. The vast majority of retail members are served under
7 these EKPC standard rate schedules. Finally, as EKPC demonstrated in the rate increase
8 data provided to me, EKPC provides certain service outside of these standard rate
9 schedules; Owen Electric provides service to an exceptionally large customer under a
10 special contract, Fleming-Mason Energy and Taylor County RECC provide service to gas
11 pumping stations and Fleming-Mason Energy provides steam service.

12 **Q. Did you identify which retail rate classes directly correspond to service on EKPC Rate**
13 **B, C and G?**

14 A. Yes. The Owner-Members identified these classes for me. Most of them actually refer to
15 the EKPC schedule (e.g., B, C, or G) in the name of the retail rate schedule. Here the word
16 “correspond” means that every member on the retail schedule takes wholesale service
17 exclusively on the given wholesale rate schedule.

18 **Q. Please list the retail rate classes which directly correspond to EKPC Rate B.**

19 A. Owner-Members with retail rate classes that correspond to Rate B include the following:

20	Big Sandy	Industrial Rate 1B
21	Blue Grass	Large Industrial Rates B-1 and B-2
22	Fleming-Mason	Large Industrial Rate LIS-6B
23	Grayson	Large Industrial Service - MLF
24	Inter-County	Schedule B1 – Large Industrial Rate
25	Jackson	Large Power Rate 47
26	Nolin	Large Power Rates LLP-4-B1 and LPR-1-B2
27	Owen	Schedule 9 Industrial

1 Salt River Large Power Rates LLP-4-B1 and LPR-1-B2
2 Shelby Large Industrial Rates B1 and B2
3 South Kentucky Large Power Rate LP-3
4

5 **Q. Please list the retail rate classes which directly correspond to EKPC Rate C.**

6 A. Owner-Members with retail rate classes that correspond to EKPC Rate C include the
7 following:

8 Cumberland Valley Schedule V-C
9 Fleming-Mason Large Industrial Service LIS-7
10 Jackson Large Power Rate 46
11 South Kentucky Large Power Rates LP-1, LP-2
12

13 **Q. Please list the retail rate classes which directly correspond to EKPC Rate G.**

14 A. Owner-Members with retail rate classes or special contracts that correspond to EKPC Rate
15 G include the following:

16 Blue Grass Special Contract
17 Cumberland Valley Schedule V-B
18 Fleming-Mason Special Contract
19 Inter-County Schedule G – Large Industrial Rate
20 Licking Valley Large Power Rate LPG
21 Nolin Special Contract
22

23 **Q. For the listings above did you only include retail rate classes under which the Owner-**
24 **Members provided service during 2023?**

25 A. Yes. The lists do not include any retail rate classes that may correspond to EKPC Rates B,
26 C, or G but which had no retail members taking service in 2023.

27 **Q. Did you allocate EKPC Rate G increases to specific retail classes for the special**
28 **contracts?**

29 A. Yes. I separately calculated proposed rates for retail members served under the EKPC Rate
30 G - Special Electric Contract Rate, as well as for those served under EKPC's other large

1 special contracts. These are listed separately in Exhibit 3. These classes are given specific
2 consideration by EKPC, so I determined the retail rate increases associated with these
3 classes using the specific data provided to me for these classes by EKPC.

4 **Q. Why?**

5 A. The statute in KRS 278.455(3) states that

6 “Any increase or decrease as provided for in subsections (1) and (2) of this
7 section shall not apply to special contracts under which the rates are subject
8 to change or adjustment only as stipulated in the contract.”
9

10 This treatment is also consistent with that approved by the Commission for the special
11 contracts in at least EKPC’s last two rate cases, in 2021 and in Case No. 2010-00167.⁴

12 **Q. Did you allocate EKPC Rate B and C increases to specific retail classes?**

13 A. For the Owner-Members listed above, yes. For EKPC Rate B, for the Owner-Members
14 listed above with retail rate classes that directly correspond to EKPC Rate B, I allocated
15 the EKPC Rate B increase to those classes. Then I allocated the remaining EKPC increases
16 to the remaining retail rate classes. All of the allocations were applied proportionately to
17 and within the relevant rate classes, consistent with the statute. I did the same for EKPC
18 Rate C.

19 **Q. Why?**

20 A. Because the proposed rate increases by EKPC vary so much by wholesale rate class, and
21 because certain Owner Member retail rate schedules correspond to particular wholesale
22 classes, this approach complies with the statute.

23 **Q. How did you allocate the remainder of the EKPC rate increases to the retail classes?**

⁴ *In The Matter Of Application Of East Kentucky Power Cooperative, Inc. For General Adjustment Of Electric Rates*, Order, Case No. 2010-00167 (Ky. P.S.C. Jan. 14, 2011).

1 A. For the Owner-Members not listed above, that do not have retail rate classes that
2 correspond to EKPC Rates B, C, or G, I allocated all of the combined/remaining EKPC
3 increases to all of the retail rate classes, proportionately to and within those classes,
4 consistent with the statute.

5 **Q. Overall, is this the same approach used in the last set of pass-through cases associated**
6 **with EKPC's wholesale rate cases in 2021 and in 2010?**

7 A. For the Owner-Members with no retail rate classes that correspond to EKPC Rates B or C,
8 yes it is exactly the same. For the Owner-Members listed above with retail rate classes that
9 correspond to EKPC Rates B or C, it is not exactly the same.

10 **Q. Why is it appropriate to use this method of allocation?**

11 A. Because the approach can be shown to allocate the wholesale rate increase to the retail
12 distribution cooperatives, to each class and within each tariff on a proportional basis, in a
13 manner that will result in no change in the rate design currently in effect, while also
14 avoiding an inappropriate subsidy to large industrial customers from residential and other
15 customer classes.

16 This allocation maintains the rate design currently in effect. The current rate
17 design for certain Owner-Members makes a distinction in retail rates between EKPC Rate
18 B or C and EKPC Rate E. For these Owner-Members, the current rate design considers
19 the fact that certain retail rates correspond to EKPC Rate B and/or C, and others do not. If
20 EKPC changed all of its wholesale rates by the same percentage, then this approach would
21 be moot, but at this time, EKPC is changing its Rate B and C quite differently than it is the
22 Rate E. See the table below:

23

1

Table 1. EKPC Proposed Revenue Increases

EKPC Wholesale Rate Class	Present Revenue \$	Proposed Revenue \$	Increase \$	Percent Change
Rate E	802,194,158	857,865,743	55,671,585	6.94%
Rate B	76,651,633	83,549,772	6,898,140	9.00%
Rate C	30,261,662	32,985,063	2,723,402	9.00%
Rate G	45,700,643	50,727,650	5,027,007	11.00%
Large Special Contract	82,398,571	91,461,856	9,063,284	11.00%
Special Contract Pumping Stations	13,169,151	13,169,151	0	0.00%
Steam Service	13,946,275	14,294,772	348,497	2.50%
Total	1,064,322,093	1,144,054,008	79,731,915	7.49%

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13 **Q.**14 **A.**

15

Here the EKPC Rate E increases are less than 7 percent, while the Rates B and C increases are both 9 percent. The special contract increases are even larger at 11 percent. Pumping Stations are zero percent and steam service is 2.5 percent. The overall range is relatively wide.

This matters because certain retail rates correspond to the EKPC Rate B and C rates. If all of the wholesale rates were increasing by the same percentage then the allocation approach used would not matter as much. But since the majority of EKPC's revenues are increasing by just under 7% under Rate E, and the larger customers taking service on Rates B and C are increasing by 9 percent, the allocation used in this proceeding maintains the current rate design better than other allocation methods that could be used.

Why is the allocation method used in this proceeding the best method?

If this approach is not used, it will create incremental subsidization of large industrial customers by residential customers at the retail level for some of the Owner-Members. For

1 example, Big Sandy has only one retail rate class (Industrial Rate IND-1B) that
2 corresponds to EKPC's Rate B and actually Big Sandy only has one member on this rate
3 schedule. All other Big Sandy members take service under EKPC's Rate E. By using the
4 method proposed in this proceeding, Big Sandy's IND-1B rate bears all of the EKPC Rate
5 B increase, and the remaining Big Sandy rate classes bear the EKPC Rate E increase. This
6 prevents an incremental and inappropriate subsidization of the industrial member by all
7 other Big Sandy members, including residential, as a result of the pass-through.

8 The proposed allocation method maintains the current rate design since the current
9 rate design recognizes differences in the wholesale rate schedules and translates those
10 differences to retail customers via the retail rate schedules. If this translation is lost by
11 virtue of the pass-through, the value of having separate wholesale rate cases diminishes,
12 and the current retail rate designs – which recognize that value – are no longer maintained.
13 If the differences in the retail rate schedules are lost then why would they have more than
14 one wholesale rate schedule?

15 **Q. How does the allocation work for the Owner-Members that do not have retail rate**
16 **classes linked to EKPC Rates B or C?**

17 A. For Owner-Members with no retail rate classes linked to EKPC Rates B or C, all of the
18 wholesale increase amounts are allocated proportionately to and within all of the retail rate
19 classes in such a way that it will result in no change to the rate design currently in effect.

20

21 **IV. ADJUSTMENTS**

22 **Q. Did you make any adjustments to the actual 2023 amounts to determine the “present”**
23 **amounts for the pass-through?**

1 A. Yes. I made two types of adjustments to actual 2023 data. The first was to account for
2 base rate changes related to the Fuel Adjustment Clause (“FAC”), and the second was to
3 account for any retail rate changes stemming from other Commission rate proceedings.

4 **Q. Please describe the adjustments made to account for the FAC.**

5 A. Because the Commission approved a FAC roll-in for service rendered on or after
6 September 1, 2023,⁵ it was necessary to adjust 2023 amounts to reflect the revised base
7 energy charges and FAC charges. I adjusted 2023 amounts to account for the FAC roll-in
8 for all Owner-Members. These adjustments are reflected where applicable in the “Present
9 Rates” and “Present Revenues” in Exhibit 4 and are needed to ensure that the full effects
10 of the wholesale rate increase are flowed through proportionately.

11 **Q. Please describe the adjustments made to account for other rate proceedings before**
12 **the Commission.**

13 A. Some of the Owner-Members had active rate case proceedings at the Commission when
14 the pass-through models were developed. In these instances, for the purpose of developing
15 the public notices of present and proposed rates, the “present” rates in the pass-through
16 models reflected the effective rates at that time, not the rates that the Owner-Members had
17 proposed in their respective rate filings. The reason for this is that those proposed rates
18 had not been approved, were not “effective” under the Commission-approved tariffs and
19 thus did not qualify as “present” rates for the purpose of applying the pass-through. For
20 some of these dockets, the Commission has not yet issued its findings on the proposed
21 rates. The cooperatives to which this applies are:

⁵ See *In The Matter Of Electronic Examination Of The Application Of The Fuel Adjustment Clause Of East Kentucky Power Cooperative, Inc. From November 1, 2020 Through October 31, 2022*, Order, Case No. 2023-00014 (Ky. P.S.C. Aug. 30, 2024).

- 1 1) Farmers RECC ⁶
2 2) South Kentucky RECC ⁷

3 For these cooperatives, the pass-through models filed herein are based on the currently
4 effective retail rates. I expect the Commission to issue orders in these dockets during the
5 pendency of this case. When that occurs, the respective cooperatives will update their pass-
6 through models to revise the “present” rates to reflect any rate revisions ordered by the
7 Commission.

8 On July 11, 2025, Clark Energy filed a Notice of Intent to submit a rate filing and
9 expects to file its Application for an alternative rate adjustment pursuant to 807 KAR 5:078
10 in the next few weeks.⁸ For Clark Energy, like the cooperatives listed above, the pass-
11 through model filed herein is based on the currently effective retail rates. Under the
12 streamlined regulation, the Commission should issue a final order in the Clark Energy
13 docket during the pendency of the instant case. When that occurs, Clark Energy expects
14 to update the pass-through models to revise the “present” rates to reflect any rate revisions
15 ordered by the Commission.

16 Blue Grass Energy had an active rate case before the Commission earlier this year.
17 The Commission issued an order revising Blue Grass Energy’s base rates before this
18 Application was filed but after the public notice for this case had to be submitted for

⁶ *In the Matter of: The Electronic Application Of Farmers Rural Electric Cooperative Corporation For A General Adjustment Of Rates*, Case No. 2025-00107.

⁷ *In the Matter of: The Electronic Application Of South Kentucky Rural Electric Cooperative Corporation For A General Adjustment Of Rates And Other General Relief*, Case No. 2024-00402.

⁸ *In the Matter of: Electronic Application Of Clark Energy Cooperative, Inc. For An Alternative Rate Adjustment Pursuant To 807 KAR 5:078*, Case No. 2025-00230.

1 publication. The present rates in this Application reflect the rates that the Commission
2 approved in its Order dated July 21, 2025.⁹

3 Shelby Energy also had an active rate case before the Commission earlier this year.
4 The Commission issued an order revising Shelby Energy's base rates before this
5 Application was filed but after the public notice for this case had to be submitted for
6 publication. The present rates in this Application reflect the rates that the Commission
7 approved in its Order dated July 23, 2025.¹⁰

8 The net effect of each of these qualified conditions will be the same – that is, in
9 each case the dollar amount allocated to each Owner-Member from EKPC will be passed
10 through to the Owner-Member to and within its retail rate classes on a proportional basis.
11 It is only the “starting point” of that allocation which will be revised to ensure that when
12 the instant case is resolved, the pass-throughs reflect the retail rates most recently approved
13 by the Commission for each Owner-Member.

14 **Q. Did you make any other adjustments to the 2023 data for the Owner-Members for**
15 **period-end normalizations, rate switching, or other changes?**

16 **A.** No. EKPC did not propose adjustments of that kind, so neither did I, in order to preserve
17 consistency for the wholesale and retail billing determinants.

18

19 **V. VACANT RATE CLASSES**

⁹ *In the Matter of: Electronic Application Of An Alternative Rate Adjustment For Blue Grass Energy Cooperative Corporation Pursuant To 807 KAR 5:078*, Case No. 2025-00103 (Ky. P.S.C. July 21, 2025).

¹⁰ *In the Matter of: Electronic Application Of Shelby Energy Cooperative, Inc. For A General Adjustment Of Rates*, Case No. 2024-00351 (Ky. P.S.C. July 23, 2025).

1 **Q. How did you determine proposed rates for any rate classes under which no retail**
2 **members took service in 2023 (“vacant rate classes”)?**

3 A. For vacant rate classes, I first checked to see if the per-unit charges were identical to any
4 per-unit charges of other, non-vacant rate classes; if so, I set the proposed vacant rate class
5 per-unit charge equivalently, in order to avoid creating an inappropriate future incentive
6 for rate switching. Otherwise, I increased the vacant rate class per-unit charges by the same
7 percentage as the overall base rate increase for the utility. There is no revenue impact
8 associated with these changes, but the changes are necessary for the flow through of the
9 effects of the proposed EKPC rate increase to result in no change to the retail rate design
10 currently in effect, particularly on an inter-class basis. (For example, increasing other per-
11 unit rates without also increasing the vacant rate class rates will skew the current retail rates
12 relative to one another and could inappropriately provide incentives for rate switching at
13 the retail level.)

14

15 **VI. CONCLUSION**

16 **Q. What is your recommendation to the Commission in this case?**

17 A. In this docket, the proposed rates are based on pass-through models in which the wholesale
18 EKPC increase is allocated to each retail class and within each retail tariff on a proportional
19 basis and results in no change in the retail rate design currently in effect. This is consistent
20 with KRS 278.455. The approach yields rates that are fair, just, and reasonable, and are
21 also consistent with prior Commission precedent. The Commission should find that the
22 pass-through models comply with the statute and are a reasonable basis for retail rate
23 design.

1 The Commission should accept the pass-through models as filed and should accept
2 any updates to certain Owner Member pass-through models to capture any revisions to
3 “present” rates noted in any Commission orders in other Owner Member rate case dockets
4 as appropriate. The Commission should approve the “proposed” rates determined in the
5 pass-through models, either as filed or as revised to reflect the EKPC increase ultimately
6 approved by the Commission, with an effective date identical to the effective date of the
7 EKPC rate revisions.

8 **Q. Does this conclude your testimony?**

9 **A. Yes, it does.**