

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

In the Matter of:

THE ELECTRONIC APPLICATION OF )	
GRAYSON RURAL ELECTRIC COOPERATIVE )	
CORPORTION FOR PASS-THROUGH OF EAST )	Case No. 2025-00223
KENTUCKY POWER COOPERATIVE, INC.'S )	
WHOLESALE RATE ADJUSTMENT )	

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

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Comes now Grayson Rural Electric Cooperative Corporation ("Grayson 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 )  
GRAYSON RURAL ELECTRIC COOPERATIVE )  
CORPORATION FOR PASS-THROUGH OF EAST )  
KENTUCKY POWER COOPERATIVE, INC.'S )  
WHOLESALE RATE ADJUSTMENT )

Case No. 2025-00223

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**VERIFICATION OF BRADLEY CHERRY**


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COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF CARTER )

Bradley Cherry, President and Chief Executive Officer, being duly sworn, states that he has supervised the preparation of responses to Commission Staff's First Request for Information in the above referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
Bradley Cherry

The foregoing Verification was signed, acknowledged and sworn to before me this 22<sup>nd</sup> day of September 2025, by Bradley Cherry.

  
Commission expiration: January 17, 2029



# VERIFICATION OF JOHN WOLFRAM

Commission expiration: April 9, 2025

**Grayson Rural Electric Cooperative Corporation**  
**Case No. 2025-00223**  
**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 Grayson RECC's allocation of the East Kentucky Power Cooperative, Inc. (EKPC) wholesale increase to the allocation assigned by EKPC to Grayson 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**

**Grayson Rural Electric Cooperative Corporation**  
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**Request 2:** Refer to the Direct Testimony of John Wolfram, Exhibit 7.

- a. Confirm that Grayson 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 Grayson 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.

**Grayson Rural Electric Cooperative Corporation**  
**Case No. 2025-00223**  
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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 \$0.01179 per kWh FAC roll-in incorporated in Exhibit 4 and Grayson 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 Grayson RECC's semi-annual filings.
- c. Confirm that Grayson 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.

**Response 3(b):** Not applicable.

**Response 3(c):** Confirmed.

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

- a. Describe how Grayson 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):** Grayson RECC will create a composite rate based on the number of days each billing cycle was subject to pre-effective date and post-effective date rates.

**Response 4(b):** The monthly residential customer charge, energy charges, and lighting charges will be subject to the composite rates.

**Response 4(c):** The composite rate would be based on calendar days.

**Response 4(d):** Grayson RECC plans to prorate the pass through rate increase in the same manner it has done in EKPC's last rate proceedings.



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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 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.

**Grayson Rural Electric Cooperative Corporation**  
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**Commission Staff's First Request for Information**

**Request 6:** Refer to Exhibit 4, Billing Analysis, page 9. Refer also to Exhibit 2, Strike Through Tariffs, Large Industrial Service – HLF 5,000 to 9,999 kVA. The billing analysis shows a proposed customer charge of \$1,265.32. However, the tariff shows a proposed customer charge of \$1,265.35. Explain and reconcile the discrepancy.

**Response 6:** This is an inadvertent typographical error. The correct amount is the \$1,265.32 listed in the billing analysis.

**Grayson Rural Electric Cooperative Corporation**  
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**Request 7:** Refer to Exhibit 4, Billing Analysis, page 9. Refer also to Exhibit 2, Strike Through Tariffs, Large Industrial Service – HLF 10,000 kVA and over. The billing analysis shows a proposed energy charge of \$0.05926 per kWh. However, the tariff shows a proposed energy charge of \$0.06036 per kWh. Explain and reconcile the discrepancy.

**Response 7:** This is an inadvertent clerical error. The correct amount is the \$0.05926 listed in the billing analysis.

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**Request 8:** Refer to Exhibit 4, Billing Analysis, page 7. Refer also to Exhibit 2, Strike Through Tariffs, Large Industrial Service – MLF 1,000 to 4,999 kVA. The billing analysis shows a proposed in excess of contract demand charge of \$11.74 per kW. However, the tariff shows a proposed in excess of contract demand charge of \$11.75. Explain and reconcile the discrepancy.

**Response 8.** This is an inadvertent typographical error. The correct amount is the \$11.74 listed in the billing analysis.

**Grayson Rural Electric Cooperative Corporation**  
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**Request 9:** Refer to Exhibit 4, Billing Analysis, pages 6-7.

- a. Explain why the Large Industrial MLF 1,000 – 4,999 kVA appears twice.
- b. Additionally, reconcile the correct number of billing units for that rate.

**Response 9:** The cooperative has two members taking service on this rate, for which the billing data is tracked separately. The rates are identical and the billing units for the rate are the sum of the billing units for the two listings.

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**Request 10:** Refer to Exhibit 4, Billing Analysis. Refer also to Exhibit 2, Proposed Tariffs. Residential Prepay Metering Program, General Service Prepay Metering Program, Residential Net Metering, Net Metering Large Power, and Net Metering Small Commercial were all included in the billing analysis without a proposed tariff associated with the proposed rate changes. Provide an updated tariff to support the changes made to these rates.

**Response 10:** These rate schedules do not list a specific rate in the tariff; instead it references the other rate schedules. Because there is no per unit rate revision in these tariffs, they are not included in the tariff exhibit.

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**Request 11:** Refer to Exhibit 6, Customer Notice, page 26G and 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 11:** The totals row was inadvertently excluded from the table. See the file included in response to Item 1.