

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

In the Matter of:

AN ELECTRONIC EXAMINATION BY THE)	
PUBLIC SERVICE COMMISSION OF THE)	
ENVIRONMENTAL SURCHARGE MECHANISM)	CASE NO.
OF EAST KENTUCKY POWER COOPERATIVE,)	2026-00070
INC. FOR THE SIX-MONTH EXPENSE PERIOD)	
ENDING NOVEMBER 30, 2025, AND THE)	
PASSTHROUGH MECHANISM OF ITS SIXTEEN)	
MEMBER DISTRIBUTION COOPERATIVES)	

BLUE GRASS ENERGY COOPERATIVE CORPORATION
VERIFIED RESPONSE TO
COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION
ENTERED APRIL 23, 2026

Comes now Blue Grass Energy Cooperative Corporation (“Blue Grass Energy”), by counsel, and does hereby tender its Verified Response to the Commission Staff’s First Request for Information entered April 23, 2026.

Dated: May 15, 2025

CERTIFICATION

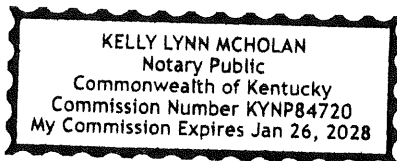
Kelly Cooper, Billing & Accounting Coordinator for Blue Grass Energy Cooperative Corporation, being duly sworn, states as follows with regards to the Responses filed by Blue Grass Energy Cooperative Corporation in Case No. 2026-00070, now pending before the Public Service Commission of the Commonwealth of Kentucky:

1. That she is the person supervising the preparation of the responses on behalf of Blue Grass Energy Cooperative Corporation.
2. That the responses are true and accurate to the best of her knowledge and belief.

Kelly Cooper
Kelly Cooper

Subscribed and sworn to before me the affiant, Kelly Cooper, this 12th day of May 2026.

My commission expires 1/26/2028



Kelly McHolan
Notary Public, State of Kentucky at Large

Request No. 2:

This question is addressed to EKPC and the Member Cooperatives. For each of the Member Cooperatives, prepare a summary schedule showing the Member Cooperative's pass-through revenue requirement for the months corresponding with the six-month review. Include a calculation of any additional over- or under-recovery amount the Member Cooperative believes needs to be recognized for the six-month review. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for Information dated April 23, 2026.

Witness: Kelly Cooper

Blue Grass - Calculation of (Over)/Under Recovery

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2025-00013 (Over)/Under-Recovery				(\$347,512)
1b	From Case No. 2025-00266 (Over)/Under-Recovery				(\$220,549)
1c	Total Previous (Over)/Under-Recovery				(\$568,061)
2	Jul-25	\$2,369,715	\$2,098,730	\$270,985	(\$297,076)
3	Aug-25	\$1,921,163	\$2,372,782	(\$451,619)	(\$748,695)
4	Sep-25	\$1,174,468	\$1,881,461	(\$706,993)	(\$1,455,688)
5	Oct-25	\$1,211,152	\$1,244,415	(\$33,263)	(\$1,488,951)
6	Nov-25	\$1,840,423	\$1,465,608	\$374,815	(\$1,114,136)
7	Dec-25	\$3,020,201	\$2,012,899	\$1,007,302	(\$106,834)
Post Review	Jan-26	\$3,132,956	\$2,671,250	\$461,706	\$354,872
	Feb-26	\$1,521,313	\$3,090,501	(\$1,569,188)	(\$1,214,317)
Less Adjustment for Order amounts remaining to be amortized at end of review period December 2025					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	From Case No. 2025-00013 Recovery		\$347,512	(\$347,512)	\$0
8b	From Case No. 2025-00266 Recovery		\$220,549	\$0	\$220,549
8c	Total Order amounts remaining - Over/(Under):				\$220,549

9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amortizations (Ln 7&8c)]	\$113,715
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10	Monthly recovery (per month for six months)	\$18,953
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Reconciliation:		
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Period	(\$568,061)
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period	\$220,549
13	Total Amortization during Review Period	(\$347,512)
14	(Over)/Under-Recovery from Column 5, Line 9	\$113,715
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru 7)	\$461,227
16	Difference	(\$347,512)

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2025-00013
Jul-25	(\$57,919)
Aug-25	(\$57,919)
Sep-25	(\$57,919)
Oct-25	(\$57,919)
Nov-25	(\$57,919)
Dec-25	(\$57,917)
Totals	(\$347,512)

Blue Grass Energy Cooperative Corporation
Case No. 2026-00070

Response to Commission's Request No. 6

Request No. 6:

This question is addressed to each of the Member Cooperatives. For your particular Member Cooperative, provide the actual average residential customer's monthly usage for the 12 months ending November 30, 2025. Based on this usage amount, provide the dollar impact any over- or under-recovery will have on the average residential customer's monthly bill for the requested recovery period.

Response:

Please see EKPC's response to Request No. 2 of the Commission Staff's First Request for information dated April 23, 2026 for the calculation of the review period's over or under recovery.

	<u>Residential</u> <u>KWH</u>	<u>Residential</u> <u>No. of Consumers</u>	<u>Average</u> <u>KWH</u>
Dec-24	92,989,888	61,080	1,522
Jan-25	133,711,839	61,171	2,186
Feb-25	90,973,510	61,293	1,484
Mar-25	67,405,328	61,337	1,099
Apr-25	54,782,285	61,504	891
May-25	50,285,460	61,531	817
Jun-25	73,733,041	61,660	1,196
Jul-25	90,147,490	64,480	1,398
Aug-25	74,036,271	61,756	1,199
Sep-25	57,734,699	61,826	934
Oct-25	52,324,034	61,873	846
Nov-25	70,804,318	61,904	1,144
	<hr/> <hr/> 908,928,163	<hr/> <hr/> 741,415	<hr/> <hr/> 1,226

WITNESS: Kelly Cooper

Test Month-November 2025
Monthly over recovery of
Recovery Period of Six Months

Actual Average Bill

Average KWH usage 1,226 KWH

Energy	\$ 117.43
Customer Charge	21.38
Fuel Adj @ (.00954)	(11.70)
Environmental Surcharge @ 19.39%	24.65
School Tax @ 3.0%	<u>4.55</u>

TOTAL BILL AMOUNT \$ 156.31

Average KWH usage 1,226 KWH

Energy	\$ 117.43
Customer Charge	21.38
Fuel Adj @ (.00954)	(11.70)
Environmental Surcharge @ 19.55%	24.85
School Tax @ 3.0%	<u>4.56</u>

TOTAL BILL AMOUNT \$ 156.52

*A difference of \$0.21 increase per month
would result in average residential monthly
bill.*

WITNESS: Kelly Cooper

Blue Grass Energy Cooperative Corporation
Case No. 2026-00070

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Actual

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Blue Grass Energy

For the Month Ending March 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Blue Grass	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Blue Grass	EKPC 12-months Ended Average Monthly Revenue from Sales to Blue Grass	Blue Grass Revenue Requirement	Amortization of (Over)/Under Recovery (*)	Cooperative Net Revenue Requirement	Cooperative Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Blue Grass Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cooperative Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Apr-24	18.14%	0.34%	17.80%	\$ 6,030,928		\$ 6,030,928	\$ 8,205,140	\$ 1,460,515	\$ 131,699	\$ 1,592,214	\$ 10,649,136		\$ 10,649,136	\$ 11,084,022	14.44%
May-24	21.90%	0.34%	21.56%	\$ 7,213,356		\$ 7,213,356	\$ 8,228,116	\$ 1,773,982	\$ 131,699	\$ 1,905,681	\$ 9,180,663		\$ 9,180,663	\$ 11,094,591	17.19%
Jun-24	20.06%	0.34%	19.72%	\$ 8,391,016		\$ 8,391,016	\$ 8,369,398	\$ 1,650,445	\$ 131,699	\$ 1,782,144	\$ 9,985,816		\$ 9,985,816	\$ 11,089,817	16.06%
Jul-24	17.84%	0.34%	17.50%	\$ 8,812,006		\$ 8,812,006	\$ 8,398,435	\$ 1,469,726	\$ 131,699	\$ 1,601,425	\$ 12,099,091		\$ 12,099,091	\$ 11,218,157	14.44%
Aug-24	17.97%	0.34%	17.63%	\$ 8,796,287		\$ 8,796,287	\$ 8,398,948	\$ 1,480,735	\$ 131,700	\$ 1,612,435	\$ 12,218,964		\$ 12,218,964	\$ 11,279,418	14.37%
Sep-24	18.32%	0.34%	17.98%	\$ 8,366,185		\$ 8,366,185	\$ 8,471,187	\$ 1,523,119	\$ -	\$ 1,523,119	\$ 10,983,621		\$ 10,983,621	\$ 11,293,399	13.50%
Oct-24	19.45%	0.34%	19.11%	\$ 6,493,132		\$ 6,493,132	\$ 8,437,055	\$ 1,612,321	\$ -	\$ 1,612,321	\$ 10,421,630		\$ 10,421,630	\$ 11,382,676	14.28%
Nov-24	22.98%	0.34%	22.64%	\$ 7,818,881		\$ 7,818,881	\$ 8,397,641	\$ 1,901,226	\$ -	\$ 1,901,226	\$ 10,080,393		\$ 10,080,393	\$ 11,413,695	16.70%
Dec-24	21.01%	0.34%	20.67%	\$ 9,932,579		\$ 9,932,579	\$ 8,471,615	\$ 1,751,083	\$ -	\$ 1,751,083	\$ 10,080,394		\$ 10,080,394	\$ 11,243,795	15.34%
Jan-25	15.94%	0.34%	15.60%	\$ 13,750,451		\$ 13,750,451	\$ 8,594,435	\$ 1,340,732	\$ -	\$ 1,340,732	\$ 14,946,862		\$ 14,946,862	\$ 11,295,630	11.92%
Feb-25	9.18%	0.34%	8.84%	\$ 12,954,694		\$ 12,954,694	\$ 8,882,160	\$ 785,183	\$ -	\$ 785,183	\$ 15,650,201		\$ 15,650,201	\$ 11,429,984	6.95%
Mar-25	12.55%	0.34%	12.21%	\$ 9,197,184		\$ 9,197,184	\$ 8,979,725	\$ 1,096,424	\$ -	\$ 1,096,424	\$ 12,997,674		\$ 12,997,674	\$ 11,607,870	9.59%
Apr-25	18.65%	0.34%	18.31%	\$ 7,018,567		\$ 7,018,567	\$ 9,062,028	\$ 1,659,257	\$ -	\$ 1,659,257	\$ 12,661,919		\$ 12,661,919	\$ 11,775,602	14.29%
May-25	21.81%	0.34%	21.47%	\$ 6,483,059		\$ 6,483,059	\$ 9,001,170	\$ 1,932,551	\$ -	\$ 1,932,551	\$ 9,970,372		\$ 9,970,372	\$ 11,841,411	16.41%
Jun-25	24.99%	0.34%	24.65%	\$ 8,186,632		\$ 8,186,632	\$ 8,984,138	\$ 2,214,590	\$ -	\$ 2,214,590	\$ 9,909,544		\$ 9,909,544	\$ 11,835,055	18.70%
Jul-25	22.85%	0.34%	22.51%	\$ 9,616,064		\$ 9,616,064	\$ 9,051,143	\$ 2,037,412	\$ (57,919)	\$ 1,979,493	\$ 12,790,219		\$ 12,790,219	\$ 11,892,649	16.73%
Aug-25	17.73%	0.34%	17.39%	\$ 8,534,703		\$ 8,534,703	\$ 9,029,344	\$ 1,570,203	\$ (57,919)	\$ 1,512,284	\$ 12,688,603		\$ 12,688,603	\$ 11,931,786	12.72%
Sep-25	21.26%	0.34%	20.92%	\$ 6,753,681		\$ 6,753,681	\$ 8,894,969	\$ 1,860,827	\$ (57,919)	\$ 1,802,908	\$ 11,246,668		\$ 11,246,668	\$ 11,953,707	15.11%
Oct-25	23.67%	0.34%	23.33%	\$ 5,789,443		\$ 5,789,443	\$ 8,836,328	\$ 2,061,515	\$ (57,919)	\$ 2,003,596	\$ 9,783,222		\$ 9,783,222	\$ 11,900,506	16.76%
Nov-25	27.09%	0.34%	26.75%	\$ 7,888,665		\$ 7,888,665	\$ 8,842,144	\$ 2,364,998	\$ (57,919)	\$ 2,307,079	\$ 9,699,602		\$ 9,699,602	\$ 11,868,773	19.39%
Dec-25	24.12%	0.34%	23.78%	\$ 11,290,479		\$ 11,290,479	\$ 8,955,302	\$ 2,129,571	\$ (57,917)	\$ 2,071,654	\$ 12,010,165		\$ 12,010,165	\$ 12,029,588	17.45%
Jan-26	11.25%	0.34%	10.91%	\$ 13,174,734		\$ 13,174,734	\$ 8,907,325	\$ 971,789	\$ (36,758)	\$ 935,031	\$ 13,764,787		\$ 13,764,787	\$ 11,931,081	7.77%
Feb-26	8.66%	0.34%	8.32%	\$ 13,944,205		\$ 13,944,205	\$ 8,989,785	\$ 747,950	\$ (36,758)	\$ 711,192	\$ 17,710,753		\$ 17,710,753	\$ 12,102,794	5.96%
Mar-26	13.67%	0.34%	13.33%	\$ 10,641,785		\$ 10,641,785	\$ 9,110,168	\$ 1,214,385	\$ (36,758)	\$ 1,177,627	\$ 12,782,927		\$ 12,782,927	\$ 12,084,899	9.73%

Blue Grass Energy Cooperative Corporation
Case No. 2026-00070

Appendix B

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East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
Pass Through Mechanism Report for Blue Grass Energy

Six Month Recovery

For the Month Ending March 2026

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Surcharge Factor Expense Month	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Blue Grass	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Blue Grass	EKPC 12-months Ended Average Monthly Revenue from Sales to Blue Grass	Blue Grass Revenue Requirement	Amortization of (Over)/Under Recovery (*)	Cooperative Net Revenue Requirement	Cooperative Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Blue Grass Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Cooperative Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Apr-24	18.14%	0.34%	17.80%	\$ 6,030,928		\$ 6,030,928	\$ 8,205,140	\$ 1,460,515	\$ 131,699	\$ 1,592,214	\$ 10,649,136		\$ 10,649,136	\$ 11,084,022	14.44%
May-24	21.90%	0.34%	21.56%	\$ 7,213,356		\$ 7,213,356	\$ 8,228,116	\$ 1,773,982	\$ 131,699	\$ 1,905,681	\$ 9,180,663		\$ 9,180,663	\$ 11,094,591	17.19%
Jun-24	20.06%	0.34%	19.72%	\$ 8,391,016		\$ 8,391,016	\$ 8,369,398	\$ 1,650,445	\$ 131,699	\$ 1,782,144	\$ 9,985,816		\$ 9,985,816	\$ 11,089,817	16.06%
Jul-24	17.84%	0.34%	17.50%	\$ 8,812,006		\$ 8,812,006	\$ 8,398,435	\$ 1,469,726	\$ 131,699	\$ 1,601,425	\$ 12,099,091		\$ 12,099,091	\$ 11,218,157	14.44%
Aug-24	17.97%	0.34%	17.63%	\$ 8,796,287		\$ 8,796,287	\$ 8,398,948	\$ 1,480,735	\$ 131,700	\$ 1,612,435	\$ 12,218,964		\$ 12,218,964	\$ 11,279,418	14.37%
Sep-24	18.32%	0.34%	17.98%	\$ 8,366,185		\$ 8,366,185	\$ 8,471,187	\$ 1,523,119	\$ -	\$ 1,523,119	\$ 10,983,621		\$ 10,983,621	\$ 11,293,399	13.50%
Oct-24	19.45%	0.34%	19.11%	\$ 6,493,132		\$ 6,493,132	\$ 8,437,055	\$ 1,612,321	\$ -	\$ 1,612,321	\$ 10,421,630		\$ 10,421,630	\$ 11,382,676	14.28%
Nov-24	22.98%	0.34%	22.64%	\$ 7,818,881		\$ 7,818,881	\$ 8,397,641	\$ 1,901,226	\$ -	\$ 1,901,226	\$ 10,080,393		\$ 10,080,393	\$ 11,413,695	16.70%
Dec-24	21.01%	0.34%	20.67%	\$ 9,932,579		\$ 9,932,579	\$ 8,471,615	\$ 1,751,083	\$ -	\$ 1,751,083	\$ 10,080,394		\$ 10,080,394	\$ 11,243,795	15.34%
Jan-25	15.94%	0.34%	15.60%	\$ 13,750,451		\$ 13,750,451	\$ 8,594,435	\$ 1,340,732	\$ -	\$ 1,340,732	\$ 14,946,862		\$ 14,946,862	\$ 11,295,630	11.92%
Feb-25	9.18%	0.34%	8.84%	\$ 12,954,694		\$ 12,954,694	\$ 8,882,160	\$ 785,183	\$ -	\$ 785,183	\$ 15,650,201		\$ 15,650,201	\$ 11,429,984	6.95%
Mar-25	12.55%	0.34%	12.21%	\$ 9,197,184		\$ 9,197,184	\$ 8,979,725	\$ 1,096,424	\$ -	\$ 1,096,424	\$ 12,997,674		\$ 12,997,674	\$ 11,607,870	9.59%
Apr-25	18.65%	0.34%	18.31%	\$ 7,018,567		\$ 7,018,567	\$ 9,062,028	\$ 1,659,257	\$ -	\$ 1,659,257	\$ 12,661,919		\$ 12,661,919	\$ 11,775,602	14.29%
May-25	21.81%	0.34%	21.47%	\$ 6,483,059		\$ 6,483,059	\$ 9,001,170	\$ 1,932,551	\$ -	\$ 1,932,551	\$ 9,970,372		\$ 9,970,372	\$ 11,841,411	16.41%
Jun-25	24.99%	0.34%	24.65%	\$ 8,186,632		\$ 8,186,632	\$ 8,984,138	\$ 2,214,590	\$ -	\$ 2,214,590	\$ 9,909,544		\$ 9,909,544	\$ 11,835,055	18.70%
Jul-25	22.85%	0.34%	22.51%	\$ 9,616,064		\$ 9,616,064	\$ 9,051,143	\$ 2,037,412	\$ (57,919)	\$ 1,979,493	\$ 12,790,219		\$ 12,790,219	\$ 11,892,649	16.73%
Aug-25	17.73%	0.34%	17.39%	\$ 8,534,703		\$ 8,534,703	\$ 9,029,344	\$ 1,570,203	\$ (57,919)	\$ 1,512,284	\$ 12,688,603		\$ 12,688,603	\$ 11,931,786	12.72%
Sep-25	21.26%	0.34%	20.92%	\$ 6,753,681		\$ 6,753,681	\$ 8,894,969	\$ 1,860,827	\$ (57,919)	\$ 1,802,908	\$ 11,246,668		\$ 11,246,668	\$ 11,953,707	15.11%
Oct-25	23.67%	0.34%	23.33%	\$ 5,789,443		\$ 5,789,443	\$ 8,836,328	\$ 2,061,515	\$ (57,919)	\$ 2,003,596	\$ 9,783,222		\$ 9,783,222	\$ 11,900,506	16.76%
Nov-25	27.09%	0.34%	26.75%	\$ 7,888,665		\$ 7,888,665	\$ 8,842,144	\$ 2,364,998	\$ (38,966)	\$ 2,326,032	\$ 9,699,602		\$ 9,699,602	\$ 11,868,773	19.55%
Dec-25	24.12%	0.34%	23.78%	\$ 11,290,479		\$ 11,290,479	\$ 8,955,302	\$ 2,129,571	\$ (57,917)	\$ 2,071,654	\$ 12,010,165		\$ 12,010,165	\$ 12,029,588	17.45%
Jan-26	11.25%	0.34%	10.91%	\$ 13,174,734		\$ 13,174,734	\$ 8,907,325	\$ 971,789	\$ (36,758)	\$ 935,031	\$ 13,764,787		\$ 13,764,787	\$ 11,931,081	7.77%
Feb-26	8.66%	0.34%	8.32%	\$ 13,944,205		\$ 13,944,205	\$ 8,989,785	\$ 747,950	\$ (36,758)	\$ 711,192	\$ 17,710,753		\$ 17,710,753	\$ 12,102,794	5.96%
Mar-26	13.67%	0.34%	13.33%	\$ 10,641,785		\$ 10,641,785	\$ 9,110,168	\$ 1,214,385	\$ (36,758)	\$ 1,177,627	\$ 12,782,927		\$ 12,782,927	\$ 12,084,899	9.73%