

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RURAL ELECTRIC)	
COOPERATIVE CORPORATION FOR A GENERAL)	CASE NO.
ADJUSTMENT OF EXISTING RATES)	2017-00374

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

Big Sandy Rural Electric Cooperative Corporation ("Big Sandy"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on January 23, 2018. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Big Sandy shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Big Sandy fails or refuses to furnish all or part of the requested information, Big Sandy shall provide

a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Big Sandy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide each rate class's contribution towards times interest earned ratio ("TIER") and Operating TIER at current rates, and at proposed rates.


2. Explain how the residential customer charge of \$21.25 was determined.

3. Refer to Big Sandy's response to Commission Staff's second request for information, Item 8, Big Sandy_COS_2017-FILED PSC2-8 Response.xls, tab Summary of Returns.

- a. Provide a similar table noting the rate base and rate of return on rate base at the proposed rates.

- b. Big Sandy is proposing that the majority of the rate increase be allocated to the rate class A1- Farm & Home ("Residential"), yet the pro forma rate of return on rate base for rate class IND 1-B-Industrial ("Industrial") and rate class LRP- Large Power ("Large Power") is being subsidized to a greater degree than the Residential Rate Class. Explain why a larger proportion of the proposed revenue increase was not allocated to the Large Power and Industrial rate classes.

4. Refer to the Application, Exhibit JW-9, page 7 of 9. Provide the cost justification for each individual light listed.



Gwen R. Pinson
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

DATED JAN 08 2018

cc: Parties of Record

Case No. 2017-00374

*Big Sandy R.E.C.C.
504 11th Street
Paintsville, KY 41240-1422

*M. Evan Buckley
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*Mark David Goss
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504