

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH)	
KENTUCKY RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR A GENERAL)	CASE NO.
ADJUSTMENT OF RATES, APPROVAL OF)	2021-00407
DEPRECIATION STUDY, AND OTHER GENERAL)	
RELIEF)	

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION
TO SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation (South Kentucky RECC), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due no later than May 18, 2022. The Commission directs South Kentucky RECC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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.

South Kentucky RECC shall make timely amendment to any prior response if South Kentucky RECC obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which South Kentucky RECC fails or refuses to furnish all or part of the requested information, South Kentucky RECC 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, South Kentucky RECC 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 the test-year margins from the cushion of credit using the assumption that the interest rate earned was 2.86 percent.
2. Provide the capitalization ratio for wages and salaries, including all labor hours, for years 2018–2021.
3. Provide the bad-debt recapture for years 2018–2021.

4. Provide total salaries and wages and the amount expensed for the periods ending March 31, 2021, and March 31, 2022.

5. Refer to South Kentucky RECC's response to Commission Staff's Third Request for Information, Items 1, 2, 3, and 4 regarding demand charges as compared to the wholesale rate demand charge. Provide the cost-based demand charges.

6. Provide the number of occurrences and total revenue for each pole attachment charge for the test year.

7. Refer to South Kentucky RECC's response to Commission Staff's Second Request for Information, Item 31. On page 2, the annual expense of \$18.63 is listed for depreciation. In Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible, provide an updated depreciation rate and updated transaction times.

8. Provide the test-year number of occurrences and revenue for the monthly prepay meter charge.

9. Provide South Kentucky RECC's employee turnover rate for the last three years.

10. Explain whether a different meter or a collar with connection/reconnection ability must be installed for prepay customers. If so, provide the incremental capital cost and labor cost and time to change out the meter or add the collar.

11. Provide the salary for the CEO for the last seven years and the starting and ending or current salary for the three most recent CEOs. Include any severance pay separately.

12. For the period 2017–2021, provide the salary increases for each year broken down by the overall increase, movement to the midpoint over the first three years of employment, and movement to the midpoint thereafter.

13. For the 2020 and 2021 test years, provide a detailed description of all non-operating margins, capital credits, and dividends. For capital credits, state whether they are cash payments.

14. Provide an accounting of all cushion of credit deposits.

15. Refer to Application, Exhibit 4, P.S.C. KY. No. 7, Second Revised Sheet No. R-14, Section 5.43 – Evidence, Duration, and Recalculation of Deposit. Explain why South Kentucky RECC is requesting to increase the refund time from 12 consecutive payments to 18 consecutive payments and cite any applicable regulation that South Kentucky RECC believes requires this change.



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DATED MAY 11 2022

cc: Parties of Record

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