

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LICKING)	
VALLEY RURAL ELECTRIC COOPERATIVE)	CASE NO.
CORPORATION FOR A GENERAL)	2024-00211
ADJUSTMENT OF RATES AND OTHER)	
GENERAL RELIEF)	

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION
TO LICKING VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION

Licking Valley Rural Electric Cooperative Corporation (Licking Valley RECC), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on October 16, 2024. The Commission directs Licking Valley 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.

Licking Valley RECC shall make timely amendment to any prior response if Licking Valley RECC obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Licking Valley RECC fails or refuses to furnish all or part of the requested information, Licking Valley 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 and scanned 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, Licking Valley 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. Refer to Application, Direct Testimony of Sandra Bradley (Bradley Direct Testimony), page 7, and refer to Schedule 1.06.

a. Bradley's Direct Testimony includes a statement that the cooperative pays 89.63 percent of the full premiums for coverage level for all employees and the 1.06 schedule shows that the cooperative pays 100 percent of single coverage and 89.63

percent of family coverage. Explain the discrepancy and identify the correct contribution percentages.

b. As of September 19, 2024, the U.S. Bureau of Labor Statistics (BLS) has updated its average annual employee contribution percentages.² Provide an updated version of the previously submitted 1.06 Schedule adjustment calculation that was provided with the application that factors in the most recently updated average BLS percentages.

2. Refer to Application, Schedule 1.08, and Licking Valley RECC's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 12, Attachment 2-12. Provide the line items associated with the removal of the Donations amount of \$6,285, the Membership Dues amount of \$66,306, the Annual Meeting amount of \$28,103, and the Miscellaneous amount of \$111,679.

3. Refer to Application, Schedule 1.09 and Licking Valley RECC's response to Staff's Second Request, Item 12, Attachment 2-12. Provide the line items that make up the \$53,031.14 of test year Directors Expense and the lines items that make up the \$24,086.80 that was removed from Directors Expense.

4. Refer to Licking Valley RECC's response to Staff's Second Request, Item 12, Attachment 2-12. Describe the purpose of the Federated Rural Insurance listed in account 930.40.

5. Provide all Licking Valley RECC board meeting minutes for any meetings held from May 1, 2021, through August 31, 2024.

² U.S. Bureau of Labor Statistics, Share of premiums paid by employer and employee for single coverage <https://www.bls.gov/news.release/ebs2.t03.htm>, Share of premiums paid by employer and employee for family coverage <https://www.bls.gov/news.release/ebs2.t04.htm>.

6. If not already included as part of the response to Item 5, provide any board minutes reflecting approval of financing, whether initial approval or subsequent approval, for each item listed in Application, Revenue Requirement 2023 - Filed, Tab Adj BS, Liabilities & Other Credits.

7. Refer to Licking Valley RECC's response to Staff's First Request, Item 3, Schedule B1. Refer also to Application, Revenue Requirement 2023 - Filed, Tab Adj BS, Liabilities & Other Credits. Refer also to Licking Valley RECC's 2023 Annual Report filed with the Commission on March 19, 2024. Reconcile the discrepancies between the debt information provided in each item.

8. Refer to Licking Valley RECC's response to Staff's First Request, Item, 43, Schedule K. Explain the fees paid to Myles Holbrook.

9. Refer to Licking Valley RECC's response to Staff's First Request, Item, 43, Schedule K. Confirm that each line item for a Christmas gift was excluded from the revenue requirement calculation. If not confirmed, explain why not.

10. Refer to Licking Valley RECC's response to Staff's First Request, Item 21. Compare the compensation information provided for 2023 for other East Kentucky Power Cooperative, Inc. member cooperatives' compensation for CEO/General Manager. Include in the comparison the total number of customers served by each cooperative.

11. Refer to Licking Valley RECC's response to Staff's First Request, Item 1, Operating Expenses, Acct. 555.1. Explain the relationship between Starshine Energy and Licking Valley RECC. In addition to the explanation, provide any contracts or tariff language related to the purchases.

12. Refer to Licking Valley RECC's response to Staff's First Request, Item 1, Operating Expenses, Acct. 431. Explain the significant percentage increase in Other Interest Expense. Provide any workpapers to support the explanation.

13. Refer to Licking Valley RECC's response to Staff's First Request, Item 1, Operating Expenses, Acct. 904. Explain the significant percentage increase in Uncollectible Accounts. Provide any workpapers to support the explanation.

14. Refer to Licking Valley RECC's response to Staff's First Request, Item 1, Operating Expenses, Acct. 908. Explain the significant percentage increase in Customer Assistance Expense. Provide any workpapers to support the explanation.



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DATED OCT 02 2024

cc: Parties of Record

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