

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG SANDY	)	
RURAL ELECTRIC COOPERATIVE	)	CASE NO.
CORPORATION FOR A GENERAL	)	2024-00287
ADJUSTMENT OF RATES	)	

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

Big Sandy Rural Electric Cooperative (Big Sandy 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 November 15, 2024. The Commission directs Big Sandy RECC to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> 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 person supervising the preparation of the response on behalf of the entity that the

---

<sup>1</sup> 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).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Big Sandy RECC shall make timely amendment to any prior response if Big Sandy 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 Big Sandy RECC fails or refuses to furnish all or part of the requested information, Big Sandy 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, Big Sandy 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 Big Sandy RECC's response to Commission Staff's First Request for Information (Staff's First Request), Item 18b.

- a. Identify and share specific examples of informal collaborations with sister cooperatives, detailing how employee wages compare to other regional cooperatives.

b. Provide documentation of specific pay scale comparisons gathered from local businesses.

2. Refer to Big Sandy RECC's response to Staff's First Request, Item 20. Big Sandy RECC stated that it gives percentage raises contingent on the results of each employee's evaluation.

a. Specify the exact criteria for evaluating employee performance and explain in detail why each wage increase is justified.

b. Provide the cost-of-living information the Big Sandy RECC Board of Directors uses to determine wage increases.

3. Refer to Big Sandy RECC's response to Staff's First Request, Schedule I spreadsheet. Explain wage increases for each employee category (Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union hourly employees) and justify hiring new staff despite declining customer numbers.

4. Refer to Direct Testimony of John Wolfram (Wolfram Direct Testimony), Exhibit JW-2, page 9. Confirm that column 1, lines 1-12 contains information for the year 2022. If confirmed, provide the information for the test year 2023.

5. Refer to Wolfram Direct Testimony, Exhibit JW-2, page 11. Provide an account detail of Account No. 426.10, Account No. 913.00, and Account No. 930.10 and which line items were used to make adjustments to Donations & Promotional Advertising.

6. Refer to Wolfram Direct Testimony, Exhibit JW-2, page 13.

a. Confirm there is a typo in the title of the schedule. If confirmed, provide the corrected test year date.

b. Confirm there is a typo in line 6. If not confirmed, provide the reasoning for removing an item that occurred in 2024.

c. Confirm there is missing information in line 21. If confirmed, provide the missing information.

d. Confirm the amounts of \$1,200 listed in columns 10 and 16 are bonuses. If not confirmed, explain what the amounts represent.

7. Refer to Wolfram Direct Testimony, Exhibit JW-2, page 13, and Big Sandy RECC'S response Staff's First Request, Item 46. Reconcile the discrepancy between the Directors' Fees test year amounts.

8. Refer to Wolfram Direct Testimony, Exhibit JW-2, pages 14 and 15.

a. Confirm that the title of this schedule contains a typo. If not confirmed, provide an updated schedule for test year ending December 31, 2023.

b. Confirm that Line 1, Column 7 was intentionally left blank. If not confirmed, provide the corrected values for Line 1, Columns 7, 11, and 18.

c. Explain why multiple employees accumulated regular hours worked over the standard 2,080 hours, and why those hours over 2,080 were not considered overtime hours worked.

d. Explain why multiple employees accumulated their respective amount of overtime hours worked, while having an amount of regular hours worked less than the standard 2,080 hours.

e. Confirm that columns 12-17 in lines 44 and 45 were intentionally left blank. If not confirmed, provide the corrected information.

f. Explain why pro forma wages are calculated assuming the standard 2,080 hours for employees whose actual hours worked are significantly less than 2,080 hours.

g. Confirm that column 18 for lines 26, 27, and 30 were intentionally left blank. If not confirmed, provide corrected information.

h. Explain why the pro forma wages for salary employees were calculated assuming no overtime or other hours.

i. Explain why Part Time & Summer Employees proforma wages were calculated using 2,080 hours.

9. Refer to Wolfram Direct Testimony, Exhibit JW-2, page 16.

a. Confirm that the Ending 2023 Rate value for Employee #136 of 3.48 is correct. If not confirmed, explain why this value is materially different from Ending 2023 Rates for other employees.

b. Confirm that the Ending 2023 Rate value for Employee #200 was intentionally left blank. If not confirmed, provide the corrected values for Columns B, D, E, F, G, and H for Employee #200.

10. Refer to Big Sandy RECC'S response Staff's First Request Item 44. Provide the Excel spreadsheet attachment that was not included in the initial response.

11. Refer to Wolfram Direct Testimony, Exhibit JW-2, pages 18. Provide the calculation of the \$2,055,210 in pro forma cost right of way expense.

12. Refer to Big Sandy RECC'S response Staff's First Request Item 3 b. Did Big Sandy RECC pay all of its short-term debt off during the test year 2023? If so, provide the amounts paid and the purpose of the short term loans paid off.

13. Refer to Big Sandy RECC'S response Staff's First Request, Item 6. Provide the information requested in the format of Schedule C.

14. Refer to Wolfram Direct Testimony, Exhibit JW-2, page 13. Provide the number of union employees and number of non-union employees.



Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED OCT 30 2024

cc: Parties of Record

\*L. Allyson Honaker  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 1203  
Lexington, KENTUCKY 40509

\*Lawrence W Cook  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

\*Angela M Goad  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

\*J. Michael West  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

\*Brittany H. Koenig  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 1203  
Lexington, KENTUCKY 40509

\*Robin Slone  
Big Sandy R.E.C.C.  
504 11th Street  
Paintsville, KY 41240

\*Heather Temple  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 1203  
Lexington, KENTUCKY 40509

\*John G Horne, II  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

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

\*Jeff Prater  
Plant Superintendent  
Big Sandy R.E.C.C.  
504 11th Street  
Paintsville, KY 41240