

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE RELIABILITY)	
MEASURES OF KENTUCKY'S)	ADMINISTRATIVE
JURISDICTIONAL ELECTRIC)	CASE NO. 2011-00450
DISTRIBUTION UTILITIES)	

March 29, 2012

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

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COMMISSION

Dear Mr. Derouen:

In accordance with the Commission's Order in Case No. 2011-000450 dated March 2, 2012,, enclosed are an original and ten (10) copies of Grayson Rural Electric's response to the above referenced order.

If you have any questions about this filing, please feel free to contact me.

Very truly yours,



Don M. Combs
Mgr. – Finance & Accounting
Grayson Rural Electric Cooperative Corporation
109 Bagby Park
Grayson, KY 41143

Enclosures

The undersigned, Brian Poling, as Manager of Technical Services of Grayson Rural Electric, being first duly sworn, states that the responses herein supplied in Case No. 2011-00450, Order dated March 2, 2012, are true to the best of my knowledge and belief formed after reasonable inquiry.

Dated: March 29, 2012

Grayson Rural Electric

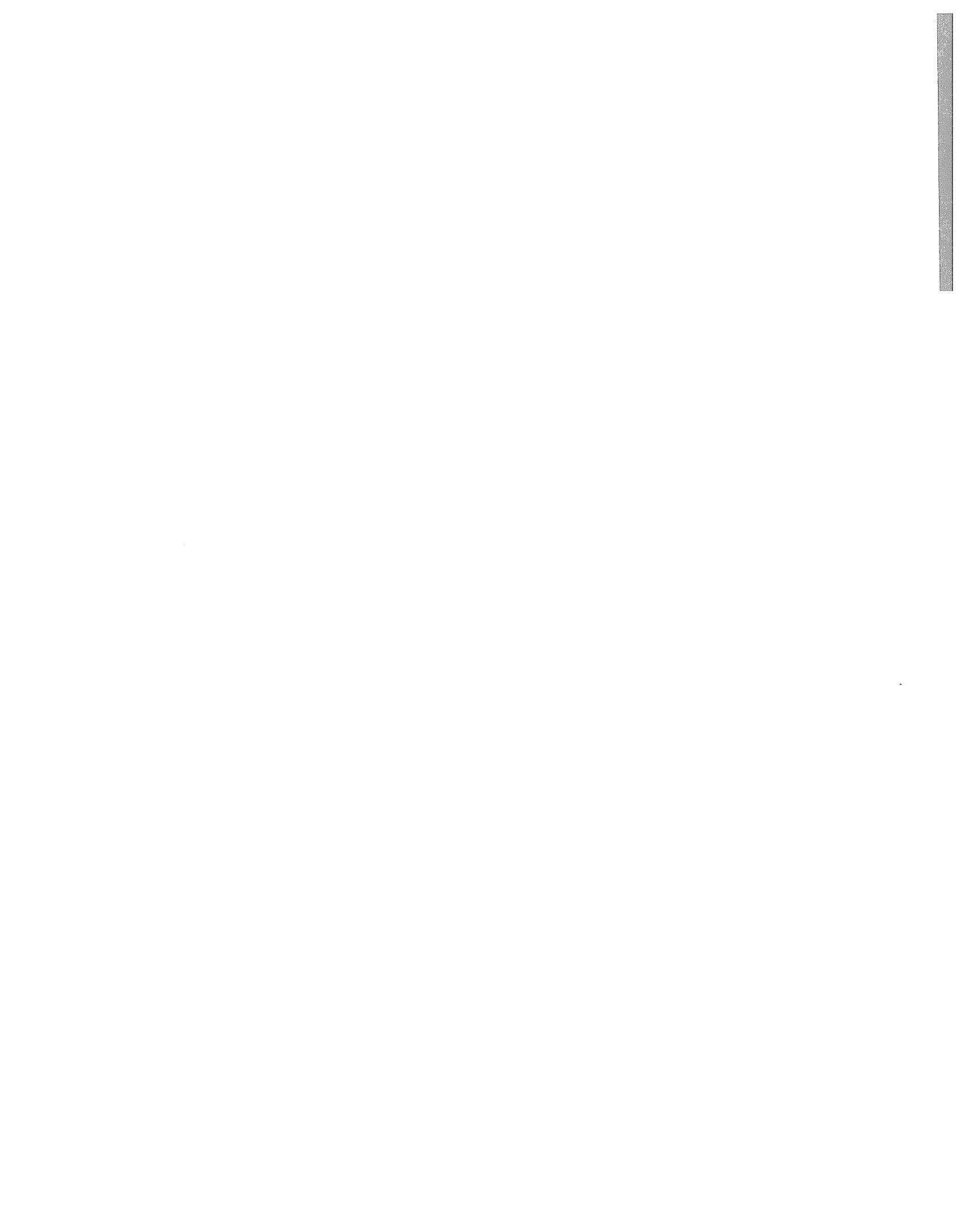
By: Brian Poling

Brian Poling
Manager of Technical Services

Subscribed, sworn to, and acknowledged before me by Brian Poling, as Manager of Technical Services for Grayson Rural Electric on behalf of said Corporation this 29th day of March, 2012.

My Commission expires 9th day of January, 2015.
Witness my hand and official seal this

29th day of March, 2012.
Marsha A. Shaker
Notary Public in and for State-at-large Co., KY.



Case No. 2011-00450
2nd Data Request – March 2, 2012

1. The following questions relate to the use of a five-year average of SAIDI, SAIFI, and CAIDI on circuit basis as a benchmark to determine the relative reliability of an individual circuit.
 - a. In your opinion, is it reasonable for the Commission to require each utility to develop and report a five-year average SAIDI on a circuit-by-circuit basis as a benchmark for comparison purposes?

Response:

Assuming the commission considers "circuit-by-circuit" as a feeder out of a substation; it is reasonable for the commission to request the information but we don't believe it should be required. It is the responsibility of the utility to analyze and correct deficiencies on its own system.

- b. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher SAIDI than the utility's five-year average SAIDI for that circuit?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- c. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher SAIDI than the five-year average?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- d. In your opinion, **is** it reasonable for the Commission to require each utility to develop and report a five-year average SAIFI on a circuit-by-circuit basis as a benchmark for comparison purposes?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

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- e. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher SAIFI than the utility's five-year average SAIDI for that circuit?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- f. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher SAIFI than the five-year average?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- g. In your opinion, is it reasonable for the Commission to require each utility to develop and report a five-year average CAIDI on a circuit-by-circuit basis as a benchmark for comparison purposes?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- h. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher CAIDI than the utility's five-year average SAIDI for that circuit?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.

- i. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher CAIDI than the five-year average?

Response:

As stated in the response to 1a, it is ultimately the responsibility of the utility and therefore should not be required for the utility to so do.



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2. KRS 61.870 through KRS 62.884 address open records of public agencies and 807 KAR 5:001, Section 7, pertains to confidential material submitted to the Commission. Do you anticipate that some information submitted concerning the utility's circuits, whether with regard to SAIDI, SAIFI, CAIDI, or other reporting, could contain confidential, proprietary, or critical Infrastructure information for which a petition for confidential information may also be submitted?

Response:

No. The public doesn't know about nor would they understand the indices. The indices calculated are engineering analysis to help electric utilities target problems and would not be useful to the public.

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3. Please describe your utility's current capacity to compose electronic documents.
- Is the utility familiar with or currently using Microsoft Office products such as MS Word or Excel?

Response:

We currently use Office 2010

- Describe your utility's current internet connectivity status, including connection speed.

Response:

We are currently connected with a T1 (1.5 mbps)

- Is the utility familiar with the Commission's website?

Response:

Yes

- Has your utility registered on the PSC website and does it have a valid username and password?

Response:

Yes

- If recommended, would your utility have technical staff available to interface with the PSC Information Services Team to assist in the design and implementation of an automated process for uploading data to the Commission?

Response:

No



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4. The following questions relate to the manner by which the utility tracks SAIDI, SAIFI, and CAIDI as stated in response to Items 2. (a) and (b) of the Commission's Order of January 11, 2012.

a. This question applies to Kentucky Power Company ("Kentucky Power"), Big Sandy Rural Electric Cooperative Corporation, Blue Grass Energy Cooperative Corporation, Clark Energy Cooperative, Inc., Duke Energy Kentucky, Inc. ("Duke"), Farmers Rural Electric Cooperative Corporation, Fleming-Mason Energy Cooperative, Inc., Grayson Rural Electric Cooperative Corporation, Inter-County Energy Cooperative Corporation, Jackson Energy Cooperative Corporation, Jackson Purchase Energy Corporation, Kenergy Corp. , Kentucky Utilities Company ("KU"), Louisville Gas and Electric Company ("LG&E"), Meade County Rural Electric Cooperative Corporation, Nolin Rural Electric Cooperative Corporation, Owen Electric Cooperative, Inc., Salt River Electric Cooperative Corporation, Shelby Energy Cooperative, Inc., South Kentucky Rural Electric Cooperative Corporation, and Taylor County Rural Electric Cooperative Corporation all of which reported that they tracked SAIDI, SAIFI, and CAIDI using an outage management system or an outage management system in conjunction with an Excel spreadsheet.

(1) Does your utility have the ability to export (or upload) the data to another data base or data system (including an Excel spreadsheet) maintained by the Commission?

Response:

Yes

(2) If not identified elsewhere, identify the file formats to which your utility has the ability to export data.

Response:

N/A

b. This question applies to Cumberland Valley Electric, Inc. and Licking Valley Rural Electric Cooperative Corporation, who reported that they tracked SAIDI, SAIFI, and CAIDI manually. Does your utility have the ability to export (or upload) the data to another data base or data system (including an Excel spreadsheet) maintained by the commission? If not, explain why.

Response:

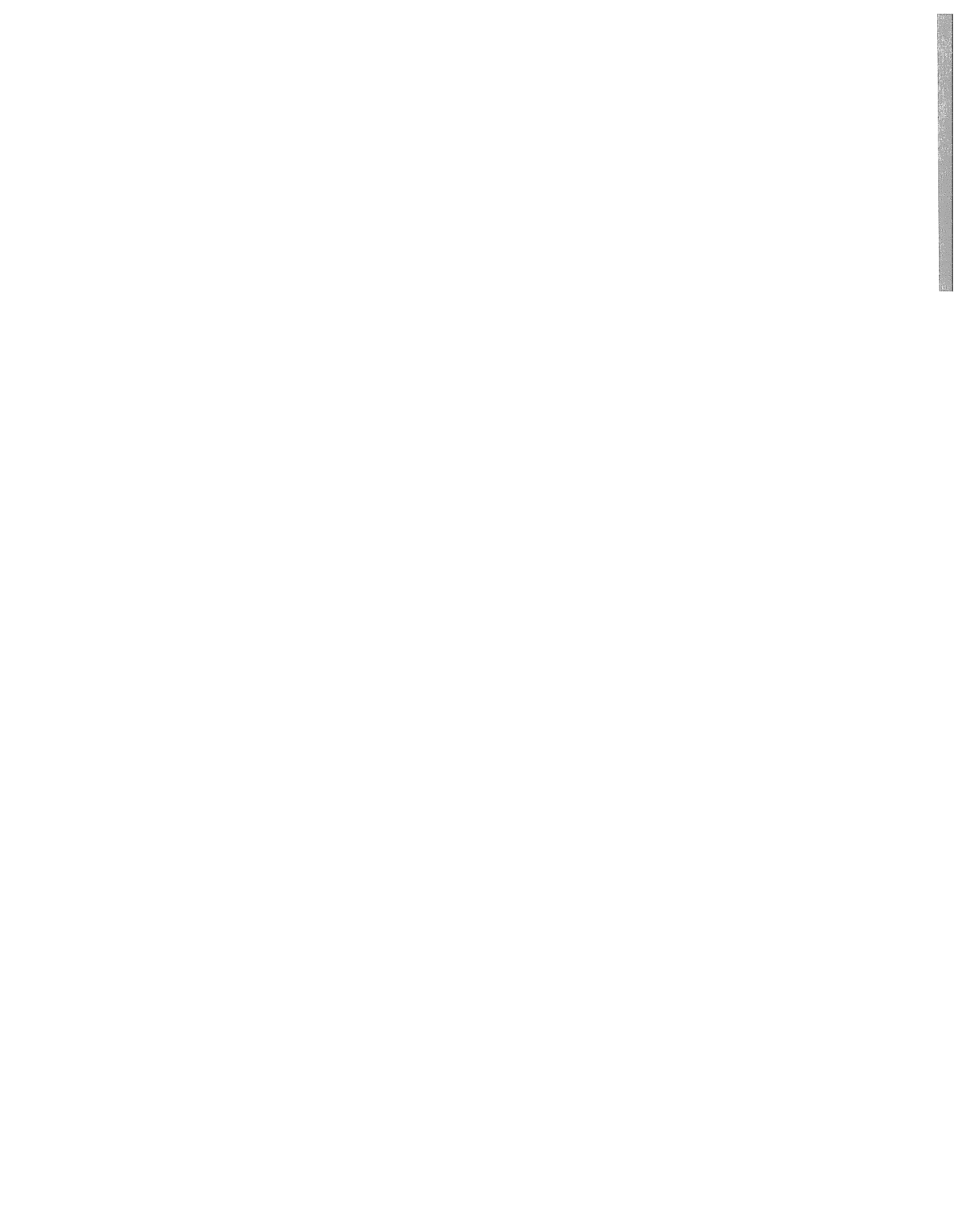
N/A

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5. Explain how the SAIDI, SAIFI, and CAIDI indices influence the allocation of capital for system improvement projects within the utility. For the Investor-Owned Utilities Kentucky Power, Duke, KU, and LG&E, explain the manner in which the parent company influences the amount and allocation of capital for system reliability improvements.

Response:

Information from these indices impact our selection of projects for our construction work plan.



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6. Does the utility currently share other types of data with entities outside your organization?

Response:

We interface with an organization that does our afterhours dispatching.

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7. Identify any disadvantages to making the reliability index numbers available on the Commission's website.

Response:

As mentioned in question 2, these numbers are designed to be used by our engineering staff for planning and system growth and maintenance. The public doesn't realize that these numbers are a reference for each system, not a reference between utilities. Urban system indices are going to be much different than a rural system due to exposure. Publishing these numbers on a website cannot present a fair picture for comparison.

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8. Identify any advantages to making the reliability index numbers available on the Commission's website.

Response:

We do not believe there are any advantages.

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9. In your opinion, what information would the utility's customers be most interested in having easily accessible?

Response:

Tariffs and rates.

In your opinion, is it more appropriate to have this information available by circuit or system averages?

Response:

N/A

How does your utility relay reliability information to your customers?

Response:

If requested. We have never had such a request since for this information.

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10. If not identified elsewhere, describe the reliability information available for public review on your utility's website.

Response:

N/A

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11. If the utility's customer requests information from the utility on reliability measures, do you provide it?

Response:

We would if such a request were made.

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12. Does the utility have a suggestion for a better or more efficient method or manner for reporting or providing reliability information to the public?

Response:

We suggest providing information upon request, in terms the general public can understand.