

A Touchstone Energy Cooperative

February 2, 2012

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission P. O. Box 615 Frankfort, KY 40602

COWWIZSION BUBLIC SERVICE

FEB - 7 2012

RECEIVED

RE: Administrative Case No. 2011-00450

Dear Mr. Derouen:

Enclosed are the original and ten copies of Fleming-Mason Energy's responses to the information request from Case No. 2011-00450 dated January 11, 2012.

Please contact the office if further information is required.

Sincerely,

Jone K Hazebrigg

Joni K. Hazelrigg CFO

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE RELIABILITY MEASURES OF KENTUCKY'S JURISDICTIONAL ELECTRIC DISTRIBUTION UTILITIES

ADMINISTRATIVE CASE NO. 2011-00450

)

)

RESPONSE OF:

FLEMING MASON ENERGY COOPERATIVE, INC. ("FME") TO THE

"RELIABILITY MEASURES OF KENTUCKY'S JURISDICTIONAL ELECTRIC UTILITIES"

FOR COMMISSION'S ORDER 2011-00450

DATED JANUARY 11, 2012

The Witnesses for All Response Contained Hereinafter:

Brandon Hunt ~ FME

TABLE OF CONTENTS

| VERIFICATION (Brandon Hunt) | | | | | |
|-----------------------------|---|---------------------------------------|---|--|--|
| Question | 1 | | 4 | | |
| Answer | 1 | | 4 | | |
| Question | 2 | | 5 | | |
| Answer | 2 | | 5 | | |
| Question | 3 | · · · · · · · · · · · · · · · · · · · | 6 | | |
| Answer | 3 | | 6 | | |
| Question | 4 | | 8 | | |
| Answer | 4 | | 8 | | |
| Question | 5 | | 9 | | |
| Answer | 5 | | 9 | | |

VERIFICATION

| COMMONWEALTH OF KENTUCKY |) | SS: |
|--------------------------|---|-----|
| COUNTY OF FLEMING | | |

The undersigned, Brandon Hunt, being duly sworn, deposes and says that he is System Engineer for FME, and that he has personal knowledge of the matters set forth in the response for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Brandon Hunt

Subscribed and sworn to before me, a Notary Public in and before said County and

State, this <u>26th</u> day of <u>Jonuary</u> 2011.

Kuch Shund Notary Public

(SEAL.)

My Commission Expires:

28JUNE14

, •.

CASE NO. 2011-00450

Response to Commission Staff's Reliability Investigation Dated January 11, 2012

Question No. 1

Witness: Brandon Hunt

- Q1. The following questions relate to the data maintained by each utility.
 - a.) Identify the number of circuits currently maintained by the electric utility.
 - b.) Does the utility calculate separate SAIDI, SAIFI, AND CAIDI indices for each circuit? If no, explain why not and explain the degree to which the utility tracks the following:
 - 1). SAIDI;
 - 2). SAIFI; and
 - 3). CAIDI.
 - c.) Identify any other reliability indicator or measure the utility uses to assess reliability.
 Explain the significance of each indicator or measure used. Does the utility maintain these indicators or measures for each circuit?
- A1. a.) FME currently maintains forty seven (47) circuits.
 - b.) Yes, FME calculates separate indices for each circuit.
 - c.) FME only uses SAIDI, SAIFI, and CAIDI as reliability indicators.

CASE NO. 2011-00450

Response to Commission Staff's Reliability Investigation Dated January 11, 2012

Question No. 2

Witness: Brandon Hunt

- Q2. The following questions refer to the manner in which each utility calculates and tracks the SAIDI, SAIFI, and CAIDI indices.
 - a.) Identify the manner in which the indices are calculated and tracked; i.e., manually (Excel spread sheet), or an electronic or mechanized (outage reporting) system.
 - b.) If the response to Item 2.a. above is electronic or mechanized, provide a description of the system and explain whether it was developed internally or purchased from a third-party vendor. If purchased from a third-party vendor, provide the name of the vendor and an estimate of the original cost of the system.
 - c.) If the response in Item 2.a. above is manually, provide a description of the elements tracked. Discuss in detail any inquiry made into the internal development of an electronic or mechanized system or any consideration of the purchase of a system from a third-party vendor.

A2. a.) FME utilizes an electronic outage reporting system.

- b.) FME purchased Milsoft Utility Solutions' Outage Management System in July of 2009 for approximately \$60,000.
- c.) N/A

CASE NO. 2011-00450

Response to Commission Staff's Reliability Investigation Dated January 11, 2012

Question No. 3

Witness: Brandon Hunt

- Q3. Concerning SAIDI, SAIFI, and CAIDI reporting; the Commission directed that the reporting be based on the criteria and definitions set forth in the IEEE Standard.
 - a.) If the utility does not follow the IEEE standard, explain why not. Explain what standard(s) the utility does follow in its calculation of SAIDI, SAIFI, and CAIDI.
 - b.) Does the utility track and review SAIDI, SAIFI, and CAIDI monthly, quarterly or annually?
 - c.) Are SAIDI, SAIFI, and CAIDI tracked on a rolling 12-month period or for a more discrete period of time; i.e. monthly, quarterly, or annually?
 - d.) Currently, in each annual report submitted pursuant to the Final Order in Case No.
 2006-00494, each utility provides system-wide SAIDI, SAIFI, and CAIDI calculated for each a calendar year. Identify any other preferred 12-month reporting parameter;
 i.e., calendar year, fiscal year, or some other 12-month method.
 - e.) Does the utility review SAIDI, SAIFI, and CAIDI by any discrete fashion such as by division, district, region or some other method?

A3. a.) FME follows IEEE Standards.

b.) SAIDI, SAIFI, and CAIDI are tracked and reviewed monthly.

- c.) Indices are also tracked and reviewed on a rolling 12-month period.
- d.) Reporting the annual report for the previous calendar year is the preferred method.
- e.) No, FME evaluates indices by their electrical connection; system, substation, or circuit.

CASE NO. 2011-00450

Response to Commission Staff's Reliability Investigation Dated January 11, 2012

Question No. 4

Witness: Brandon Hunt

- Q4. The following questions relate to the requirement that each utility report the ten worstperforming circuits for each index in the annual reports submitted pursuant to the Final Order in Case No. 2006-00494.
 - a.) If the utility does not track SAIDI, SAIFI, and CAIDI for each circuit, explain how the ten worst-performing circuits are identified.
 - b.) Does the utility see benefit in expanding the reporting of the worst-performing circuits to the 15 or 20 worst-performing circuits for each index?
 - c.) Identify any alternative to reporting the ten-worst performing circuits that the utility utilizes to determine system reliability.
- A4. a.) N/A.
 - b.) FME sees no foreseeable benefit to expanding the reported worst-performing circuits.
 - c.) No alterative to the IEEE Standards are used.

CASE NO. 2011-00450

Response to Commission Staff's Reliability Investigation Dated January 11, 2012

Question No. 5

Witness: Brandon Hunt

- Q5. The following questions relate to the identification of the ten worst-performing circuits for each index.
 - a.) Provide an explanation of the actions taken by the utility once the ten worstperforming circuits for each index have been identified. Include the typical steps taken to correct the reliability issues relating the ten worst-performing circuits for each index,
 - b.) Provide a timeline of the typical steps taken to correct reliability issues relating to the ten worst-performing circuits for each index.
- A5. a.) Once the ten worst-performing circuits per index are determined, the outage data is further analyzed to clarify what reliability issues are present that could have placed each circuit into the top ten. This information would determine an area of concentration depending upon the specific reliability issue. For example, if a top ten circuit showed an obsessive amount of animal related outages, the use of an animal protection system would be investigated.

Once a correctable issue is defined, plans are implemented to mitigate the controllable outages that may be the driving factor to higher outage indices. The effectiveness of plans may take a variable amount of time to evaluate depending upon the operational challenge. If a change proves to be successful, it will become a standard operation. Naturally, if changes have a successful outcome, they become less of a problem. More time and data will eventually reveal other issues that will be addressed by the same progression.

b.) A timeline would be dependent upon each circuit and the particular reliability issue at hand. A correctable issue could take a relatively small amount of time or could be as much as a few years depending on the issue and its severity.