

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	)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION  
ON REHEARING TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due no later than September 6, 2013. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response 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 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.

Kentucky Power shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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.

1. Refer to the Direct Testimony of Everett G. Phillips (“Phillips Testimony”).<sup>1</sup> At numerous points throughout the Phillips Testimony, the term “worst-performing circuit” is used to reference the methodology of reporting requirements ordered by the Commission in this case. Identify any portion of the Commission’s May 30, 2012 order (“May 30 Order”) in this matter which establishes the reporting requirements as a “worst-performing circuit” methodology, or where the term “worst-performing circuit” is used other than in describing the previous reporting requirements as ordered in Administrative Case No. 2006-00494.<sup>2</sup>

2. Refer to the Phillips Testimony, page 4, at line 10. Mr. Phillips states that Kentucky Power believes the additional data collection and reporting requirements in the Commission’s May 30 Order are “not an appropriate benchmark for measuring reliability,” are “overly burdensome,” and do “not provide any commensurate benefits.” Identify where in the Commission’s May 30 Order the reporting requirements are

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<sup>1</sup> Direct Testimony of Everett G. Phillips on Behalf of Kentucky Power Company, p. 4, filed Aug. 7, 2013.

<sup>2</sup> Administrative Case No. 2006-00494, *An Investigation of the Reliability Measures of Kentucky’s Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices* (Ky. PSC Oct. 26, 2007).

referred to as a benchmark to be utilized by the Commission, or, alternatively, what specific language in the order leads Kentucky Power to believe the requirements are to be used as a benchmark.

3. Refer to the Phillips Testimony, page 5, lines 16-20. Mr. Phillips states that “having to produce a non-representative list of worst-performing circuits, spending time and resources to analyze this list of circuits, and creating a corrective action plan for each of these circuits, even when one is not warranted, becomes an overly burdensome and costly requirement.”

a. Explain the process currently utilized internally by Kentucky Power to review and analyze the performance of individual circuits annually based upon the reliability indices.

b. What process does Kentucky Power currently utilize to determine which circuits require corrective action, as well as what corrective action plans will be enacted to address any reliability concerns?

c. Estimate the amount of time Kentucky Power and its staff currently invest in the process of analyzing the reliability and prescribing corrective action plans for its individual circuits on an annual basis.

d. The Commission’s order states that for each circuit whose System Average Interruption Duration Index (“SAIDI”) or System Average Interruption Frequency Index (“SAIFI”) value in a given year is higher than the rolling five-year average for that circuit, excluding MEDs (Major Event Days), the utility shall provide “a Corrective Action Plan which describes any measures the utility has completed or plans

to complete to improve the circuit's performance."<sup>3</sup> Does Kentucky Power believe that if a corrective action plan is not warranted for a specific circuit, as stated by Mr. Phillips, the utility could state such in its annual filing and still be in compliance with the Commission's requirement to include "any" measures taken or proposed to improve that circuit's performance?

4. Refer to the Phillips Testimony, page 5, lines 20-22. Mr. Phillips makes the statement that the cost of implementing the reporting requirements set forth in the May 30 Order "would ultimately be passed on to ratepayers and may not provide a commensurate benefit."

a. Provide a breakdown of the potential cost to be incurred by Kentucky Power in order to comply with the reporting requirements as ordered by the Commission.

b. With the understanding that the Commission's Order does not require corrective actions to be taken for any specific circuit, explain the additional costs Kentucky Power will incur by the reporting of the corrective actions taken for those circuits identified by Kentucky Power as requiring such action.

5. Provide a description of the type of individual circuit data that Kentucky Power believes to be "useful and actionable information concerning the reliability of a distribution circuit."<sup>4</sup>

6. Kentucky Power supports implementing a reporting methodology that requires utilities to report only those circuits whose SAIDI or SAIFI exceeds its five-year average by two standard deviations. Additionally, the Phillips Testimony states on page

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<sup>3</sup> Final Order, p. 9 (Ky. PSC May 30, 2013).

<sup>4</sup> Phillips Testimony, p. 6.

8, at lines 3-5, that Kentucky Power “supports this type of approach for identifying its worst-performing circuits, and could provide a corrective action plan for those circuits that fall outside of the established SAIDI range.” Identify what portion of the May 30 Order specifically prohibits a utility from providing corrective action plans only for those circuits whose SAIDI or SAIFI fall outside of the five-year average by two standard deviations as proposed.

7. Refer to the Phillips Testimony, page 8, at lines 5-6. The testimony states that Kentucky Power “believes that reporting SAIDI would be sufficient, as SAIFI is a component of SAIDI (SAIDI = SAIFI \* CAIDI).”<sup>5</sup> Based upon Kentucky Power’s justification for not providing the SAIFI information for the individual circuits, explain how the Commission would be able to determine the corresponding SAIFI for a circuit without knowing the CAIDI for each circuit.

8. Refer to the Phillips Testimony, page 9, at lines 5-6. Kentucky Power proposes to add language to the Commission’s order addressing the corrective action plans that states “where no corrective action is necessary, this field may be labeled ‘N/A.’” If Kentucky Power believes that no corrective action is necessary for an individual circuit, explain what language in the Commission’s May 30 Order, as it currently stands, prohibits a utility from labeling the field “N/A” as proposed by Kentucky Power.

9. Refer to the Phillips Testimony, page 9, at lines 10-12. The testimony states that Kentucky Power “would also provide the Commission with the SAIFI and SAIDI performance for each of its circuits for the reporting year, as well as the prior five

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<sup>5</sup> *Id.* “CAIDI” is the acronym for Customer Average Interruption Duration Index.

years of historical performance, that did not make the worst-performing circuit list.” Does Kentucky Power propose expanding the Commission’s requirements to include circuit level information to be provided for all circuits, as opposed to only those that exceed the five-year average SAIDI and SAIFI values?

*Stephanic Bell for J.D.*

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DATED     **AUG 23 2013**    

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