

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY FOR)	2010-00244
ITS 2010-2014 CONSTRUCTION WORK PLAN)	

SECOND INFORMATION REQUEST OF COMMISSION STAFF TO
SHELBY ENERGY COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, Shelby Energy Cooperative, Inc. ("Shelby Energy") is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due no later than Monday, December 27, 2010. 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.

Shelby Energy 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 Shelby Energy fails or refuses to furnish all or part of the requested information, Shelby

Energy 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Exhibit B filed on October 29, 2010 in response to Commission Staff's First Data Request.

a. Explain and provide all supporting calculations of each cost and savings associated with the conversion to Automated Metering Infrastructure meter reading and each cost associated with existing contract meter reading.

b. Explain how the present worth rate of six percent was determined.

c. Explain how the annual fixed charge of 13.85 percent was determined.

d. Explain the reason for the difference in the operation and maintenance cost rate of one percent for the AMR Meters and two percent for the Mechanical Meters.

e. Explain the reason for the difference in the inflation rate of one percent for AMR Meters and three percent for the Mechanical Meters.

f. Explain the rationale for using 15 years as an evaluation period.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
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DATED: DEC 15 2010

cc: Parties of Record

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