

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MENIFEE COUNTY BOARD OF EDUCATION)	
)	
COMPLAINANT)	
)	
V.)	CASE NO.
)	2011-00076
CLARK ENERGY COOPERATIVE, INC.)	
)	
DEFENDANT)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO CLARK ENERGY COOPERATIVE, INC.

Clark Energy Cooperative, Inc. ("Clark Energy"), 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 14 days from the issuance of this request. 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.

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

1. Clark Energy's response to Item 7 of Commission Staff's First Request for Information ("Staff's First Request") identifies, on page 2, a copy of what it describes as the Menifee County Board of Education's ("Menifee County's") original membership application, dated September 29, 1947. On page 3 of the response is what Clark Energy identifies as a screen shot from Clark Energy's billing records identifying the Menifee County account, with a connect date of 11/20/1951. On pages 4 and 5 of the response is a sample Agreement for Electric Service.

a. At the time of the November 20, 1951 connect date, did Clark Energy have:

- (1) A commercial tariff for loads less than 50 kW? Explain.
- (2) A commercial tariff for loads greater than 50 kW and less than 500 kW? Explain.

(3) A commercial tariff for loads greater than 50kW and less than 2,500 kW? Explain.

b. Based on historical usage, could Menifee County's load ever have been greater than 50 kW? Explain.

c. Based on the physical school facilities that existed from November 20, 1951 until the present, could Menifee County's load ever have been greater than 50 kW? Explain.

d. When did Clark Energy's first commercial tariff for loads less than 50 kW go into effect?

e. Does Clark Energy maintain that it is the customer's responsibility to choose the tariff under which it will be served? Explain.

f. Explain the reference to "Fleming-Mason Rural Electric Co-operative Corporation" ("Fleming-Mason") on Menifee County's original membership application, located just above the section heading of "Land Description."

g. If the response to question 1.f. above is that the original contract was between Fleming-Mason and Menifee County, when did the Menifee County account become part of Clark Energy's service territory?

h. What account information did Clark Energy acquire from Fleming-Mason when the Menifee County account became part of Clark Energy's service territory?

i. In the documentation that Clark Energy acquired from Fleming-Mason, was there a contract establishing a minimum billing demand of 135kW on the Menifee County account as part of the Fleming-Mason records? If so, provide a copy of

that contract or other documentation. If a contract or other documentation is not available, explain why it is not available.

2. Clark Energy's response to Item 9 of Staff's First Request states at page 1, "An assumption could be made that Mr. Duvall disposed of the existing contract because the account was set to the rate minimum and the contract was no longer valid or needed."

- a. Does Clark Energy have a formal records-retention policy?
 - (1) If yes, provide a copy of the policy.
 - (2) If no, explain why.
- b. Does Clark Energy review its contract files to assure accuracy?
- c. How long does Clark Energy maintain its customer contracts?

Explain.

3. Clark Energy's response to Item 9 of Staff's First Request states, at page 1, "The transfer to rate C occurred with the billing effective June 2010." At page 2 of the response, the January 26, 2010 electronic mail from David Duvall to Holly Eades, with a "Cc" to Paul Embs, states, "The change needs to be made with February's billing, (January usage)."

- a. Explain why the Menifee County's account was not transferred to rate C from rate L with the February billing.
- b. Why did the transfer of Menifee County's account from rate L to rate C not occur until the billing effective June 2010?

4. Clark Energy's response to Item 11 of Staff's First Request states, "Clark Energy does not have copies of any member bills prior to April 2011."

a. How long does Clark Energy retain copies of members' bills?

b. Provide the source of information for the analysis of Menifee County's billing history provided on page 2 of your response. Provide the spreadsheet in electronic format with formulas intact and unprotected on a compact disc.

5. Clark Energy's response to Item 10.b. of Staff's First Request states, "The contract demand was established prior to the new installation of meter point 1."

a. Provide the location, meter number, account number, and the facility served by meter point 1.

b. When was meter point 1 installed?

c. Was meter point 1 the initial meter service provided to Menifee County? If not, identify the initial meter service provided to Menifee County, including location, meter number, account number and facility served.

d. How was the contract demand established prior to the new installation of meter point 1?

e. Who established the contract demand described in response to Item 10.b.?

f. How is a minimum demand determined?

g. Following installation of a new meter, is a subsequent review of that meter conducted to determine if minimum demand adjustments are needed to accurately reflect minimum demand? Explain.

6. Clark Energy's response to Item 14 of Staff's First Request states, "Transformers are a special equipment item and are capitalized at purchase; therefore, there is no work order for the replacement of the transformers."

a. Are transformers warranted by the manufacturer? If yes, for what duration?

b. How is the "in service" date for a transformer determined?

c. Identify any potential documentation describing the service age of the equipment that could be utilized in the event of a claim for a defective transformer.

d. Identify any potential documentation describing the proper loading or reasonable use of equipment that could be utilized in the event of a claim for a defective transformer.

e. Are work orders issued for the initial installation of a transformer?

f. If work orders are not issued for replacement transformer installation, how does Clark Energy know when it is necessary to write off transformers taken out of service?

7. Clark Energy denies Menifee County's statement that both parties determined that the incorrect billing began about November 2003. Describe the communications that occurred between Clark Energy and Menifee County concerning any billing issues in:

a. 2003;

b. 2004;

c. 2005;

d. 2006;

e. 2007;

f. 2008;

g. 2009;

h. 2010; and

i. 2011.



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DATED NOV 09 2011

cc: Parties of Record

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