

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENERGY)	CASE NO.
CORP. FOR A WAIVER PURSUANT TO KRS)	2020-00215
278.2219)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO KENERGY CORP.

Kenergy Corp. (Kenergy), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on August 31, 2020. The Commission directs Kenergy to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

preparer or the 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.

Kenergy shall make timely amendment to any prior response if Kenergy 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 Kenergy fails or refuses to furnish all or part of the requested information, Kenergy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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. When filing a paper containing personal information, Kenergy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, page 1. Explain how CoBank was selected to be the lender for Kenect, Inc. (Kenect).
2. Refer to the Application, page 2. Provide the referenced feasibility study.
3. Refer to the Application, page 4.
 - a. State the source of funds for the installation of the fiber network.

- b. Provide the estimated cost of installing a fiber network on Kenergy's existing poles.
 - c. State whether Kenergy or Kenect will own the fiber network.
 - d. Provide the estimated yearly maintenance and repair cost associated with the fiber network and how the estimated yearly maintenance and repair cost was calculated.
 - e. State whether Kenergy or Kenect will be responsible for maintenance and repair of the fiber network.
 - f. Explain how Kenergy will determine the lease payments from Kenect.
 - g. Explain what portion of the fiber network will be used for intra-system communications.
 - h. Describe the intra-system communications needs Kenergy plans to meet by utilizing its poles for a fiber network and explain how those intra-system communication needs are currently being met.
 - i. Explain how it is to the benefit of Kenergy's member-customers for Kenergy to meet its intra-system communication needs via a fiber network located on and connected by Kenergy's poles as opposed to the way Kenergy is currently meeting those needs.
 - j. Confirm Kenergy has available adequate communication space on its poles to accommodate the placement of the proposed fiber network.
4. Refer to the Application, page 5.
- a. Provide the useful life of the fiber network.

b. State whether Kenergy would charge Kenect interest on the initial investment. If so, explain how this interest rate would be determined. If not, explain why not.

c. Identify potential sources of grant funding for the project.

d. Identify any grants for which Kenect, or Kenergy have applied.

5. Refer to the Application, pages 5-6. Explain in detail and with specificity how the provisions of KRS 278.2201 to 278.2713 are impracticable or unreasonable as applied to the circumstances which are the subject of this proceeding.

6. Refer to the Application, page 8. Provide the estimated capital credits Kenergy would retire in 2020 absent this proposal.

7. Refer to the Direct Testimony of Jeffery Horn (Horn Testimony), page 2, lines 18-20. Provide the amount of start-up capital that Kenergy would provide to Kenect.

8. Refer to the Horn Testimony, page 3. Provide any Kenergy Board of Director meeting minutes discussing Kenect or this proposal.

9. Provide Kenect's bylaws, cost allocation manual, any formal business plan, and projected annual revenues and expenses.

10. Explain whether Kenergy and Kenect will share any board of directors, officers, or employees. If so, provide a list of individuals and the position they do or will hold in both entities.

11. Identify all entities currently having attachments on Kenergy's poles.

a. State whether the attachments of these entities will have to be moved to accommodate the installation of the fiber network.

b. State how the attachments of these entities will be moved to accommodate the installation of the fiber network and how the entities will receive notice that their equipment will be moved.

12. Describe any additional work or improvements that must be made to Kenergy's poles to accommodate the fiber network.

a. Provide any anticipated additional costs of improvements to poles necessitated by installation of the fiber network.

b. Provide the approximate number of poles, if any, which will need to be replaced to accommodate the installation of the fiber network.

13. State whether Kenergy's current easements will allow for the installation of the fiber network and Kenect's subsequent use of the network.



Kent A. Chandler
Acting Executive Director
Public Service Commission
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DATED AUG 20 2020

cc: Parties of Record

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