



January 5, 2007

Ms. Beth O'Donnell, Executive Director Public Service Commission of Kentucky 211 Sower Boulevard P. O. Box 615 Frankfort, Kentucky 40602 RECEIVED

JAN 8 2007

PUBLIC SERVICE
COMMISSION

Re: Administrative Case No. 2006-00494

An Investigation of the Reliability Measures of Kentucky's Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices

Dear Ms. O'Donnell:

Please find enclosed the original and seven (7) copies of the information requested in Administrative Case No. 2006-00494, An Investigation of the Reliability Measures of Kentucky's Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices for Inter-County Energy Cooperative Corporation.

Marvin Graham, Vice President-Operations, will be our witness for all items of Appendix A.

Should you need additional information concerning this filing, please contact this office.

Sincerely,

James L. Jacobus President/CEO

JLJ/crl



A Touchstone Energy Cooperative

Administrative Case No. 2006-00494

INTER-COUNTY ENERGY COOPERATIVE CORPORATION

P.O. Box 87 Danville, KY 40423-0087

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN ADMINISTRATIVE CASE NO. 2006-00494 Dated December 12, 2006

- 1. Does utility management measure, monitor, or track distribution reliability?
 - a. If so, describe the measures used and how they are calculated.
 - SAIDI (System Average Interruption Duration Index). The total amount of interruption time divided by the average number of consumers.
 - If reliability is monitored, provide the results for the past 5 years for system
 wide reliability.

SAIDI

Year	Consumers	Power Supply	Storms	Planned	Other	Totai
2001	22534	0.35	0	0.15	1.67	2.17
2002	23220	0.24	0	0.02	2.75	3.01
2003	23672	0.08	1.69	0.01	2.31	4.09
2004	24852	0.06	0	0.02	3.69	3.77
2005	25287	0.31	0.65	0.06	1.25	2.27
5 Year Average (Hours)		0.208	0.468	0.052	2.334	3.062

Note: These values normally given to RUS.

2. Are any outages excluded from your reliability measurement? If so, what criteria are used to exclude outages?

Yes, those outages where equipment automatically restores service.

- Does the utility differentiate between momentary and sustained outages?
 Yes, momentary outages are not monitored.
 - a. What criteria are used to differentiate?

Outages that require the dispatch of personnel are recorded.

b. Is information about momentary interruptions recorded?No.

4. At what level of detail does the utility record customer outages (individual customer, by re-closer, by circuit, by substation, etc.)?

By the interrupting device.

5. How does the utility detect that a customer is experiencing an outage?

Phone call or visit to office.

6. How does the utility know when a customer is restored?

Report of personnel dispatched to outage and by calling consumers.

7. Are the causes of outages categorized and recorded? If they are, provide a list of the categories used. **Yes.**

	CAT	EGORIES	
Weather	Planned For	Other	Caused By Others
- Lightning - Normal Wind - Tornado - Rain - Ice - Freezing	- Transformer Replacement - Pole Replacement - Line Conversion - Sub Maintenance - Equipment Maintenance - Line Testing - Other	- Equipment Failure - Equipment Overload - Trees - Damage By Others - Depreciated Installation - Faulty Construction - Operating Error - Faulty Design	- Trees - Insulation Broken - Cars - Antenna - Cattle - Animals - Sabotage

8. Can the utility record outage information for each circuit in the system including for each customer outage:

Individual customer outage information is not recorded.

- a. Length of each disruption? Yes.
- b. Number of customers affected by each disruption? Yes.
- c. Number of customers served by each circuit. Yes.
- d. Cause of each interruption? Yes.

9. If the answer to any part of Item 8 is no, what would be required to enable the utility to collect this level of data?

AMR with an outage reporting function.

a. Provide an estimated cost to obtain this level of detail.

Four (4) million dollars.

b. Provide an estimated timeline to implement such upgrades.

Three (3) years.

10. Does the utility follow any type of standard (e.g., ANSI A300) for trimming trees in or near to the distribution right-of-way?

No, the ability to maintain tree to distribution electric lines clearance is dependent upon the property owner through which the distribution electric line travels.

11. What criteria does the utility use to determine when vegetation maintenance or tree trimming is required?

Four (4) year line clearing cycle or report by company personnel or by consumer.

12. Is the tree trimming performed by utility personnel or by contractor? If by contractor, describe the controls management uses to ensure trees are trimmed per utility requirements.

Tree trimming is performed by contractors. Random inspections by the Maintenance Superintendent.

13. Is any portion of the utility system subject to local codes or ordinances regarding tree trimming or vegetation management?

No.

- a. Which areas of the system are covered by local codes or ordinances?
- b. For each covered area, what do the local codes or ordinances require?
- 14. How often does the utility clear its distribution easements?

Four (4) year cycle.

15. How much has the utility spent on distribution easement clearing for each of the last 5 years? Include the cost per mile expended.

$$2001 - 2005$$

<u>Year</u>	Dollars Spent		
2001	\$ 510,005.64		
2002	487,916.31		
2003	551,680.62		
2004	522,009.90		
2005	603,922.97		
Total	\$2,675,535.44		

No cost per mile expended available.

16. What annual amount of money is included in the current retail rates for distribution easement clearing?

Budget for 2006 - \$745,008 (\$548,239 Spent Through October 2006)

Budget for 2007 - \$756,500

SERVICE LIST FOR ADMINISTRATIVE CASE NO. 2006-00494

(Copy of Appendix A responses for abovementioned case mailed by regular U.S. Mail to all listed parties.)

Allen Anderson CEO South Kentucky RECC P. O. Box 910 Somerset, KY 42502-0910

Kent Blake
Director–State Regulation & Rates
Kentucky Utilities Company
P. O. Box 32010
Louisville. KY 40232-2010

Jackie B. Browning President/CEO Farmers RECC P. O. Box 1298 Glasgow, KY 42141-1298

Paul G. Embs President/CEO Clark Energy Cooperative, Inc. P. O. Box 748 Winchester, KY 40392-0748

Larry Hicks President/CEO Salt River Electric Cooperative 111 West Brashear Avenue Bardstown, KY 40004

Robert Hood President/CEO Owen Electric Cooperative, Inc. P. O. Box 400 Owenton, KY 40359

Timothy C. Mosher American Electric Power P. O. Box 5190 Frankfort, KY 40602

Anthony P. Overbey President/CEO Fleming-Mason Energy P. O. Box 328 Flemingsburg, KY 41041 Mark A. Bailey President/CEO Kenergy Corp. P. O. Box 1389 Owensboro, KY 42302

Debbie Martin President/CEO Shelby Energy Cooperative, Inc. 620 Old Finchville Road Shelbyville, KY 40065

Sharon K. Carson Finance & Accounting Manager Jackson Energy Cooperative 115 Jackson Energy Lane McKee, KY 40447

Carol H. Fraley President/CEO Grayson RECC 109 Bagby Park Grayson, KY 41143

Kerry K. Howard General Manager/CEO Licking Valley RECC P. O. Box 605 West Liberty, KY 41472

Burns E. Mercer President/CEO Meade County RECC P. O. Box 489 Brandenburg, KY 40108-0489

Barry L. Myers Manager Taylor County RECC P. O. Box 100 Campbellsville, KY 42719

Bobby D. Sexton President/General Manager Big Sandy RECC 504 Eleventh Street Paintsville, KY 41240-1422 Kent Blake
Director – Rates & Regulatory
Kentucky Utilities Company
P. O. Box 32010
Louisville, KY 40232-2010

Daniel W. Brewer President/CEO Blue Grass Energy Cooperative P. O. Box 990 Nicholasville, KY 40340-0990

Duke Energy Kentucky, Inc.

139 East Fourth Street

Cincinnati, OH 45202

Ted Hampton Manager Cumberland Valley Electric, Inc. Hwy. 25E, P. O. Box 440 Gray, KY 40734

James L. Jacobus President/CEO Inter-County Energy Cooperative P. O. Box 87 Danville, KY 40423-0087

Michael L. Miller President/CEO Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767

G. Kelly Nuckols President/CEO Jackson Purchase Energy P. O. Box 4030 Paducah, KY 42002-4030

Lawrence C. Cook
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Div.
1024 Capital Center Dr. – Suite 200
Frankfort, KY 40601-8204