



# SALT RIVER ELECTRIC

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April 11, 2007

Ms. Beth O'Donnell  
Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
Frankfort KY 40602

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**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:

Enclosed are the original and six copies of the responses to questions presented during the informal conference held at the Kentucky Public Service Commission on March 8, 2007.

Tim Sharp, Vice President of Operations, will be our witness for all items.

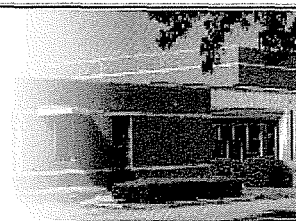
Please contact our office if you require further information concerning this filing.

Sincerely,

Larry Hicks  
President and CEO

Enclosures

cc: All Parties of Record



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# **ADMINISTRATIVE CASE NO. 2006 – 00494**

**Response to Questions Presented  
During the Informal Conference  
Conducted at the Kentucky PSC  
on March 8, 2007**

**SALT RIVER ELECTRIC COOPERATIVE CORPORATION**

111 West Brashear Avenue  
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**Administrative Case 2006-00494**  
**Responses to Questions Posed during Informal Conference**  
**Held at PSC Building on March 8, 2007**

**STAFF QUESTIONS – ALL UTILITIES**

1. See Handout No. 1 which reflects several types of tree pruning. Regardless of whether or not the Commission sets any tree trimming standards, should Through or V pruning, Side pruning, Under pruning, or Topping be allowed?

*Yes. Implementation by utilities of any or all of the illustrated techniques should be permitted at management's discretion and under the guidelines of the NESC.*

2. If the utility does not own the property over which its distribution lines are located, what are the utility's legal rights as far as access to the property, and ability to trim trees?

*A utility normally obtains such legal rights in the form of easements. However, electric cooperatives also obtain such rights through provisions in their membership applications in addition to easements.*

**STAFF GUIDANCE FOR TESTIMONY**

1. Reliability Reporting Requirement
  - A. Is it appropriate for the Public Service Commission to require regular reporting of reliability information from all distribution utilities?

*Regular reporting of reliability statistics to the USDA/RUS is required via RUS Form 7. The information is also submitted to the Public Service Commission.*

- B. Should the PSC develop standardized criteria for recording and reporting reliability information?

***Regular reporting of reliability statistics to the USDA/RUS is required via RUS Form 7. The information is also submitted to the Public Service Commission. To date, no challenge as to this data's adequacy has been issued.***

- C. Is it appropriate for the Commission to require reporting at a level smaller than the entire system (i.e., by substation or circuit)?

***No.***

## 2. Reliability Performance Standard

- A. Please comment on the appropriateness of a reliability performance standard. An example of a performance standard is found in the RUS requirement of no more than five hours' outage for the average customer for any reason, and no more than one hour caused by power supply.

***A performance standard for electric cooperatives is unreasonable. The RUS provides performance guidelines in its Bulletin No. 1730-1, but has not issued mandatory performance requirements.***

- B. Is it more appropriate to develop performance standards on a utility-by-utility basis or a circuit-by-circuit basis? What is the most appropriate level for applying performance standard requirements?

***The RUS provides performance guidelines in its Bulletin No. 1730-1 on a system-wide basis which the RUS and electric cooperatives accept as sufficient.***

- C. Comment on an appropriate requirement to respond to non-attainment of performance standard, or in the alternative, explain why a response to non-attainment is not necessary.

***Guidelines, such as those provided by the RUS, are helpful. However, as previously stated, requirements are unreasonable. When an electric cooperative does***

***not meet the guidelines outlined in RUS Bulletin No. 1730-1, the RUS presents the cooperative with recommendations for correction and improvements to which the cooperative must reply with an action plan to remediate deficiencies.***

### 3. Right-of-Way (ROW) Management

- A. Please provide comments regarding the appropriateness of a PSC-defined ROW management minimum standard.

***A PSC-defined ROW management minimum standard would not be appropriate for distribution facilities. Distribution facilities vary greatly in location, size, voltage, terrain, etc., and therefore require case-by-case analysis to determine the best ROW management practices for both the utility and the consumers. Therefore, one standard would need to be sufficiently broad to cover all of the above-named situations, resulting in a weak standard at best.***

- B. If such a standard were created, to what level of detail should it be defined?

***As previously stated the standard would have to be so broad that it would be of little consequence.***

- C. Does a PSC requirement give the utility any advantage when performing ROW maintenance?

***No.***

- D. Are there disadvantages?

***Yes. When requirements are in place, they detract from the company's ability to assess each situation on its own merits and make decisions accordingly.***

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**Service List for Administrative Case No. 2006-00494**  
**Response to Second Data Request of Commission**  
**Staff to Jurisdictional Electric Distribution Utilities**  
**April 11, 2007**

**Salt River ECC - Bardstown KY**