COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR A)CERTIFICATE OF CONVENIENCE AND)NECESSITY AUTHORIZING CERTAIN PROPOSED)CONSTRUCTION IDENTIFIED AS THE 2010-2013)CONSTRUCTION WORK PLAN)

COMMISSION STAFF'S FIRST DATA REQUEST TO KENERGY CORP.

Kenergy Corp. ("Kenergy"), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this data 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 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 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 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 Kenergy fails or refuses to furnish all or part of the requested information, it 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.

1. Kenergy's application and proposed construction work plan do not identify or describe any Smart Grid or Smart Meter activity. In Case No. 2008-00408,¹ Kenergy indicated that it was midway through a pilot program of an Advanced Metering Infrastructure ("AMI") system, a focal point of which was expanded use of metering data and technology to maximize efficiencies throughout Kenergy's system. In addition, Kenergy stated that its AMI system has the capability of demand response control and can provide real-time energy usage information to the consumer. With reference to the information provided in Case No. 2008-00408, address the following:

a. Describe the pilot AMI program, including the hardware and software involved.

b. Provide the current status of the AMI pilot.

c. Identify and describe the costs associated with the AMI pilot in terms of meters, other hardware and software.

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¹ Case No. 2008-00408, Consideration of the New Federal Standards of the Energy Independence and Security Act of 2007. Joint Direct Testimony of David A. Spainhoward, G. Kelly Nuckols, Sanford Novick, and Burns E. Mercer, (Ky. PSC filed Jan. 12, 2009) at 14-15.

d. Provide the level of costs associated with the AMI pilot that has been incurred under previous Kenergy construction work plans. If none, explain why.

e. Provide the level of costs associated with the AMI pilot that has been included in the proposed 2010-2013 construction work plan. If none, explain why.

2. Refer to the proposed 2010-2013 Construction Work Plan, Section 2, Table 2.1, Construction to Serve New Members.

a. The average cost of new meters over the period of the work plan ranges from \$159 to \$165. Identify the manufacturer and type of meters referenced. Describe the "Smart" capabilities of these meters including (1) two-way communication, (2) time-of-use rates, and (3) the ability to accommodate in-home displays.

b. The average cost of new meters for the period 2007-2009 was
\$156. Identify the manufacturer and type of meters. Compare the "Smart" capabilities of these meters to those included in the proposed 2010-2013 construction work plan.

3. Provide the number of meters currently installed on the Kenergy system that are capable of automated meter reading.

4. If not included in previous responses, describe the existing capabilities of the meters currently installed on the Kenergy system, the potential capabilities of those meters, and the estimated cost of modifying those meters to attain the potential capabilities.

Jeff Deroten Executive Director Public Service Commission P.O. Box 615 Frankfort, Ky. 40602

DATED MAY 1 9 2010

cc: Parties of Record

Case No. 2010-00110

Honorable Frank N King, Jr. Attorney at Law Dorsey, King, Gray, Norment & Hopgood 318 Second Street Henderson, KY 42420

Sanford Novick President & CEO Kenergy Corp. P. O. Box 18 Henderson, KY 42419