

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY FOR)	2010-00244
ITS 2010-2014 CONSTRUCTION WORK PLAN)	

FOURTH INFORMATION REQUEST OF COMMISSION STAFF TO
SHELBY ENERGY COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, Shelby Energy Cooperative, Inc. ("Shelby Energy") is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due within 15 days of the date of issuance of this information 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.

Shelby 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 Shelby Energy fails or refuses to furnish all or part of the requested information, Shelby 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Shelby Energy's response to Item 1.c. of Commission Staff's Third Data Request which states, "[w]ithout the AMI system being installed and operational, none of the other phases for the USGI project could begin." Explain in detail why the other phases of the USGI project could not begin construction until the AMI system is installed.

2. Refer to Exhibit B attached to Shelby Energy's response to Commission Staff's Third Data Request, Shelby Energy's February 22, 2010 response to the Commonwealth of Kentucky Solicitation – Utility Smart Grid Initiative.

a. Refer to page 2. Provide a copy of the "Utility Smart Grid Initiative" request for proposals referred to in the first paragraph at the top of the page.

b. Refer to page 6.

(1) Explain whether the deadline date listed for each phase was required to be met in order to receive the \$264,000 grant or if completing the entire project by April 30, 2012 would have been sufficient to receive the grant.

(2) Could Shelby Energy have requested either a modification to each of the four phases in order to facilitate completion of the grant project or an extension of the April 30, 2012 deadline?

c. Refer to page 10.

(1) Explain in detail whether all of the items listed as “costs to support the proposed ‘SEC Smart Grid’ project” totaling \$528,000 are included within the scope of work described in the application of this case. Indicate where those items can be found in the work plan. If none of the items in the Shelby Energy Smart Grid project are included in the scope of this work plan, explain whether or not Shelby Energy plans to undertake the projects and provide a timeline for completion of these projects. If Shelby Energy does not plan to undertake any of these projects, explain why.

(2) Explain the reason for the increase of the estimated cost of the AMI from \$2.629 million shown at the top this page to the \$2.96 million shown in “Amendment 2010-1” to the work plan filed in the application.

3. Indicate which portion of the work plan will be constructed by Shelby Energy employees, and provide the estimated hours that will be required to complete each item.

4. Refer to Exhibit D attached to Shelby Energy’s response to Commission Staff’s Third Data Request.

a. Explain in detail how Shelby Energy determined the number of hours required of each employee listed for both “Accelerated” and “Regular” installation of the AMI system.

b. Refer to page D-1. Explain the relationship, if any, between column 9 and column 15.

c. State whether the "Accelerated" costs indicated on D-1 includes costs related to the installation of the AMI meters as well as the items for which the grant money was sought.

5. Provide Exhibits D and E in the electronic format of an Excel spreadsheet, with all formulas intact.



Jeff Derouen
Executive Director
Public Service Commission
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DATED: MAR 07 2011

cc: Parties of Record

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