

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF OWEN ELECTRIC COOPERATIVE)
CORPORATION FOR AN ORDER AUTHORIZING A)
CHANGE IN RATE DESIGN FOR ITS RESIDENTIAL) CASE NO.
AND SMALL COMMERCIAL RATE CLASSES, AND) 2011-00037
THE PROFFERING OF SEVERAL OPTIONAL RATE)
DESIGNS FOR THE RESIDENTIAL RATE CLASSES)

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the hearing conducted on November 1, 2011 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the hearing conducted on November 1, 2011 in this proceeding;
- The written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the hearing conducted on November 1, 2011.

A copy of this Notice, the certification of the digital video record, exhibit list, and hearing log have been served by first class mail upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://www.psc.ky.gov/av_broadcast/2011-00037/2011-00037_01Nov11_Inter.aspx.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

The exhibits introduced at the evidentiary hearing may be downloaded at <http://psc.ky.gov/pscscf/2011%20cases/2011-00037/>.

Done at Frankfort, Kentucky, this 16th day of November 2011.



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Director, Filings Division
Public Service Commission of Kentucky

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF OWEN ELECTRIC
COOPERATIVE CORPORATION FOR AN
ORDER AUTHORIZING A CHANGE IN RATE
DESIGN FOR ITS RESIDENTIAL AND SMALL
COMMERCIAL RATE CLASSES, AND THE
PROFFERING OF SEVERAL OPTIONAL RATE
DESIGNS FOR THE RESIDENTIAL RATE
CLASSES

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) CASE NO. 2011-00037
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CERTIFICATE

I, Kathy Gillum, hereby certify that:

1. The attached DVD contains a digital recording of the hearing conducted in the above-styled proceeding on November 1, 2011;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the hearing;
4. The "Exhibit List" attached to this Certificate correctly lists all Exhibits introduced at the hearing on November 1, 2011.
5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the hearing of November 1, 2011 and the time at which each occurred.

Given this 15th day of November, 2011.


Kathy Gillum, Notary Public
State at Large

My commission expires: Sept 3, 2013



Case History Log Report

Case Number: 2011-00037_01Nov11

Case Title: Owen Electric Cooperative Corporation

Case Type: General Rates

Department:

Plaintiff:

Prosecution:

Defendant:

Defense:

Date: 11/1/2011

Location: Default Location

Judge: David Armstrong, Jim Gardner, Charles Borders

Clerk: Kathy Gillum

Bailiff:

Event Time	Log Event	
10:04:21 AM	Case Started	
10:04:27 AM	Preliminary Remarks	
10:04:41 AM	Introductions	
	Note: Kathy Gillum	James Crawford and Ruth Baxter, counsel for Owen Electric; Larry Cook, and Jennifer Black Hans, OAG; and Quang Nguyen, PSC.
10:05:16 AM	Housekeeping Issues	
	Note: Kathy Gillum	Public notice has been given via fax, original to be filed later. OAG did not object to faxed notice so long as the original is filed. No outstanding Motions. No members of the public present.
10:06:25 AM	Witness, Mark Stallons (Owen)	
	Note: Kathy Gillum	Witness called to testify by James Crawford.
10:07:06 AM	Examination by James Crawford (Owen)	
	Note: Kathy Gillum	Qualification of witness by James Crawford.
10:08:17 AM	Objection by Larry Cook (OAG)	
	Note: Kathy Gillum	States that this is new direct testimony and should not be allowed.
10:08:37 AM	James Crawford (Owen)	
	Note: Kathy Gillum	States that this is to establish background and summarize.
10:08:46 AM	Chairman Armstrong	
	Note: Kathy Gillum	Chairman instructs Mr. Crawford to continue.
10:08:55 AM	Examination by James Crawford (Owen) continues	
10:10:59 AM	Objection by Larry Cook (OAG)	
	Note: Kathy Gillum	States that this is the same as making an opening statement.
10:11:21 AM	James Crawford (Owen)	
	Note: Kathy Gillum	Explains his reasoning, and states that this is the last point he is trying to make.
10:11:28 AM	Chairman Armstrong	
	Note: Kathy Gillum	Allows Mr. Crawford to continue, but instructs to keep it brief.
10:11:42 AM	James Crawford (Owen)	
	Note: Kathy Gillum	Witness adopts pre-filed testimony and rebuttal testimony.

10:12:30 AM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding cost of service study. Questions regarding DR. 2-10, subpart C, page 2 of 3. Questions regarding application, exhibit 4. Questions regarding e-mails. Questions regarding contracts awarded on RFP basis. Questions regarding EKPC concerning wholesale rate design. Questions regarding Supp. Responses to OAG Motion to Compel, question 16, page 15 of 449. Questions regarding stripe price (ball park figure that EKPC was looking for). Questions regarding whether there were bonus, etc. for entering contract. Questions regarding pre-filed testimony, page 2, question 10. Questions regarding page 17, 2nd paragraph of pre-filed testimony regarding "smart home".
10:32:18 AM	Data Request (OAG) Note: Kathy Gillum	Figure of the company awarded the contract. RFP price.
10:32:43 AM	James Crawford (Owen) Note: Kathy Gillum	Mr. Crawford makes a statement of what a smart home is. Mr. Crawford agrees to provide the RFP price.
10:33:50 AM	Examination by Larry Cook (OAG) continues Note: Kathy Gillum	Questions regarding to what extent did Owen rely on the report. Witness states that Owen relied very little, almost none, on the report in preparing this rate case.
10:38:07 AM	Data Request (OAG) Note: Kathy Gillum	Larry Cook requests Exhibit 15 to Application update to Smart Grid Budget if no other witnesses could give the amount in today's testimony.
10:38:25 AM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding Response to PSC 1st DR 10, page 1 of 2. Questions regarding PSC 1st DR item 16 regarding increases in customer bills. Questions regarding page 1 of the application, paragraph 2. Discussion regarding choices of customers regarding rate increases. Questions regarding public notice of change of rates.
10:48:08 AM	Larry Cook (OAG) (Motion) Note: Kathy Gillum	Makes Motion to Dismiss due to notice being defective (no information in the notice that the rates could increase). 807 KAR 5:001 section 10 (a) thru (c). States that the applicable Section is (c).
10:49:40 AM	James Crawford (Owen) Note: Kathy Gillum	Mr. Crawford asks the Commission for permission to question witness in an effort to show that notice was adequate.
10:49:53 AM	Objection by Larry Cook (OAG) Note: Kathy Gillum	Objects to characterization by Mr. Crawford..
10:50:10 AM	Chairman Armstrong	
10:50:18 AM	Examination of witness by James Crawford (Owen) Note: Kathy Gillum	Mr. Crawford requests to take witness out of turn. Mr. Crawford questions witness in an effort to show that notice was adequate. Questions regarding a study prepared by EKPC regarding volume use of energy by Liheap users. Witness explains meaning Liheap users within the co-op world. Questions regarding reduction in the bills of the lower usage customers. Witness states that the overall effect is rate neutral. James Crawford states that the notice is more than adequate.
10:55:03 AM	Larry Cook (OAG) Note: Kathy Gillum	Mr. Cook states that nowhere in the notice does it reference rate increase.
10:55:26 AM	Camera Lock Mode Deactivated	

10:55:26 AM	Bench Conference Mode Activated	
10:55:28 AM	Case Recessed	
10:57:27 AM	Case Started	
10:57:32 AM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen points witness to Exhibit 4, bottom of page, which lists the increases. Mr. Nguyen recommends that issue be briefed.
10:59:33 AM	James Crawford (Owen) Note: Kathy Gillum	Mr. Crawford states that Owen does not have an objection to briefing.
10:59:48 AM	Larry Cook (OAG) Note: Kathy Gillum	Mr. Cook states that OAG doesn't have any objection to briefing.
11:00:48 AM	Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen suggests that hearing could go on today and the parties could brief the issues for the Commission's review.
11:01:16 AM	Chairman Armstrong Note: Kathy Gillum	Chairman states that if proceed today the customers would miss the opportunity to express their concerns. Cannot move forward without proper notice. All classes be notified of the proceeding, determine the adequacy of the notice, or to dismiss.
11:03:36 AM	Larry Cook (OAG)	
11:03:58 AM	Commissioner Gardner	
11:04:45 AM	Larry Cook (OAG) Note: Kathy Gillum	Mr. Cook asks for counsel to have opportunity to discuss off the record.
11:05:33 AM	Case Recessed	
11:42:20 AM	Case Started	
11:42:31 AM	Chairman Armstrong Note: Kathy Gillum	Chairman asks counsel if they had reached an agreement as to whether or not to proceed. Quang Nguyen recommends that hearing continue, and if needed later, to have a subsequent hearing. Mr. Crawford states that without admitting that notice is not sufficient, Owen would be happy to re-notice. Chairman Armstrong asks questions regarding classification. Witness, Mark Stallons answers the question. Mr. Cook states that there could be some rate increases for some of the customers, but it wasn't clear on the notice. Chairman Armstrong states that Owen is to issue another notification. Mr. Cook states that he agrees. Mr. Nguyen asks if the OAG is withdrawing the Motion to Dismiss. OAG states that it would withdraw after re-notice if it is adequate. Mr. Crawford agrees.
11:48:44 AM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding direct testimony pertaining to ACSI and customer satisfaction. Questions regarding energy innovation. Questions regarding Owen's projected goals for demand savings. Questions regarding pages 5 and 6 of pre-filed testimony. Questions regarding top of page 6 pertaining to cost of service. Questions regarding page 14 of pre-filed testimony. Witness explains customer charge component. Questions regarding page 16 of re-filed testimony. Witness asked to explain strategies listed. Questions regarding DSM programs. Questions regarding page 16, last paragraph.
12:13:42 PM	Data Request (PSC) Note: Kathy Gillum	Mr. Nguyen requests to be provided with the number of residential audits conducted in 2010, and year to date.

12:13:53 PM	Examination by Quang Nguyen continues Note: Kathy Gillum	Questions regarding internal cost of audit described by witness. Questions regarding interaction between energy auditor and homeowner. Questions regarding energy advisor positions with Owen. Questions regarding page 17 of pre-filed testimony. Questions regarding 1 year pilot that Owen is involved in. Questions regarding page 19 of pre-filed testimony. Questions regarding the types of recommendations for energy conservation. Questions regarding PSC 1st DR 11(b), pertaining to DSM programs currently offered by Owen. Questions regarding the success of the DSM programs. Questions regarding Item 10 of PSC 1st DR pertaining to direct mailing (Opower). Questions regarding Item 15. Questions regarding Exhibit 9 of the application. Questions regarding Exhibit 15, page 19 pertaining to marketing challenges. Questions regarding page 21. Questions regarding page 29.
1:20:36 PM	Examination by Quang Nguyen (PSC) continues Note: Kathy Gillum	Questions regarding Rebuttal Testimony. No further questions.
1:24:03 PM	Case Recessed	
2:28:16 PM	Case Started	
2:28:44 PM	Chairman Armstrong Note: Kathy Gillum	Instructs witness that he is still under oath.
2:28:57 PM	Commissioner Gardner Note: Kathy Gillum	Questions regarding strategy to reduce sales. Questions regarding time and use of EKPC not being user friendly. Questions regarding projections for number of people who will opt into the DSM programs. Questions regarding the inclining block rate.
2:42:47 PM	Data Request (PSC) Note: Kathy Gillum	Commissioner Gardner requests in grid form: the last 10 years, the number of customers by class; and the number of kwh used in each class; and the peak demand for each year. AND Name of the DSM program, number of customers, whether they are pilots or not, and the cost of each program.
2:43:52 PM	Commissioner Borders Note: Kathy Gillum	Questions regarding cost of service. Questions regarding service (customer) charges.
2:55:16 PM	Chairman Armstrong Note: Kathy Gillum	Chairman Armstrong makes a statement regarding Liheap and Grant money.
2:58:05 PM	Re-Direct by James Crawford (Owen) Note: Kathy Gillum	Followup questions to clarify answers from PSC staff and the Commission. Witness states that a tracking instrument will be available by the end of the year. Questions regarding the group of people that are subject to rate increase.
3:02:32 PM	Re-Cross by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding the "Smart Home". Witness explains some of the technology involved in the Smart Home.
3:07:06 PM	Data Request by Larry Cook Note: Kathy Gillum	Larry Cook requests for the Breakdown per house of RFP to also be provided along with his previous Data Request regarding RFPs..
3:08:19 PM	Re-Cross by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding effective date of rate.
3:09:44 PM	James Crawford (Owen) Note: Kathy Gillum	Statement by James Crawford

3:10:24 PM	Re-Cross by Quang Nguyen continues Note: Kathy Gillum	Questions regarding renewable energy credit.
3:12:13 PM	Re-Direct by James Crawford (Owen) Note: Kathy Gillum	Questions regarding contracts, etc. prepared pertaining to solar energy.
3:13:28 PM	Witness Excused (Stallons)	
3:13:54 PM	Witness, James Adkins (Owen) Note: Kathy Gillum	Witness called to testify by Ruth Baxter.
3:14:39 PM	Examination by Ruth Baxter (Owen) Note: Kathy Gillum	Qualification of witness by Ruth Baxter. Witness adopts pre-filed testimony and rebuttal testimony with amendments filed today with the PSC. Questions regarding Exhibit 6, page 5.
3:17:23 PM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding page 5 of pre-filed testimony. Questions regarding pages 8 and 9. Questions regarding Exhibit 9. Questions regarding Exhibit 14, page 4; page 5; Mr. Cook passes out a document to the witness and the parties. Questions regarding Response to AG 1st DR 56.
3:24:28 PM	James Crawford (Owen) Note: Kathy Gillum	Asks why the question would be relevant.
3:24:48 PM	Data Request by Larry Cook (OAG) Note: Kathy Gillum	Larry Cook asks for 3 Data Requests regarding bonuses.
3:25:30 PM	James Crawford Note: Kathy Gillum	Clarifies request and agrees to provide.
3:26:20 PM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding 27-A
3:26:53 PM	Objection by Ruth Baxter (Owen) Note: Kathy Gillum	Ms. Baxter states that this is testimony of Rebecca Whitt ...
3:27:17 PM	Chairman Armstrong Note: Kathy Gillum	Chairman Armstrong asks Larry Cook where he was going with this.
3:27:31 PM	Continued Objection by Baxter Note: Kathy Gillum	Ms. Baxter continued her objection, stating that Ms. Whitt can testify.
3:27:47 PM	Examination by Quang Nguyen Note: Kathy Gillum	Questions regarding Page 3, Item 6 of Direct Testimony pertaining to phased-in increase.
3:30:52 PM	Commissioner Gardner Note: Kathy Gillum	Asks witness to clarify the energy charge.
3:32:03 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding energy charge.
3:33:08 PM	Data Request by Quang Nguyen (PSC) Note: Kathy Gillum	Mr. Nguyen requested Calculations for farm and home class, and commercial class.
3:33:46 PM	Examination by Quang Nguyen (PSC) continues Note: Kathy Gillum	Questions regarding Rebuttal Testimony, pages 3 and 4. Questions regarding page 8, response number 11.
3:38:06 PM	Questions by Commissioner Gardner Note: Kathy Gillum	Questions to clarify the cut-offs of the inclining block rate (page 6 of direct testimony). Questions regarding the increase of the customer charge. Questions regarding how many customers Owen has at this time. Questions regarding Page 10 of Direct Testimony.

3:45:53 PM	Data Request by (PSC) Note: Kathy Gillum	Commissioner Gardner requests the number of customers less than 300 kwh.
3:46:33 PM	Re-Direct Examination by Ruth Baxter (Owen) Note: Kathy Gillum	Questions regarding Page 3 of Rebuttal Testimony.
3:48:21 PM	Larry Cook (OAG) Note: Kathy Gillum	No questions.
3:48:28 PM	Quang Nguyen (PSC) Note: Kathy Gillum	No questions.
3:48:34 PM	Commissioner Gardner	
3:48:54 PM	Witness Excused (Adkins)	
3:49:06 PM	Witness, Mary E. Purvis (Owen) Note: Kathy Gillum	Witness called to testify by Ruth Baxter.
3:49:33 PM	Examination by Ruth Baxter (Owen) Note: Kathy Gillum	Qualification of witness by Ruth Baxter. Witness adopts pre-filed testimony. Witness reads the chart attached to pre-filed testimony.
3:51:00 PM	Objection by Larry Cook (OAG) Note: Kathy Gillum	Mr. Cook states this is more direct testimony.
3:51:12 PM	Ruth Baxter (Owen) Note: Kathy Gillum	Ms. Baxter states she is just trying to clarify.
3:51:21 PM	Chairman Armstrong Note: Kathy Gillum	States that she could continue.
3:51:27 PM	Examination by Ruth Baxter (Owen) continues Note: Kathy Gillum	Witness continues to read the chart exhibit to her testimony.
3:52:56 PM	Larry Cook (OAG) Note: Kathy Gillum	No questions.
3:53:02 PM	Quang Nguyen (PSC) Note: Kathy Gillum	No questions.
3:53:07 PM	Questions by Commissioner Gardner	
3:54:45 PM	Witness Excused (Purvis)	
3:55:05 PM	Witness, Rebecca Witt (Owen) Note: Kathy Gillum	Witness called to testify by James Crawford.
3:55:44 PM	Objection by Jennifer Hans (OAG)	
3:56:05 PM	Examination by James Crawford (Owen) Note: Kathy Gillum	Mr. Crawford withdrew the question. Qualification of witness. Witness adopts pre-filed and rebuttal testimony.
3:58:38 PM	Examination by Jennifer Hans (OAG) Note: Kathy Gillum	Excerpt from testimony (Line 27) read by witness into the record.
4:01:24 PM	Exhibit OAG 1 Note: Kathy Gillum	Ms. Hans made a Motion to admit into evidence, the statement read by witness,. Exhibit: Document titled, "Exhibit 27, page 1 of 2, Testimony: Rebecca Witt", and marked as OAG Exhibit 1.
3:02:30 PM	Examination by Jennifer Hans (OAG) continues	
3:03:57 PM	Examination continues	
3:04:28 PM	Examination continues	
4:04:57 PM	Exhibit OAG 2 Note: Kathy Gillum	Ms. Hans moves to introduce Document titled, "Owen Electric Cooperative, Residential KWH Consumption (2002-2010)", and marked as OAG Exhibit 2

4:06:26 PM	Examination by Jennifer Hans (OAG) continues Note: Kathy Gillum	Questions regarding Tab 79, page 30 of Response to OAG D.R. Questions regarding test year.
4:14:25 PM	Data Request by OAG	
4:14:39 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding PSC 1st DR Item 6. Questions regarding TIER for this year and last year.
4:19:01 PM	Commissioner Gardner Note: Kathy Gillum	Questions regarding summer or winter peaking.
4:20:51 PM	Data Request by Comm. Gardner Note: Kathy Gillum	Amount of capital credits over last 10 years. and the TIERS for last 10 years. All on an annual basis.
4:21:25 PM	Re-Direct	
4:21:32 PM	Witness Excused (Witt)	
4:21:53 PM	Witness, Michael Cobb Note: Kathy Gillum	Witness called to testify by Ruth Baxter.
4:22:16 PM	Examination by Ruth Baxter (Owen) Note: Kathy Gillum	Qualification of witness by Ruth Baxter. Questions regarding residential audits performed by Owen Electric, and the cost of an energy audit. Witness explains the costs of the energy audit. Witness adopts pre-filed testimony.
4:23:56 PM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding question 5, page 1 of pre-filed testimony. Questions regarding PSC 1st D.R. Item 17, page 2, (c).
4:26:37 PM	Objection by Ruth Baxter (Owen) Note: Kathy Gillum	Ms. Baxter states that Larry Cook interrupted the witness.
4:26:46 PM	Examination by Larry Cook (OAG) continues	
4:28:01 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding the language of the tariff. Questions regarding energy audits. Questions regarding page 2 of direct testimony, last paragraph. Questions regarding customer service ratings. Questions regarding page 3 of direct testimony.
4:41:17 PM	Questions by Commissioner Gardner Note: Kathy Gillum	Does Owen have any net metering customers. Questions regarding load control program.
4:44:06 PM	Questions by Commissioner Borders Note: Kathy Gillum	Questions regarding energy audits.
4:46:59 PM	Re-Direct by Ruth Baxter Note: Kathy Gillum	CAC - Community Action (Liheap) Questions regarding tracking method.
4:48:01 PM	Larry Cook (OAG) Note: Kathy Gillum	No questions.
4:48:07 PM	Quang Nguyen (PSC) Note: Kathy Gillum	No questions.
4:48:12 PM	Witness Excused (Cobb)	
4:49:14 PM	Camera Lock Activated (Camera: 1)	
5:03:23 PM	Witness, Glenn Watkins (OAG)	
5:03:32 PM	Examination by Larry Cook (OAG) Note: Kathy Gillum	Qualification of witness by Larry Cook. Witness adopts pre-filed testimony.
5:04:06 PM	Examination by Ruth Baxter (Owen) Note: Kathy Gillum	Questions regarding page 8.

5:05:17 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	Questions regarding Exhibit 1 of Stallons Rebuttal Testimony. Questions regarding witness' testimony page 9, lines 11 thru 14. Questions regarding pages 9 and 10.
5:18:52 PM	Data Request (PSC) Note: Kathy Gillum	Larry Cook offered to provide the information in a post hearing data request. Mr. Nguyen agreed that he would like to request the info.
5:19:03 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	continues Questions regarding cost of service studies.
5:23:16 PM	Larry Cook (OAG) Note: Kathy Gillum	Mr. Cook states that the witness is going from recollection, the record will speak for itself.
5:23:39 PM	Examination by Quang Nguyen (PSC) Note: Kathy Gillum	continues Questions regarding number of other Kentucky rate case involvement of witness.
5:25:51 PM	Questions by Commissioner Gardner Note: Kathy Gillum	Questions regarding basing rates on cost of service studies. Questions regarding customer response. Witness refers to Page 11, line 21 of his testimony. Also, page 14, line 4.
5:35:32 PM	Re-Direct by Larry Cook (OAG) Note: Kathy Gillum	Questions regarding gradulism. Questions regarding customer charge. Questions regarding number of customers on Owen system per transformers. Witness stated that it was approx. 2 customers per transformer. Questions regarding differences in DSM and energy conservation.
5:44:38 PM	Quang Nguyen (PSC) Note: Kathy Gillum	Question to clarify witness' definition of DSM.
5:46:25 PM	Objection by Larry Cook	
5:46:36 PM	Chairman Armstrong	
5:46:42 PM	Quang Nguyen (PSC)	
5:47:08 PM	Witness Excused (Watkins)	
5:47:22 PM	Chairman Armstrong Note: Kathy Gillum	Hearing Adjourned. 10 days on Data Requests. 45 days on Briefs. OAG states that the dates are ok with OAG. States that that it would be 45 days from today.
5:51:16 PM	Case Recessed	



Case Title: Owen Electric Cooperative Corporation

Department:

Plaintiff:

Prosecution:

Defendant:

Defense:

Name	Description
OAG Exhibit 1	Document titled, "Exhibit 27, page 1 of 2, Testimony: Rebecca Witt".
OAG Exhibit 2	Document titled, "Owen Electric Cooperative, Residential KWH Consumption (2002-2010)"

Owen Electric Cooperative
Case No. 2008-00154
Second Data Request of Commission Staff

27. Listed on the "Employee Earnings and Hours" schedule contained on pagers 3-6 of Exhibit 1 is a column entitled "performance bonus."

a. Provide a detailed description of the performance bonus, including the criteria used in granting the bonus and in determining the amount each employee receives.

Response: Performance bonuses are calculated based on a set of Key Performance Indicators which are developed by the cooperative's President/CEO and approved by the Board of Directors. The Key Performance Indicators are established in the areas of safety, reliability, cost, customer service, and finance. Each indicator has a threshold, target, and stretch goal established, and a payout value is established for each. Different payout values are set for employees and management staff. The management staff category is further broken down into Department Heads, VP/Manager, and Line Managers. The President/CEO is not included in the Performance Incentive Program.

b. Provide copies of any written policy Owen has regarding the performance bonuses.

Response: There are no written policies regarding how the performance incentives are determined. They are established at the discretion of the CEO/President and approved by the Board of Directors, as per the attached Wage and Salary Policy.

OWEN ELECTRIC COOPERATIVE
Residential KWH Consumption
(2002-2010)

Year	Residential																	
	Single Family (Class 30)			Apartments (Class 31)			Seasonal (Class 32)			Outbuilding (Class 33)			Misc. Small (Class 40)			Build >=15KW (Class 41)		
	KWH	Bills	Avg. Use	KWH	Bills	Avg. Use	KWH	Bills	Avg. Use	KWH	Bills	Avg. Use	KWH	Bills	Avg. Use	KWH	Bills	Avg. Use
2002	569,383,232	444,674	1,280	25,772,212	30,963	832	3,505,386	11,849	296	1,137,732	3,562	319	11,837,405	43,368	273	938,548	1,887	497
2003	571,114,931	461,116	1,239	29,214,714	37,018	789	3,670,955	12,042	305	1,286,663	4,263	302	12,408,998	44,684	278	987,923	1,997	495
2004	601,136,933	479,559	1,254	30,080,874	38,305	785	3,381,921	11,728	288	1,569,031	4,917	319	12,702,933	45,796	277	1,031,731	2,376	434
2005	641,206,593	497,350	1,289	32,900,054	39,520	832	3,303,158	11,474	288	1,638,658	5,367	305	13,091,699	46,812	280	1,036,580	2,447	424
2006	627,554,600	512,696	1,224	31,224,445	40,305	775	3,186,598	11,492	277	1,743,287	5,898	296	12,660,910	48,008	264	1,150,617	2,787	413
2007	688,674,014	523,715	1,315	35,239,630	41,072	858	3,558,231	11,598	307	2,029,768	6,718	302	13,425,379	48,270	278	1,318,056	3,389	389
2008	681,505,245	529,421	1,287	35,171,527	41,243	853	3,631,488	11,625	312	2,246,491	7,695	292	13,301,995	48,065	277	1,514,139	4,279	354
2009	662,073,036	533,011	1,242	33,036,203	41,488	796	3,701,584	12,026	308	2,350,155	8,777	268	12,648,644	47,683	265	1,624,693	4,799	339
2010	718,357,600	534,884	1,343	36,118,410	41,450	871	3,880,010	12,310	315	2,748,978	10,151	271	12,648,104	46,703	271	1,825,084	5,040	362

Source: Owen response to OAG Item No. 76.