COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL) ELECTRIC COOPERTIVE CORPORATION FOR) A CERTIFICATE OF PUBLIC CONVENIENCE) AND NECESSITY TO CONSTRUCT A NEW) HEADQUARTERS FACILITY AND FOR) APPROVAL TO TRANSFER OWNERSHIP OF) CERTAIN ASSETS OR, IN THE ALTERNATIVE, A) DETERMINATION THAT SUCH APPROVAL IS) UNNECESSARY)

CASE NO. 2014-00355

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due by January 5, 2015. 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. South Kentucky 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 South Kentucky 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 filing a paper containing personal information, South Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to South Kentucky's Response to Commission Staff's First Request for Information ("Staff's First Request"), Item 2.

a. What circumstances steered South Kentucky to a 30-kW capacity system?

b. Will the renewable energy be connected to power South Kentucky's headquarters facility, and if so, what estimated percentage of headquarters power will be supplied by the renewable source?

c. State the average capacity factor at which South Kentucky expects its solar panel array will perform.

d. State the number of kWh, per month and per year, South Kentucky expects its solar panel array will generate.

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e. Will the power be connected to South Kentucky's distribution grid through net-metering for use by its customers?

f. Provide an estimate of the annual Operations and Maintenance costs of operating the solar panel array.

g. State the expected useful life of the solar panel array.

h. Where will South Kentucky locate the solar panel array?

i. Will the solar panel array be stationary or tracking?

j. What is the footprint for the solar panel array?

k. State if South Kentucky is aware of any federal tax incentives that could be used to offset the cost of the solar panel array.

2. Refer to South Kentucky's Response to Staff's First Request, Item 14, Exhibit 14, page 2 of 3. Under "Revenue" there is a line item listed as "Increases for Purchased Power."

a. Provide an explanation of this line item.

b. Explain how the values for each year of the ten-year forecast period were derived.

c. Provide the actual amounts for this une item for the previous five years (i.e., 2009 – 2013).

Jeff Derouen Executive Director Public Service Commission P. O. Box 615 Frankfort, Kentucky 40602

DATED DEC 2'3 2014

cc: Parties of Record

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