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PUBLIC SERVICE  
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JAMES HADDEN DEAN  
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OF COUNSEL  
JAMES WILLIAM BARNETT  
ELIZABETH NICKELS LENN

May 1, 2014

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

**RE: Case No. 2014 – 00106**  
**In re the matter of:**

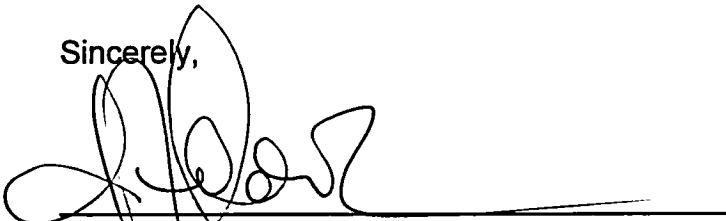
**Russell Murphy, Jr., Complainant;**  
**Inter-County Energy Cooperative and Kentucky Utilities, Defendants.**

Dear Mr. Derouen:

Enclosed herewith for filing please the original and ten (10) copies of Answer to Complaint regarding the above entitled matter.

Should you have any questions or concerns, please advise.

Sincerely,



J. HADDEN DEAN  
JHD/qa  
cc: client

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RUSSELL MURPHY, JR.	)	
	)	
COMPLAINANT	)	
V.	)	CASE NO.
	)	2014-00106
INTER-COUNTY ENERGY COOPERATIVE	)	
CORPORATION	)	
	)	
DEFENDANT	)	

**ANSWER TO COMPLAINT**

Comes now Inter-County Energy Cooperative Corporation (“Inter-County”) and does hereby answer the complaint as served here by the Complainant Russell Murphy, Jr., as follows:

1. That the complaint fails to state a claim.
2. The PSC and/or other administrative regulations speak to the issues as alleged in the complaint. The order of the PSC has already identified that the request of the Complainant to be transferred to the Kentucky Utilities Distribution System is not within the purview of their jurisdiction. Notwithstanding that order and observation, Inter-County does deny the general allegations as outlined in the complaint as to that issue.
3. To the extent that the complaint identified that the Complainant, Russell Murphy, Jr., has received poor and unreliable service from Inter-County for a number of years, this Defendant does deny the same. Below is a series of responses to individual issues that identify both the data regarding SAIDI and SAIFI as well as some of the other pertinent facts as outlined in the complaint.
4. The Complainant seems to have the impression that his power is delivered to his residence by way of lines running through three counties (Boyle, Lincoln and Casey).

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On the contrary, the circuit serving Mr. Murphy is served out of the Peyton Store Substation located on Highway 78 in Casey County, Kentucky.<sup>2</sup> That substation contains three (3) main circuits, with circuit # three (3) providing service to Liberty along the US 127 Corridor. It is in this stretch of service territory that Mr. Murphy's home is located.<sup>3</sup> The supply to the Peyton Substation comes directly from East Kentucky Power Cooperative's Transmission Lines.

5. The Commission has previously been provided both the SAIDI and the SAIFI circuit data in prior disclosures and its submission more commonly referred to as The Electric Distribution Utility Annual Reliability Report. Below are the statistics for the past five (5) years for circuit # three (3) of the Peyton Store Substation:

i. Below are the outage statistics for the past five (5) years for circuit # three (3) of the Peyton Store Substation:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>SAIDI**</b>	1.5829	0.565	0.8548	5.3387	3.3308
<b>Circuit Ranking*13</b>		23	20	3	8
<b>SAIFI***</b>	0.4039	0.2742	0.3729	1.3568	2.0988
<b>Circuit Ranking*28</b>		29	31	10	12

\* Circuit Ranking is the priority of individual circuit compared to the other 39 circuits of Inter-County Energy's system. Ranking from one (1) to forty (40) with one (1) being the worst SAIDI or SAIFI circuit values.

\*\* SAIDI (System Average Interruption Duration Index in hours) – A measure of the total service interruptions for customers for any reason.

\*\*\* SAIFI (System Average Interruption Frequency Index in # times) – A measure of the number of times in a specific period each customer was interrupted.

6. Inter-County Energy currently has one (1) right-of-way crew that began in November of 2013 and will remain on circuit # three (3) for forty-eight (48) weeks through November 2014. The previous right-of-way clearing on circuit # three (3) was

<sup>2</sup> Location of substation is on Hwy 78, Casey County, Kentucky.

<sup>3</sup> Mr. Murphy's address is 1660 North Wallace Wilkinson Blvd, Liberty, Casey County, Kentucky 42539.

performed November 2008 through October 2009. This is in accordance with Inter-County's Vegetation Management Plan developed in November 2007 and revised May 17, 2012.

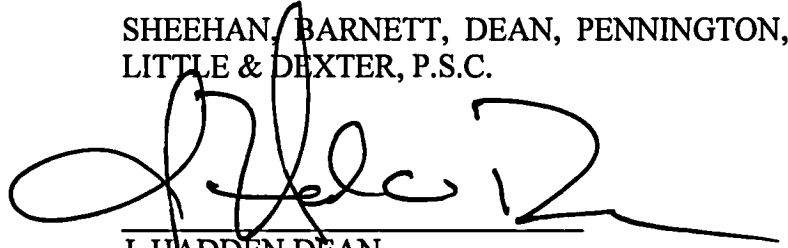
7. Inter-County Energy's Construction Work Plan projects for the Peyton Store Substation are as follows:

- a. 2009-2013 Construction Work Plan total cost for the Peyton Store Substation's three (3) circuits was \$484,255 of which \$294,262 or 61% of the total cost was dedicated to circuit # three (3).
- b. 2014-2017 Construction Work Plan projects for the Peyton Store Substation's three (3) circuits will be \$590,464 of which \$186,125 or 32% of the total cost will be dedicated to circuit # three (3).

8. As the complaint does not have numerical paragraphs this Defendant does hereby otherwise deny any other general or specific allegation as to it being responsible for providing poor service and/or unreliable service or other allegation that is deemed to have been pled as a fault or failure of Inter-County Energy.

WHEREFORE, Inter-County Energy prays this Commission dismiss the complaint based upon the facts outlined herein, including but not limited to the SAIDI and SAIFI Rankings, the system upgrades from the two (2) Construction Work Plans and The Vegetation Management Plan, demonstrates that the service provided to the circuit which serves the Complainant provides both reasonable service and service that is not otherwise unreliable or poor. Should the Commission need any additional information regarding the data or the background and foundation of the allegations and/or the conclusions arrived at within this answer, Inter-County stands ready to provide such documentation.

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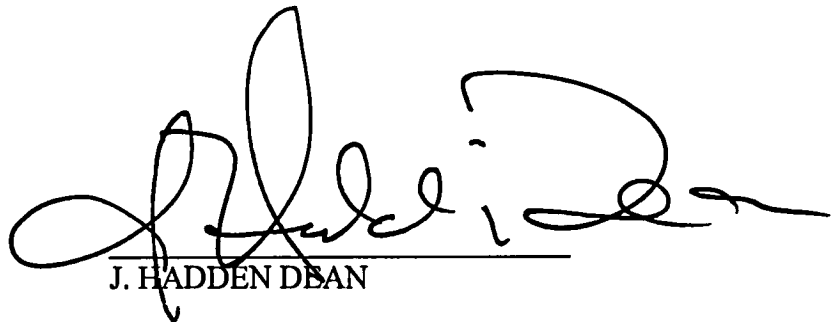
**CERTIFICATE OF SERVICE**

I hereby certify that on this 1<sup>st</sup> day of May, 2014 the original of this answer and a true and correct copy of the same have been served of the foregoing has been served on the following:

Russell Murphy, Jr.  
1660 North Wallace Wilkinson Blvd.  
Liberty, Kentucky 45239

Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

James L. Jacobus  
President & CEO  
Inter-County Energy Cooperative Corporation  
1009 Hustonville Road  
P.O. Box 87  
Danville, KY 40423-0087



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