

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)	

ORDER

On March 17, 2014, Russell Murphy, Jr. (“Complainant”) filed a complaint against Defendant, Inter-County Energy Cooperative Corporation (“Inter-County”). Complainant alleges that he has experienced numerous outages since 2005 and that the electric service provided by Inter-County has been highly unreliable. Complainant requested that his electric service be transferred from Inter-County to Kentucky Utilities Company, a neighboring electric utility provider. As we noted in the April 24, 2014 Order, the Commission is without statutory authority to change an electric consuming customer’s retail electric supplier unless: (1) the change is agreed to by the two affected retail electric suppliers pursuant to KRS 278.018(6); or (2) a finding is made pursuant to KRS 278.018(3) that a retail electric supplier is not providing adequate service, and that supplier subsequently fails to correct the service inadequacy. Because the allegations contained in the complaint touch solely upon the reliability of service being provided by Inter-County and not upon any agreement for the provision of electric service to

Complainant, the Commission set forth a procedural schedule for the processing of this matter to investigate whether Inter-County is rendering adequate service to Complainant. Commission Staff conducted two rounds of discovery upon Inter-County and one round of discovery upon Complainant. Given that neither party to this proceeding has requested a formal hearing, the matter now stands submitted for a decision based on the evidentiary record.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that Inter-County has provided adequate and reliable electric service to Complainant. The Commission notes that, based upon data provided by Inter-County, over the past ten years, the Complainant experienced one outage in 2004, 2005, 2010, 2012, and 2013; two outages in 2006 and 2009; and three outages 2014.¹ The majority of these outages lasted less than seven hours in duration.² Complainant did experience four outages lasting more than 24 hours during the past decade, but these were caused by severe ice storms including the ice storm occurring in early 2009 which caused significant and widespread outages across the state.³ The Commission is of the opinion that the infrequent number of outages experienced by Complainant that were not the result of bad weather and the relatively short duration of most such outages indicate that Inter-County is providing Complainant with adequate and reliable electric service. Our opinion is further buttressed by the reliability indices for the circuit that serves Complainant, Peyton Store Substation Circuit #3 ("Circuit 3"). The System Average Interruption Duration Index ("SAIDI") and the System Average Interruption

¹ Inter-County's Response to Commission Staff's Initial Requests for Information, Item 3.

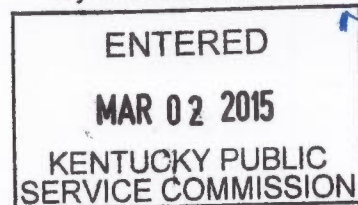
² *Id.*

³ *Id.*


Frequency Index (“SAIFI”) values for Circuit 3 have improved since 2009. The SAIFI index, which measures the number of interruptions a customer experiences, has improved from an average two interruptions in 2009 to 0.4 interruption in 2013.⁴ Likewise, the SAIDI index, which measures the average duration of each interruption a customer experiences, shows that Inter-County has reduced its average outage time from over three hours in 2009 to 1.5 hours in 2013. Given our finding that Inter-County is currently providing adequate and reliable service to Complainant, KRS 278.018(3) is therefore not implicated and there is no need to investigate further regarding Complainant’s request to have his electric service transferred. Lastly, pursuant to KRS 278.260, we find that a hearing is not necessary in the public interest or for the protection of substantial rights.

IT IS THEREFORE ORDERED that Complainant’s complaint is dismissed with prejudice.

By the Commission



ATTEST:



Executive Director

⁴ Inter-County’s Answer to Complaint, ¶ 5.

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