

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LICKING VALLEY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO.
FOR AN ORDER APPROVING KY ENERGY)	2015-00012
RETROFIT RIDER PERMANENT TARIFF)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO LICKING VALLEY RURAL ELECTRIC

Licking Valley Rural Electric Cooperative Corporation ("Licking Valley"), pursuant to 807 KAR 5:001, is to file with the Commission one original and three copies of the following information, with a copy to all parties of record. The information requested herein is due no later than 14 days from the date of this 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.

Licking Valley 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 Licking Valley 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 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 filing a paper containing personal information, Licking Valley 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 the second paragraph on the first page of the application (“Application”), which states, “Licking Valley RECC requests that Case Nos. 2010-00089,^[1] 2012-00484,^[2] and 2013-00398,^[3] as well as the periodic reports on those cases that have been submitted semi-annually, be incorporated into the record of this case by reference.” Confirm that Licking Valley is willing to comply with the same periodic reporting requirements ordered in these cases.

¹ Case No. 2010-00089, *Joint Application of Big Sandy Rural Electric Cooperative Corporation, Fleming Mason Energy Cooperative, Inc., Grayson Rural Electric Cooperative Corporation, and Jackson Energy Cooperative for an Order Approving an On-Bill Financing Pilot Program Titled the “KY Energy Retrofit Rider”* (Ky. PSC Dec. 16, 2010).

² Case No. 2012-00484, *Joint Application of Big Sandy Rural Electric Cooperative Corp., Fleming-Mason Energy Cooperative, Inc., and Grayson Rural Electric Cooperative Corp. for an Order Approving KY Energy Retrofit Rider Permanent Tariff* (Ky. PSC Aug. 26, 2013).

³ Case No. 2013-00398, *Application of Jackson Energy Cooperative Corporation for an Order Approving KY Energy Retrofit Rider Permanent Tariff* (Ky. PSC Apr. 7, 2014).

2. Refer to the last sentence in paragraph 9 of the Application, which states, “Commercial/small industrial accounts will have these options, plus an option for lighting improvements and upgrades.”

a. Describe the type of conservation plan (“Conservation Plan”) Licking Valley is considering offering to its commercial and small industrial accounts that will become part of its Kentucky Energy Retrofit Rider (“KER Rider”).

b. Identify and describe the types of lighting improvements and upgrades that will be considered.

c. Explain whether the Mountain Association for Community Economic Development (“MACED”)⁴ partnership with Licking Valley will include commercial and small industrial accounts.

d. Explain whether commercial and small industrial accounts are covered under the KER Riders of other utilities with whom MACED has partnered.

3. Refer to paragraph 13 of the Application, which states:

The KER Rider has been designed to reduce financial risks at all stages of development. Licking Valley RECC will join the existing pooled Risk Mitigation Fund established for participating EKPC cooperatives whereby a portion of the project fee -- currently assessed as five percent of the capitalized cost of projects — will be allocated to a shared fund in case of a total loss. Licking Valley RECC will notify the Commission if the balance of the fund falls below the amount designated in existing tariffs.

Explain whether there are separate Risk Mitigation Funds that have been established for residential and commercial/small industrial accounts.

⁴ MACED is a non-profit corporation whose mission is to provide comprehensive community development support to Appalachian communities by enhancing employment and living conditions in the area. MACED's major programs consist of business development, sustainable forestry, energy efficiency, and public policy research and education.

4. Refer to the sixth sentence in paragraph 15 of the Application, which states, "The projects created or saved 6 jobs." Describe the types of jobs created or saved by the projects discussed in the paragraph.

5. Refer to Exhibit A of the Application, the KY Retrofit Purchase Agreement, at page 5, the last sentence of the first bulleted paragraph, which states, "Residential locations will have repayment terms of up to 15 years, while commercial property locations will have a maximum repayment term of 10 years and require loan security on investments greater than \$20,000."

a. This section of the proposed KER Rider discusses residential and commercial property locations, but not small industrial property locations. Explain why.

b. Explain whether any type of security is requested for investments less than \$20,000.

c. Provide the maximum or ceiling investment amount for commercial and small industrial locations.

6. Refer to the response to Item 8, page 4, Exhibit B, of the Application. Explain whether there is a check list for commercial and small industrial accounts/locations, and if one exists describe.

7. Refer to Attachment 1 of the Application. Explain whether different How\$martKY Services and Fees forms will be used for residential locations and commercial/small industrial locations.

8. Refer to Attachment 2 of the Application. Explain whether different UCC Financing Statement forms will be used for residential locations and commercial/small industrial locations.

9. Refer to Attachment 7 of the Application. Explain whether there is a Kentucky Retrofit Rider Conservation Plan for commercial and small industrial locations, and if so, provide.

10. Explain whether residential, commercial and small industrial customers with more than one location, can finance more than one Conservation Plan investment through MACED.



Jeff Derouen
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DATED **JAN 23 2015**

cc: Parties of Record

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