

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF KENERGY CORP. FOR APPROVAL)	
TO ESTABLISH A REGULATORY ASSET IN THE)	CASE NO.
AMOUNT OF \$3,887,717 AMORTIZED OVER A)	2015-00141
TEN (10) YEAR PERIOD)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO KENERGY CORP.

Pursuant to 807 KAR 5:001, Kenergy Corp. ("Kenergy") 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 within ten days of 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.

Kenergy 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

Kenergy fails or refuses to furnish all or part of the requested information, Kenergy 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a document containing personal information, Kenergy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to Kenergy's response to Items 1.b. and 1.c. of Commission Staff's First Request for Information. The response to Item 1.c. states that the December 31, 2014 balance for meters was \$4,409,844 and that using a 20-year useful life, meters would have an annual depreciation expense of \$220,492. The response to Item 1.b. states that accumulated depreciation at December 31, 2014, was \$1,105,481, which represents approximately five years of depreciation ($\$1,105,481$ divided by $\$220,492$).

a. Given a useful life of 20 years, and five years of depreciation having been recorded on Kenergy's books, confirm that, removal costs aside, the remaining number of years for the electro-mechanical meters to be depreciated would be 15 years.

b. State whether Kenergy believes a 15-year amortization period for the regulatory asset would be reasonable. If not, explain.



Jeff Derouen
Executive Director
Public Service Commission
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DATED JUL 07 2015

cc: Parties of Record

Case No. 2015-00141

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