

OWEN *Electric*

A Touchstone Energy Cooperative



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PUBLIC SERVICE
COMMISSION

**Case No.
2015-00213**

**ATTORNEY GENERAL'S SUPPLEMENTAL DATA
REQUEST**

OWEN ELECTRIC COOPERATIVE, INC.

8205 Hwy 127 N

PO Box 400

Owenton, KY 40359

502-484-3471

CRAWFORD & BAXTER, P.S.C.

ATTORNEYS AT LAW
523 Highland Avenue
P.O. Box 353
Carrollton, Kentucky 41008

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August 28, 2015

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

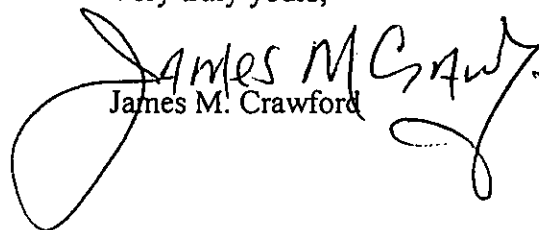
RE: **Case No. 2015-00213**

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, and original and ten copies of the responses of Owen Electric Cooperative, Inc. ("Owen Electric") to the Commission Staff's Second Request for Information, dated August 20, 2015.

Additionally, please find enclosed for filing with the Commission in the above-referenced case, an original and ten copies of the responses of Owen Electric to the Attorney General's Supplemental Data Requests, dated August 19, 2015.

Very truly yours,


James M. Crawford

Enclosures

cc: Hon. Jennifer Hans
Hon. Mike Kurtz

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF OWEN ELECTRIC)
COOPERATIVE, INC. FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY FOR) CASE NO. 2015-00213
THE CONSTRUCTION OF A TWO MEGAWATT)
DISTRIBUTED GENERATION FACILITY IN)
OWEN COUNTY, KENTUCKY)

CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF OWEN)

Mark A. Stallons, being duly sworn, states that he has supervised the preparation of the response of Owen Electric Cooperative, Inc. to the Attorney General's Supplemental Request for Information to Owen Electric Cooperative, Inc. dated August 19, 2015, in the above-referenced case, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 27th day of August 2015.

Melissa K. Moore
Notary Public



OWEN ELECTRIC COOPERATIVE, INC.

PSC CASE NO. 2015-00213

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

RESPONSE TO INFORMATION REQUEST

**ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION TO
OWEN ELECTRIC COOPERATIVE, INC. DATED 8/19/2015**

REQUEST 1

RESPONSIBLE PARTY: Mark A. Stallons

Request 1: Reference Owen's response to AG 1-3 (f). Does the fact that the 3% contract adders are included in projected capital expense mean that payment of the adders is not premised upon any condition (i.e., payment of the adders will occur regardless of any other events)? Please explain.

Response 1: The price increases (adders) are time-based. Please see the response to Request 3e of the Attorney General's Initial Data Request. Please note that the 3% price increase is an estimate provided from the suppliers of the DG unit.

OWEN ELECTRIC COOPERATIVE, INC.

PSC CASE NO. 2015-00213

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

RESPONSE TO INFORMATION REQUEST

**ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION TO
OWEN ELECTRIC COOPERATIVE, INC. DATED 8/19/2015**

REQUEST 2

RESPONSIBLE PARTY: Mark A. Stallons

Request 2: Please reference the Company's response to PSC 1-11, Bromley Sub DG Project Financials Exhibit, p. 3 of 7.

- a. Provide a breakdown of the annual maintenance costs. Also, please provide a detailed explanation as to why the annual maintenance projected budget increases sharply throughout the years 2015-2035.
- b. Provide an explanation as to why the annual insurance budget increases throughout the years 2015-2035.

Response 2a: Owen Electric did not request a breakdown of the annual maintenance costs. For the financial analysis, Owen Electric assumed a 3% annual escalation of maintenance costs. This percentage yielded conservative results.

Response 2b: For the financial analysis, Owen Electric assumed a 3% annual escalation of insurance costs. This percentage yielded conservative results.

OWEN ELECTRIC COOPERATIVE, INC.

PSC CASE NO. 2015-00213

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

RESPONSE TO INFORMATION REQUEST

ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION TO
OWEN ELECTRIC COOPERATIVE, INC. DATED 8/19/2015

REQUEST 3

RESPONSIBLE PARTY: Mark A. Stallons

Request 3: Please reference the Company's response to AG 1-7. Provide a copy of the system impact study and the coordination study when completed.

Response 3: Neither study is complete at the time of this filing. Owen Electric will provide these studies, when available, as a supplement to this response.