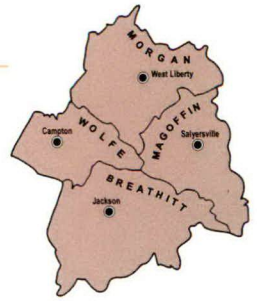




LICKING VALLEY
RURAL ELECTRIC COOPERATIVE CORPORATION
P. O. Box 605 • 271 Main Street
West Liberty, KY 41472-0605
(606) 743-3179



November 17, 2016

Talina R. Matthews, Executive Director
Kentucky Public Service Commission
PO Box 615
Frankfort KY 40602-0615

RECEIVED

NOV 21 2016

Public Service
Commission

RE: Case No. 2016-00077

To Whom It May Concern:

Enclosed are an original and ten (10) copies of Licking Valley Rural Electric Cooperative Corporation's response to the above referenced case number in the Commission Staff's Rehearing Request for information dated November 04, 2016.

Please advise if further information is needed.

Sincerely,

Kerry K. Howard
General Manager/CEO
khoward@lvrecc.com
Fax – 606-743-7775

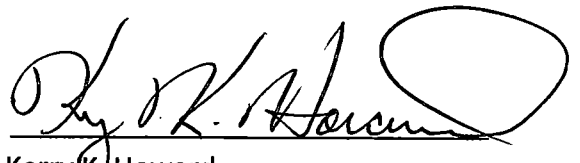
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Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
FIRST REQUEST FOR INFORMATION
CASE NUMBER 2016-00077
NOVEMBER 17, 2016


AFFIDAVIT

The Affiant, Kerry K. Howard, General Manager/CEO for Licking Valley Rural Electric Cooperative Corporation, Post Office Box 605, West Liberty, Kentucky 41472-0605, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.



Kerry K. Howard
General Manager/CEO

Subscribed and sworn before me by the Affiant, Kerry K. Howard, this ^{17th} day of November 2016.



Notary Public # 556518
State of Kentucky at Large

My Commission Expires: 05/29/2020

I N D E X

- Exhibit 1 Letter from Gary High, Senior Vice President of Smart Grid Solutions
- Exhibit 2 FAQ – E650 S4e End of Life Program for TS2 and PLX Customers

LICKING VALLEY RURAL ELECTRIC
COOPERATIVE CORPORATION

PSC CASE NO. 2016-00077
RESPONSE TO COMMISSION STAFF'S REHEARING REQUEST FOR INFORMATION.

1. Refer to the Commission's Order of October 6, 2016 ordering paragraph 2, which directed Licking Valley to file testimony fully addressing the issue of future technical support for the existing TSII Meters. Also refer to the Statement of Laurie Dally filed October 24, 2016 ("Dally Statement") which is unsigned and undated. Pursuant to 807 KAR 5:001, Section 9(7), all testimony given before the Commission shall be given under oath or affirmation. Provide the Commission with testimony, given under oath or affirmation, fully addressing the issue of future technical support for the existing TSII Meters.

Response: The "Dally Statement" was provided to Licking Valley by Landis+Gyr per email. Attached is new signed and dated response from Gary High, Senior Vice President of Smart Grid Solutions, Landis+Gyr. See Exhibit 1

2. Refer to the Attorney General's Final Comments, filed June 17, 2016, (AG's Final Comments") page 4. State whether Landis+Gyr can provide an adequate supply of TS2 meters to meet Licking Valley's needs. If Landis+Gyr cannot provide an adequate supply of TS2 meters, provide verified documents to support that statement.

Response: See Landis+Gyr fact sheet dated March 19, 2015 (Exhibit 2).

3. Refer to the AG's Final Comments, page 4, State whether Landis+Gyr can provide technical support for TSII meters and, if not, on what date the technical support will end. If Landis+Gyr technical support for TS2 meters will cease, provide verified documents to support that statement.

Response: Yes, they plan to continue support at this time, Landis+Gyr has not given a date when that technical support will end.

4. Refer to Licking Valley's Response to Commission Staff's First Request for Information ("Response to Staff's First Request"), Item 1a. Explain in specific detail what Licking Valley meant by "discontinuance of support for the TS2 metering platform" and how that relates to Licking Valley's statement that "(t)he industry trend is moving away from power line carrier for metering data."

Response: Please see attached Exhibit 1.

LICKING VALLEY RURAL ELECTRIC
COOPERATIVE CORPORATION

PSC CASE NO. 2016-00077

RESPONSE TO COMMISSION STAFF'S REHEARING REQUEST FOR INFORMATION.

- a. Include in the discussion whether technical support for the TS2 meter and power line carrier system are one in the same, and if not, provide a detailed explanation of the differences;

Response: TS2 technology and the power line carrier systems currently used by LV are both owned by Landis+Gyr and yes technical support will continue but not indefinitely.

- b. Explain whether Licking Valley has investigated sources of support for the TS2 meter platform other than Landis+Gyr. If so, discuss in specific detail what options were available and why Licking Valley did not pursue those options. If no investigation was conducted into other sources of support, please explain why.

Response: Licking Valley does not know of any other source of this technology. It is owned by Landis+Gyr.

5. Refer to the Dally statement, paragraphs 1, 2, and 23, which reference the poor performance of "PLC AMI" and refer to "PLC AMI" as dated technology. Explain in specific detail how this relates to the alleged end of technical support for TS2 meters.

Response: It does not relate to the end of technical support for TS2 meters.

6. Refer to the Dally Statement, paragraph 4, which notes the expectation the last shipments of TS2 meters will take place by December 31, 2016. Explain whether this statement means that Landis+Gyr has stopped production of TS2 meters and, if so, whether the last available TS2 meters will ship out by December 31, 2106. If not, explain what is meant by the statement.

Response: See attached Exhibit2. As noted before the S4e meters will not be shipped after December 31, 2016.

Landis+Gyr
30000 Mill Creek Avenue
Alpharetta 30022 GA
United States



Alpharetta, October 24, 2016

To whom it may concern:

This letter is in response to requests for information regarding the status of Landis+Gyr products for automated meter reading and grid automation in the state of Kentucky.

Landis+Gyr has had a longstanding relationship with utilities in the state, going back two decades to when the first utilities began implementing automated meter reading using fixed networks.

Landis+Gyr's initial technology used power line carrier (PLC) communications to provide one-way, and later on, two-way communication between electric meters and the utility office. The primary purpose these systems served was providing energy consumption data – a meter read – to the utility on a daily basis.

Advances in technology over the past 10 years, along with the desire of utilities and regulators to modernize the grid for greater energy efficiency, have speeded the transition to multi-purpose, open standards networks that provide connectivity to far more devices that return a variety of information for stabilizing load, improving reliability and integrating new energy resources.

Landis+Gyr is a leader in this regard and has invested heavily in state-of-the-art networking, analytics, load management, intelligent metering and sensor technology to address industry challenges. These systems and products almost exclusively use radio communications technology for the necessary bandwidth and interoperability required.

As a result, legacy metering systems are being replaced across the country with systems that can manage increased processing and connectivity needs well into the future.

Just as ongoing revolutions in computer processing make 20-year-old platforms obsolete, so have the relatively recent changes in smart grid technology. This is why we strongly support initiatives in Kentucky and elsewhere to move forward with adoption of systems that can meet the needs of grid modernization and customer service improvements.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Gary High', is written over a light blue horizontal line.

Gary High
Senior Vice President of Smart Grid Solutions

FAQ – E650 S4e End of Life Program for TS2 and PLX Customers

1. Why is Landis+Gyr discontinuing sales of the S4e meter?

Landis+Gyr was notified by its component vendor that it is discontinuing fabrication of the microprocessor used on the S4e meter.

2. How long will the S4e meter be available to PLX customers?

We anticipate last shipments of PLX enabled S4e meters will take place prior to December 31, 2016. Orders for PLX enabled S4e meters must be placed by June 30, 2016, for delivery no later than December 31, 2016. Landis+Gyr will have an alternative commercial & industrial solution for PLX in late 2016. Landis+Gyr encourages its PLX customers to provide their distributors a forecast of their future S4e needs by December 31, 2015. This will help Landis+Gyr reserve an adequate supply of the discontinued S4e microprocessor for PLX customer needs.

3. How long will the S4e meter be available to TS2 customers?

We anticipate last shipments of TS2 enabled S4e meters will take place prior to December 31, 2016. Orders for TS2 enabled S4e meters must be placed by June 30, 2016, for delivery no later than December 31, 2016. Landis+Gyr encourages its TS2 customers to provide their distributors a forecast of their future S4e needs by December 31, 2015. This will help Landis+Gyr reserve an adequate supply of the discontinued S4e microprocessor for TS2 customer needs.

4. What are my metering alternatives as a TS2 customer?

- a. Pre-plan, budget and purchase S4e meters: Landis+Gyr encourages TS2 customers to provide their distributors a forecast of future S4e needs by December 31, 2015. This will help Landis+Gyr reserve sufficient parts for future orders. Orders must be placed by June 30, 2016 for delivery no later than December 31, 2016.
- b. Utilize the TS2 enabled kV2c commercial meter.
- c. Utilize the Cellular enabled S4x meter, which will be available in October 2015.
- d. Investigate network migration strategies: While there is no immediate intent to discontinue the TS2 system, technology migration options exist that allow for a smooth transition to Gridstream RF or PLX. Landis+Gyr recommends that utilities consider investigating and budgeting for the network equipment required to transition to Gridstream RF or PLX technology. Such infrastructure allows utilities to transition from the S4e meter to the FOCUS[®] AX Polyphase or E650 S4x.

5. Why doesn't Landis+Gyr develop a TS2 module for the FOCUS AX Polyphase or the S4x?

A significant number of our legacy customers are choosing to migrate to our newer Gridstream systems in order to take advantage of more advanced functionality, including the capacity required to manage the plethora of data available from the latest generation of commercial and industrial meters. Thus, sales of TS2 enabled S4e meters have dwindled to a point where the cost of a development project is not business justified.

6. How long will I be able to return S4e meters for repair?

Landis+Gyr will authorize returns for the S4e meters through December 31, 2020, or until parts are no longer available.

Confidential and Proprietary Information of Landis+Gyr