

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CUMBERLAND VALLEY)	
ELECTRIC, INC. FOR COMMISSION APPROVAL)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO INSTALL AN ADVANCED)	2018-00056
METERING INFRASTRUCTURE (AMI) SYSTEM)	
PURSUANT TO KRS 807 KAR 5:001 AND KRS 278.020)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO CUMBERLAND VALLEY ELECTRIC, INC.

Cumberland Valley Electric, Inc. ("Cumberland Valley"), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due on or before March 29, 2018. 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 the 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.

Cumberland 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 Cumberland 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 shall 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, Cumberland 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 Application, Exhibit 2, page 1. Cumberland Valley states that it became aware that Landis & Gyr's support for the TSII system would end around 2020. Cumberland Valley also states that the wait time to procure equipment led Cumberland Valley to believe that Landis & Gyr was "moving its focus" from TSII to RF Gridstream.

a. Explain in specific detail how Cumberland Valley became informed that support of the TSII system would end.

b. Explain in specific detail why Cumberland Valley believes that Landis & Gyr would focus on RF Gridstream rather than TSII products.

2. Provide the number of TSII meters Cumberland Valley has remaining in stock.

3. Refer to Exhibit 2, page 2 of 3, which lists four types of acceptable meters. Explain what meters were excluded from the list of acceptable meters in the Request for Proposals and why they were excluded.

4. Refer to Exhibit 3, page 2 of 35, which states that the meters support five-minute interval data. Explain how many times per day the meter will report usage information back to Cumberland Valley.

5. Refer to the Application, paragraph 5, and Abner Testimony, page 2 of 3, which state that Cumberland Valley will pay for the proposed project using general funds, until new loan funds are needed to pay for construction.

a. Provide a detailed breakdown showing the amount of general funds and loan funds that will be used to pay the cost of the proposed project.

b. Explain how Cumberland Valley will determine when new loan funds, rather than general funds, will be needed to pay the cost of the proposed project.

6. Refer to the Application, paragraph 6, which contains the estimated cost of the proposed project, and Exhibit 4, which contains tables that break out the cost components. Adding the figures from the tables in Exhibit 4 results in a greater amount than the estimated cost set forth in paragraph 6 of the Application. Reconcile the difference.

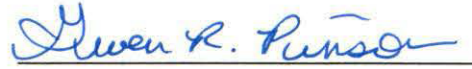
7. Refer to the Application, paragraph 6. Provide a schedule with a detailed breakout of the components that make up the anticipated annual cost of operations.

8. Explain in detail Cumberland Valley's plans for the existing TSII meters that will be replaced, including testing for accuracy in accordance with 807 KAR 5:041, Section 15(3).

9. Explain whether the TSII meters have been fully depreciated, and, if not, provide the amount of accumulated depreciation on the TSII meters and explain how Cumberland Valley intends to recover the undepreciated costs of the TSII meters.

10. Refer to the Application, Exhibit 6.
 - a. Explain whether the amounts in the Proposed Changes section of Exhibit 6 represent the total estimated cost of the proposed project.
 - b. Confirm that the amount in the Method of Financing section lists only the amount of loan funds that will be used to pay for the proposed project and that the amount of general funds is not included in this section. If this cannot be confirmed, explain the discrepancy between the amount listed in the Method of Financing section and the total of the amounts listed in the Proposed Changes section.
11. Cumberland Valley was granted approval for a prepay metering program in Case No. 2014-00139.¹ Confirm that no charges for a meter are included in the \$3.00 monthly prepay fee.
12. Refer to the Application, Exhibit 5, which lists projected benefits to Cumberland Valley and its members that will be derived from the proposed project. Quantify the cost of the projected benefits.
13. Provide a detailed timeline for deployment of the meters if the Commission approves the CPCN.

¹ Case No. 2014-00139, *Application of Cumberland Valley Electric, Inc. for Approval of a Prepay Metering Tariff* (Ky. PSC Aug. 26, 2014).



Gwen R. Pinson
Executive Director
Public Service Commission
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DATED MAR 14 2018

cc: Parties of Record

Case No. 2018-00056

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