

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SALT RIVER ELECTRIC)
COOPERATIVE CORPORATION FOR AN)
ORDER ISSUING A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO)
CONSTRUCT AN ADVANCED METERING)
INFRASTRUCTURE SYSTEM (AMI) PURSUANT)
TO 807 KAR 5:001 AND KRS 278.020)

CASE No.
2019-00399

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PUBLIC SERVICE
COMMISSION

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and subject to the Commission's granting his Motion to Intervene in the above-styled matter filed on November 26, 2019, submits these Initial Data Requests to Salt River Electric Cooperative Corporation [hereinafter "SRECC" or "the Company"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for SRECC with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(6) If you believe any request appears confusing, request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings

and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

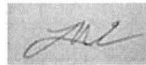
(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Ms. Gwen R. Pinson, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Salt River Electric Cooperative Corp.
111 West Brashear Ave.
P. O. Box 609
Bardstown, KY 40004

Tim J Sharp
Salt River Electric Cooperative Corp.
111 West Brashear Ave.
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Bardstown, KY 40004

John Douglas Hubbard
Hubbard & Hubbard
117 E. Stephen Foster Ave.
Bardstown, KY 40004

This 2nd day of December, 2019.



Assistant Attorney General

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1. Reference Application Exhibit C, "Aclara Reoccurring Costs." Explain the meaning of the term "support increase."
2. Provide any re-occurring costs associated with SRECC's current metering system.
3. Provide SRECC's current fees for connections, disconnections, and reconnections, with references to where they can be found in SRECC's tariff.
 - a. Provide all cost support for these fees.
4. Assuming the Commission grants a CPCN for the AMI system, provide the proposed fees for each of connections, disconnections, and reconnections which SRECC proposes, or will propose, once the AMI system is operational.
 - a. Provide all cost support for these fees.
 - b. If SRECC does not have this data available at this time, is the Company willing to commit to providing it?
5. Explain whether all, or just some, of SRECC's proposed new meters will be capable of remote connects, disconnects and reconnects.
 - a. If not all of the new meters will have these capabilities, identify and discuss the procedures and/or policies the company will have in place to determine which customers receive the remote connect/disconnect features in their AMI meters.
 - (i) Will customers who receive the remote connect/disconnect features in their AMI meters have the right to opt-in and/or opt-out? If not, why not?
 - (ii) Does the company anticipate that those customers who receive meters with the remote connect/disconnect functionality will experience a higher rate of disconnects than those meters without this functionality? Explain.
6. Explain whether SRECC's existing meters are capable of one-way communication (AMR), or two-way communication (AMI).
7. Refer to PSC DR 1-8. In the event the existing TS2 meters have not been fully depreciated, does SRECC agree that the undepreciated sums represent stranded costs?

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8. Refer to PSC DR 1-9. If not already included in SRECC's response to this data request, provide the estimated life span of the battery powering the meter.
9. Regarding the battery that will power the new meters, describe how frequently the Company intends to "ping" the meters.
10. Explain how the new AMI system will work with the Company's existing SCADA, outage management, and customer information systems. If any of those systems will require upgrades / replacement to meet compatibility with the new meter system, explain in full detail and provide cost estimates.
11. Explain whether the new meters will have a separate RF module, and if so, whether the module is capable of being replaced separately from the meter.
12. Provide the docket number in which SRECC obtained Commission approval to convert from electro-mechanical meters to its current metering infrastructure.
 - a. Provide the total costs SRECC incurred in its conversion from electromechanical meters to its current meters.
 - b. Provide a complete description of all benefits that both SRECC and its ratepayers received in the conversion from electromechanical meters to its current meters. Please include in this description any cost savings for SRECC ratepayers and a quantification of such savings, contrasted with the total costs of this conversion.
 - c. In that prior docket, did SRECC incur any stranded costs, or projections thereof, incurred for the conversion from electromechanical meters to its current meters? If so, please identify all such stranded costs or other related costs.
13. Explain whether the new meters would be capable of receiving upgrades. If so, explain how upgrades would be conducted.
 - a. Would there be any limitation on the number of meter upgrades that could be accommodated without having to replace the meter, and/or the battery?
14. Confirm that the RF system SRECC has selected is fully compatible with the Company's existing TS2 meters.

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15. Explain whether the RF system would be compatible with any other meter manufacturer, or whether only Aclara meters would work with the chosen RF system.
16. Refer to p. 13 of the Application, which begins with the following header: "RF Data Collector Unit Cut Sheet." Explain what the following sentence means: "It is an innovative, state-of-the-art system that not only reads meters but also contains smart-infrastructure devices that monitor additional points on utility distribution networks."
 - a. Identify the "Additional Points" on the distribution system that the system is capable of monitoring.
 - b. Explain what type(s) of monitoring this statement refers to.
17. Assuming the Commission approves the application, explain whether SRECC would be able to utilize any components of its existing "backhaul network" even after deployment system-wide is achieved, or if the Company will be required to purchase an entirely new backhaul network.
 - a. Explain whether the new system is at all compatible with other manufacturers' systems, and if so, to what extent.
 - b. Explain whether the backhaul system is capable of being upgraded, and if so, what type(s) of upgrades it can accommodate.
18. Refer to Application Exhibit 4. Explain the functions and capabilities of SRECC's "Meter Data Management System."
19. Refer to Application Exhibit 4, wherein the Company discusses integration of usage information with the Customer Information System." Explain whether any changes of any type or sort will be required to the Company's CIS as a result of the AMI implementation. If any, provide a description and cost projections.
20. Refer to Application Exhibit 4, wherein the Company states that direct load control will be offered to all customers.
 - a. Explain whether the load control program will be the subject of a future filing with the Commission.

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- b. If the Company has any details of the direct load control program available at this time, provide them, including any projections of monetary savings for participating customers.
 - c. Explain whether the load control program could provide any benefits to East Kentucky Power Cooperative, and if so, how.
 - d. Identify the DSM programs that SRECC either currently has in place, or that it plans on having in place, that can utilize the proposed AMI technology.
21. Refer to Application Exhibit 4, wherein the Company states that all RF meters are capable of supporting alternative rate structures such as time of use, real-time pricing, on peak / off peak, and time of day rates.
 - a. Does the Company have plans to institute any or all such rate structures?
 - b. Do the meters also have the capability of supporting peak-time rebate rates? If so, explain whether the Company is willing to consider offering one.
22. Refer to Application Exhibit 4, wherein the Company states that the Company will be able to continue to offer a Pre-Pay metering tariff to all residential consumers.
 - a. State how many customers currently participate in the company's pre-pay metering system;
 - b. Provide an estimate of how many additional customers the company anticipates will enroll in the pre-pay metering system once the AMI project is completed; and
 - c. Explain whether any existing equipment or other infrastructure used for the existing Pre-Pay program would be retired as a result of implementing the AMI program. If so, provide cost estimates, and explain how the Company would recover those costs, and when.
23. Refer to Application Exhibit 4, wherein the Company states that the RF infrastructure has the capability to communicate with various types of distribution equipment such as regulators, reclosers, etc.
 - a. Will the RF infrastructure be compatible with the distribution equipment of other manufacturers, or would those capabilities remain viable only if they are manufactured by Aclara?

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24. Reference Application Exhibit E. Provide a copy of the Company's 2019-2022 Construction Work Plan identified in this document.
25. Confirm that if the Commission approves all or a portion of SRECC's request in the instant case, the company will have to pass all costs associated with the CPCN through its base rates.
 - a. Provide an approximate date for the filing of the Company's next base rate case.
26. Will any of SRECC's substations have to undergo any upgrades or conversions in order for the AMI program to be fully implemented? If so:
 - a. Provide a description;
 - b. Provide all cost projections, and state whether any such costs would be in addition to the projected total project cost provided in the application; and
 - c. Provide the total costs for early retirements of substation infrastructure resulting from replacement of that infrastructure with infrastructure associated with the Company's AMI program.
27. Provide the following:
 - a. a per-meter breakdown of the total cost for the CPCN application, by ratepayer class;
 - b. a per-meter breakdown of benefits the company expects each ratepayer to receive;
 - c. With regard to projected benefits, identify whether the savings are based on operational expenses, and if so, provide the type of operational expense savings.
28. Does the project's estimated cost include any and all interest and other costs associated with the applicable RUS loan? If not, please provide those estimated sums.
29. State whether the Company will require any of the following additional infrastructure items in order for its AMI program to function properly within its service territory, and if so, please provide a cost estimate for each item, and for any other item of infrastructure not listed below:

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- a. software servers;
 - b. network load balancers;
 - c. middleware;
 - d. computer networking infrastructure;
 - e. network backhaul;
 - f. cellular towers;
 - g. collectors and/or routers.
30. Describe the technology components, whether software, firmware or hardware, which the company either has deployed or will deploy to insure cybersecurity.
31. If the Commission should approve all or any portion of SRECC's application, has the Company decided what measurable and enforceable performance metrics it would like to come about as a result of the proposed program? If so, please identify them.
32. Describe the measures SRECC is proposing to take to insure that the technology it has chosen does not become obsolete.
- a. Has the Company factored into its cost projections the costs for software, firmware and/or hardware upgrades necessary to satisfy any potential standards from the National Institute for Standards and Technology (NIST)? If not, provide a cost projection that includes these estimates.
 - b. Is the Company aware that in some instances, customers of utilities in other states have had to pay hundreds of millions of dollars in stranded costs for obsolete smart meters, some of which were never even installed?
 - c. In what manner will the meters SRECC has chosen to install be capable of accepting upgrades to software, firmware, and/or hardware?
33. To what extent will the proposed AMI technology be interoperable with SRECC's other systems, including but not limited to: IT office systems, metering systems, SCADA and DSM systems, outage management systems, analytic systems, external partners and services. For purposes of this question, the term "interoperable" means the ability of different information technology systems and software applications to communicate, exchange data, and use the information that has been exchanged.
34. How does SRECC propose to reflect operational benefits of the new AMI program in its accounting? Would the company agree to provide a sur-credit of all such benefits on a per-meter basis? If not, why not?

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35. Explain whether the proposed metering system will allow customers the ability to access their electricity consumption, e.g., such as through an internet portal.

36. Provide estimates of any cost savings for:

- a. reduced line loss;
- b. reduced outage management expense;
- c. reduced energy theft;
- d. remote connects / disconnects; and
- e. avoidable meter re-reads

Application of Salt River RECC for an Order Issuing a CPCN to Construct An Advanced Metering
Infrastructure System (AMI)
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