

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENERGY)	CASE NO.
CORP. FOR A GENERAL ADJUSTMENT OF)	2023-00276
RATES)	

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

Kenergy Corp. (Kenergy), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on November 15, 2023. The Commission directs Kenergy to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 Kenergy obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete 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 shall be given to copied and scanned 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 paper containing personal information, Kenergy 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 4, page 3 of 35. Explain why the current tariff page included in the side-by-side tariff does not match the tariff page currently on file with the Commission.

2. Refer to the Application, Exhibit 4, pages 12–14 of 35. Explain the reasoning for deleting Schedule 29 – Rural Economic Reserve Adjustment Rider from the tariff.

3. Refer to the Application, Exhibit 4, pages 29–30 and 34 of 35. Explain why Kenergy is moving from the Fixed Budget Billing Plan to the Levelized Budget Billing Payment Plan.

4. Refer to the Application, Exhibit 4, pages 29–30 of 35.

a. Explain why a customer must have 12 months of service at the location in order to qualify for the Levelized Budget Billing Payment Plan.

b. Explain how Kenergy defines satisfactory credit history in relation to the requirements for the Levelized Budget Billing Payment Plan.

c. Provide a sample calculation by month based on a random residential customer's usage over the past 12 months showing how the customer's monthly bill under the Levelized Budget Billing Payment Plan will be calculated.

d. Explain why no adjustment will be calculated for a credit balance.

5. Refer to the Application, Exhibit 4, pages 32–33 of 35. Explain why the current tariff pages included in the side-by-side tariff do not match the tariff pages currently on file with the Commission.

6. Refer to the Application, Exhibit 4, page 35 of 35. Explain how Kenergy will maintain records pertaining to partial payment agreements that are agreed to verbally.

7. Refer to the Application, Exhibit 10, page 1.

a. Explain how the actual test-year amounts for Direct Served customers, shown in column 3, were determined.

b. Explain the pro forma increase in "A&G" expenses for Direct Served customers.

c. Provide the Times Interest Earned Ratio (TIER) and Operating Times Interest Earned Ratio (OTIER) for Pro Forma Direct Served and Pro Forma Non-Direct Served.

d. Provide a breakdown of Non-Operating Margins – Other.

8. Refer to the Application, Exhibit 10, pages 1 and 11. Explain why Direct Served customers were not allocated any Distribution Operations expenses from the actual test year but were allocated part of the proposed adjustment for this expense.

9. Refer to the Application, Exhibit 10, page 11. Provide a breakdown of the test year expense of \$13,833,296 and identify any fully depreciated items.

10. Refer to the Application, Exhibit 10, pages 12–13. Explain why Direct Served customers are not allocated general plant depreciation expenses.

11. Refer to the Application, Exhibit 10, page 15. Explain how expenses are allocated to broadband service and where expenses and revenues from broadband are reported in the test year.

12. Refer to the Application, Exhibit 10, page 18.

a. Explain why the “RUS Cushion of Credit” is being removed.

b. Explain what is included in “CFC CTC’s.”

13. Refer to the Application, Exhibit 10, page 19.

a. In the same format, provide the amount of the adjustment attributable to employees hired during the test year and identify when the employees were hired.

b. In the same format, provide the amount of the adjustment attributable to employees who left Kenergy during the test year and identify when the employees were terminated or retired.

14. Refer to the Application, Exhibit 10, page 20. Explain how the pro forma amounts were determined and provide supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

15. Refer to Kenergy's response to Commission Staff's First Request for Information, Item 32. Provide the response in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

16. Provide Kenergy's annual reliability metrics for 2016 to the most recent available data for 2023 and separately show outages caused by ROW vegetation. Include in the response the System Average Interruption Duration, System Average Interruption Frequency, Customer Average Interruption Frequency, Customer Average Interruption Duration, and Customer Minutes of Interruption.



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DATED OCT 30 2023

cc: Parties of Record

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