

Wilson Consulting, INC  
Roger Wilson, PE  
411 Linden Lane  
Nicholasville, Kentucky 40356

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NOV 24 2004  
PUBLIC SERVICE  
COMMISSION

November 23, 2004

Beth O'Donnell, Executive Director  
Kentucky Public Service Commission  
PO Box 615  
Frankfort KY 40602

RE: Nolin RECC-Elizabethtown, KY – Case Number 2004-00160

Dear Ms. O'Donnell:

Enclosed you will find the information that addresses the “informal Conference on October 21, 2004” with the PSC staff and Nolin RECC. The data includes the original and five copies.

Should you need any further explanation or additional information please contact me at (859)985-2474 or the Nolin RECC Office (270)765-6153.

Sincerely,

Roger Wilson, PE  
Wilson Consulting, Inc

WILSON CONSULTING, INC  
411 LINDEN LANE  
NICHOLASVILLE KY  
PHONE (859)885-4613

To: Case File No. 2004-00160  
From: Nolin RECC  
Date: November 20, 2004  
Subject: Response to Informal Conference on October 21, 2004

**#2 ACSR Vs.1/0 ACSR THREE PHASE CONVERSION**

We will address each concern in item number order with relation to the written request from the Public Service Commission's letter of October 26, 2004. The #2 ACSR wire will be in value to the installed cost of the 1/0 ACSR at the 1150 kW level and greater. (Voltage drop was addressed with the original study and was not considered in these options.)

Item 375-- Projected line load is 445 kW in this work plan. The area growth would require 250% or alteration to the existing feed in order to make economics evaluation. No change from the existing work plan is suggested.

Item 385-- Projected line load is 310 kW in this work plan. The area growth would require 370% or alteration to the existing feed in order to make economics evaluation. No change from the existing work plan is suggested. (Approaches edge of service area.)

Item 386-- Projected line load is 100 kW in this work plan. The area growth would require 1150% or alteration to the existing feed in order to make economics evaluation. No change from the existing work plan is suggested. (Approaches edge of service area.)

Item 387-- Projected line load is 291 kW in this work plan. The area growth would require 395% or alteration to the existing feed in order to make economics evaluation. (Take-off conductor is 1/0 ACSR consider upgrade to 3 miles conversion.)

Item 388-- Projected line load is 145 kW in this work plan. The area growth would require 793% or alteration to the existing feed in order to make economics evaluation. (Take-off conductor is 1/0 ACSR consider upgrade to 1.1 miles of conversion.)

Item 389-- Projected line load is 186 kW in this work plan. The area growth would require 618% or alteration to the existing feed in order to make economics evaluation. (Take-off conductor is 1/0 ACSR consider upgrade to 4.5 miles of conversion.)

Item 392-- Projected line load is 160 kW in this work plan. The area growth would require 718% or alteration to the existing feed in order to make economics evaluation. (Project is in the edge of growth area and small amount of line, 2000 feet of conversion.)

Item 393-- Projected line load is 100 kW in this work plan. The area growth would require 115% or alteration to the existing feed in order to make economics evaluation. (Project is in the edge of growth area and small amount of line, 3000 feet of conversion.)

**Solution to postponement of conversion to 336.4 ACSR from 3/0 ACSR**

A voltage regulator bank was placed at various locations along the line sections to obtain the best voltage drop for the existing line and the future 2005 load. The best voltage regulator bank placement was found to be at the end of line section number 11. The voltage drop was calculated to be 117 Volts at the lowest extreme. The line sections were changed from 3/0 ACSR to 336.4 ACSR moving from the substation to the load until the 121 Volt drop was met. The line sections changed were 664, 614, and 894. The conclusion is that a regulator bank placed at the end of line section 11 will provide service during the peak condition and not exceed voltage drop requirement.

**AMR evaluation study**

**COST-BENEFIT WORKBOOK**

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**A. PROJECT & OPERATIONAL COSTS**

Number of Electro-Mechanical Meters	11,100
Number of Solid State Meters	16,900
Number of Multi-Utility Meters	
Number of 3 Phase Meters	1,400
Number Remote Service Switches	50
Number of Load Control Units	10
Number of Substations	21
Number of New Servers	1
Total Yearly Overtime Costs for Meter Readers & Supervisors	
Average Loaded Cost/Year/Meter Reader	41951
Average Loaded Cost/Year/Meter Reader Supervisor	51001
Average Loaded Cost/Year/Customer Service	36959
Average Loaded Cost/Year/Linemen	73654
Average Loaded Cost/Year/Supervisor	60893
Annual Revenue	\$40,000,000
Purchased Power Cost/Year	\$33,000,000
Transportation/# of Vehicles	6
Cost Per Meter Read	0.92

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**Cost Ranges for Major Items**

<u>Hardware Costs</u>	<u>Unit Cost</u>	<u>Number</u>	<u>Total</u>
Electro-Mechanical Transceiver	68	11100	754800
Sold State Transceiver	73	16900	1233700
Muti-Utility Transceiver	125	0	0
3 Phase Transceiver	150	1400	210000
RSS Collar	250	50	12500
Load Control	150	10	1500
Substation Equipment	20000	21	420000
<u>Total Hardware Costs</u>			\$2,632,500

<u>Customer Supplied Equipment</u>	<u>Unit Cost</u>	<u>Number</u>	<u>Total</u>
Server Class PC	5000	1	5000
SQL Server Licencse	2500	1	2500
Capacitor Banks	1000	21	21000
<u>Total Supplied Equip. Costs</u>			\$28,500

<u>Approximate Deployment Costs</u>	<u>Unit Cost</u>	<u>Number</u>	<u>Total</u>
Retro fit	7.25	11100	80475
Installs	8	12581	100648
<u>Total Deployment Costs</u>			\$181,123

<u>Software and Services</u>		<u>Total</u>
TS2 Software		12200
<u>Total Software and Services</u>		\$12,200

**Total Implementation Cost** **\$2,854,323**

**Yearly Operation**

Annual System Service & Technology Support

Base Fee		\$5,000
.30 Cents Per Endpoint Over 10,000		\$5,820
<b>Total Yearly Operation Costs</b>		<span style="border: 1px solid black; padding: 2px;"><b>\$10,820</b></span>

**B. YEARLY PRODUCTIVITY AND COST SAVINGS**

Item 1: Equipment Maintenance Annual Cost

Repairs	5000
Replacements	20000
Misc.	1500
Total Equipment Cost	26500

Item 2: Meter Reader Cost

Daily Hours Savings/person	8
FTEs affected	5
Average Cost of Each FTE	41951
<u>Productivity Improvement %</u>	100%
Value of Productivity Gain	209755

Item 3: Data Entry/Clerical Cost

Daily Hours Savings/person	8
FTEs affected	1
Average Cost of Each FTE	51001
<u>Productivity Improvement %</u>	50%
Value of Productivity Gain	25500.5

Item 4: Customer Support Cost

Daily Hours Savings/Person	2
# of FTE Techs Affected	3
Average Cost of Each FTE	36959
<u>Productivity Improvement %</u>	20%
Value of Productivity Gain	22175

Item 5: Linemen Cost

Daily Hours Savings/Person	2
# of FTE Techs Affected	4
Average Cost of Each FTE	73654
<u>Productivity Improvement %</u>	25%
Value of Productivity Gain	73654

Item 6: Supervisor Cost

Daily Hours Savings/Person	3
# of FTE Techs Affected	2
Average Cost of Each FTE	60893
<u>Productivity Improvement %</u>	20%
Value of Productivity Gain	24357

PSC response case number 2004-001605

Item 7: Reduction in Vehicle Cost & Maintenance	
# of Vehicles Affected	6
Vehicle Cost/Year	9250
Cost Savings	36963
Item 8: Savings in Overtime Costs (37%)	0
Item 9: Reduction of Line Loss	247500
Item 10: Enhanced Revenue Through Maint.	40000
Item 11: Cost Savings Meter Reading	0.87
# of Meters	29400
Reads Per Year Per Meter	12
Cost Savings	306936
Item 12: Savings in Site Visits	40
# of Site Visits	5000
Cost Savings	200000
Item 13: Savings in Meter Reread costs	30
# Of Rereads	500
Cost Savings	15000

**Summary**

	<b><u>Savings</u></b>
Item 1: Equipment Maintenance Annual Cost	26500
Item 2: Meter Reader Cost	209755
Item 3: Data Entry/Clerical Cost	25500.5
Item 4: Customer Support Cost	22175
Item 5: Linemen Cost	73654
Item 6: Supervisor Cost	24357
Item 7: Reduction in Vehicle Cost & Maintenance	36963
Item 8: Savings in Overtime Costs (37%)	0
Item 9: Reduction of Line Loss	247500
Item 10: Enhanced Revenue Through Maint.	40000
Item 11: Cost Savings Meter Reading	306936
Item 12: Savings in Site Visits	200000
Item 13: Savings in Meter Reread costs	15000

**Yearly Savings after Full System Implementation/Operation**

**\$1,228,341**

**C. VALUE OF CUMULATIVE COSTS AND PRODUCTIVITY SAVINGS OVER 5 YEARS**

	<b>Invested</b>	<b>Return</b>
At End Of	2854323	614171
Year 1	2865143	1842512
Year 2	2875963	3070853
Year 3	2886783	4299194
Year 4	2897603	5527535
Year 5	2908423	6755876

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Database: C:\MILSOFT\DATA\NOLIN\PSCREQESTRINEYVILLEVRINSTALLOPTIO  
 Title: 2003-2004 Work Plan  
 Case: NOLIN RECC  
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-----Element-----															Units Displayed In Volts					
															-Base Voltage:120.0-					
mi	From Element Name	Length (mi)	Parent Name	KW	KVAR	On	Thru	Type/	Pri	Base	Element	Accum	Drop	Amps	Cap	KW	KVAR	PF	%	Loss
9021	0.00	0.00	0	0	0	1800	ABC SRC-9009-j		7.56Y	126.0	0.00	0.00	346.46	0	7840	-528	-100	0.00		
8210	0.00	0.00	9021	0	0	1800	ABC Node		7.56Y	126.0	0.00	0.00	346.46	0	7840	-528	-100	0.00		
----- Feeder NO. 3 Beginning with Node Element 8213 -----																				
8213	0.00	0.00	8210	0	0	677	ABC Node		7.56Y	126.0	0.00	0.00	141.31	0	3200	-172	-100	0.00		
OCR-8213	0.00	0.00	8213	0	0	677	ABC 208-400-14		7.56Y	126.0	0.00	0.00	141.31	35	3200	-172	-100	0.00		
FDR7213	0.51	0.51	OCR-8213	0	0	677	ABC 090-336 AC		7.54Y	125.7	0.29	0.29	141.31	27	3200	-172	-100	8.43		
613	2.01	1.50	FDR7213	253	-20	50	ABC 090-336 AC		7.50Y	124.9	0.79	1.08	141.31	27	3192	-192	-100	23.35		
OCR-691	2.01	0.00	613	0	0	468	ABC 061-50-4H		7.50Y	124.9	0.00	1.08	98.22	196	2202	-170	-100	0.00		
691	2.30	0.30	OCR-691	776	-62	170	ABC 090-336 AC		7.49Y	124.8	0.09	1.17	98.22	19	2202	-170	-100	1.73		
603	4.20	1.90	691	198	-16	40	A 110-#4 ACS		7.43Y	123.8	0.99	2.16	26.60	19	199	-15	-100	1.11		
835	2.60	0.30	691	66	-5	14	ABC 098-#3/0 A		7.49Y	124.8	0.01	1.18	4.61	2	103	-8	-100	0.01		



823	2.90	0.30	835	0	0	ABC	098-#3/0 A	7.49Y	124.8	0.01	1.19	1.65	1	37	-3	-100	0.00
0.0						0	6										
662	3.70	0.80	823	37	-3	A	110-#4 ACS	7.48Y	124.7	0.08	1.26	4.94	4	37	-3	-100	0.02
0.0						6	6										
604	3.60	1.30	691	1120	-90	ABC	098-#3/0 A	7.47Y	124.5	0.36	1.53	50.11	17	1123	-88	-100	2.36
0.2						238	238										
776	2.31	0.30	613	0	0	ABC	090-336 AC	7.49Y	124.9	0.04	1.12	31.82	6	713	-55	-100	0.25
0.0						159	159										
OCR-612	2.31	0.00	776	0	0	ABC	061-50-4H	7.49Y	124.9	0.00	1.12	20.88	42	468	-36	-100	0.00
0.0						101	101										
612	5.81	3.50	OCR-612	467	-38	ABC	102-#1/0 A	7.46Y	124.4	0.50	1.61	20.88	9	468	-36	-100	1.35
0.3						101	101										
611	3.81	1.50	776	245	-20	ABC	090-336 AC	7.49Y	124.9	0.03	1.15	10.95	2	245	-20	-100	0.05
0.0						58	58										
----- Feeder NO. 2 Beginning with Node Element 8212 -----																	
8212	0.00	0.00	8210	0	0	ABC	Node	7.56Y	126.0	0.00	0.00	25.15	0	569	-41	-100	0.00
0.0						111	111										
OCR-8212	0.00	0.00	8212	0	0	ABC	208-400-14	7.56Y	126.0	0.00	0.00	25.15	6	569	-41	-100	0.00
0.0						111	111										
FDR7212	0.63	0.63	OCR-8212	0	0	ABC	090-336 AC	7.56Y	125.9	0.06	0.06	25.15	5	569	-41	-100	0.33
0.1						111	111										
616	3.93	3.30	FDR7212	218	-18	ABC	102-#1/0 A	7.50Y	125.0	0.91	0.98	25.15	11	569	-42	-100	3.91
0.7						44	111										
OCR-617	3.93	0.00	616	0	0	A	005-25-H O	7.50Y	125.0	0.00	0.98	46.33	185	346	-28	-100	0.00
0.0						67	67										
617	3.93	0.00	OCR-617	346	-28	A	102-#1/0 A	7.50Y	125.0	0.00	0.98	46.33	20	346	-28	-100	0.00
0.0						67	67										
----- Feeder NO. 1 Beginning with Node Element 8211 -----																	
8211	0.00	0.00	8210	0	0	ABC	Node	7.56Y	126.0	0.00	0.00	180.01	0	4071	-314	-100	0.00
0.0						1012	1012										

KEY-> L = Low Voltage H = High Voltage C = Capacity Over Limit G = Generator Out of kvar Limits

Balanced Voltage Drop Report  
Source: 9021

Database: C:\MILSOFT\DATA\NOLIN\PSCREQUESTRINEYVILLEVRINSTALLOPTION  
 Title: 2003-2004 Work Plan  
 Case: NOLIN RECC  
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Units Displayed In Volts  
-Base Voltage:120.0-

mi	Element	From	Length	Parent Name	KW	KVAR	On	Thru	Type/	Pri	Base	Element	Drop	Accum	Thru	%	Thru	KW	KVAR	PF	Loss
0.0	OCR-8211	8211	0.00	0	0	0	ABC	208-400-14	1012	7.56Y	126.0	0.00	0.00	180.01	45	4071	-314	-100	0.00		
0.4	FDR7211	OCR-8211	0.56	0	0	0	ABC	090-336 AC	1012	7.54Y	125.6	0.38	0.38	180.01	34	4071	-314	-100	15.05		
0.0	NODE1735	FDR7211	0.00	0	0	0	ABC	Node	0	7.54Y	125.6	0.00	0.38	0.00	0	0	0	0	0.00		
0.2	664	FDR7211	0.30	23	-2	3	ABC	090-336 AC	1012	7.53Y	125.4	0.20	0.57	180.01	34	4055	-349	-100	8.06		
0.0	OCR-614	664	0.00	0	0	0	ABC	007-50-H O	939	7.53Y	125.4	0.00	0.57	163.98	328	3687	-339	-100	0.00		
1.2	614	OCR-614	2.35	707	-57	111	ABC	090-336 AC	939	7.45Y	124.2	1.19	1.77	163.98	31	3687	-339	-100	44.49		
0.6	894	614	1.12	0	0	0	ABC	090-336 AC	828	7.43Y	123.8	0.46	2.23	132.37	25	2935	-386	-99	16.30		
3.3	11	894	2.80	164	23	45	ABC	098-#3/0 A	775	7.24Y	120.6	3.15	5.37	125.25	42	2755	-447	-99	90.47		
0.0	C REG1818	11	0.00	0	0	0	ABC	Regulator	730 C	7.56Y	126.0	-5.37	0.00	118.15	118	2501	-573	-97	0.00		
0.0	OCR-11	REG1818	0.00	0	0	0	ABC	007-50-H O	359	7.56Y	126.0	0.00	0.00	59.45	119	1267	-460	-94	0.00		
10	OCR-11	OCR-11					AB	110-#4 ACS		7.53Y	125.4	0.56	0.56	11.69	8	175	25	99	0.49		



KEY-> L = Low Voltage H = High Voltage C = Capacity Over Limit G = Generator Out of kvar Limits

Balanced Voltage Drop Report  
Source: 9021

Database: C:\MILSOFT\DATA\NOLIN\PSCREQUESTRINEYVILLEVRINSTALLOPTION  
Title: 2003-2004 Work Plan  
Case: NOLIN RECC  
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mi		Units Displayed In Volts															
-----Element-----		-Base Voltage:120.0-															
%	From	Length	Parent	Name	Cons	Cons	Type/	Pri	Base	Element	Accum	Thru	%	Thru	KVAR	PF	Loss
Loss	Src	(mi)	KW	KVAR	On	Thru	Conductor	kV	Volt	Drop	Drop	Amps	Cap	KW			
501	OCR-508	0.80	88	13	44	89	098-#3/0 A	7.47Y	124.5	0.10	1.48	10.94	4	243	35	99	0.15
0.1	11.42																
494	501	1.00	149	21	42	45	098-#3/0 A	7.47Y	124.5	0.05	1.53	6.95	2	154	22	99	0.04
0.0	12.42																
SW1802-A	494	0.00	0	0	0	0	Open	7.47Y	124.5	0.00	1.53	0.00	0	0	0	0	0.00
0.0	12.42																
OCR-493	494	0.00	0	0	0	0	011-70-L O	7.47Y	124.5	0.00	1.53	0.00	0	0	0	0	0.00
0.0	12.42																
492	494	0.20	5	1	3	3	098-#3/0 A	7.47Y	124.5	0.00	1.53	0.24	0	5	1	98	0.00
0.0	12.62																
OH1744	REG1818	2.33	0	0	0	371	090-336 AC	7.53Y	125.5	0.45	0.46	54.60	10	1233	-113	-100	5.79
0.5	9.45																
497	OH1744	2.00	694	99	238	371	110-#4 ACS	7.37Y	122.9	2.66	3.12	54.60	39	1227	-126	-99	23.30
1.9	11.46																
OCR-497	497	0.00	0	0	0	0	006-35-H O	7.37Y	122.9	0.00	3.12	0.00	0	0	0	0	0.00
0.0	11.46																
496	497	1.60	123	18	31	133	110-#4 ACS	7.32Y	121.9	0.96	4.07	25.38	18	510	-235	-91	5.86
1.1	13.06																
498	496	0.90	192	27	41	78	102-#1/0 A	7.32Y	122.0	-0.02	4.05	19.05	8	325	-263	-78	0.62
0.2	13.96																
CAP1764	498						Capacitor	7.32Y	122.0	0.00	4.05	-14.12	0	0	-310	0	0.00

0.0	13.96	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
499	14.66	0.70	498	51	7	ABC	102-#1/0 A	7.31Y	121.9	0.06	4.11	6.08	3	132	19	99	0.05						
0.0	15.26	0.60	499	82	12	ABC	102-#1/0 A	7.31Y	121.9	0.02	4.13	3.75	2	82	12	99	0.01						
SW1802-B	15.26	0.00	493	0	0	ABC	Open	7.31Y	121.9	0.00	4.13	0.00	0	0	0	0	0.00						
0.0	13.06	0.00	496	0	0	A	083-30N FU	7.32Y	121.9	0.00	4.07	7.74	13	56	8	99	0.00						
FUSE-495	13.06	0.00	496	0	0	A	24																
0.1	14.56	1.50	FUSE-495	56	8	A	110-#4 ACS	7.30Y	121.7	0.26	4.33	7.74	6	56	8	99	0.07						
FUSE-496	13.06	0.00	496	0	0	ABC	083-30N FU	7.32Y	121.9	0.00	4.07	0.00	0	0	0	0	0.00						
0.0	4.32	0.00	894	0	0	A	005-25-H O	7.43Y	123.8	0.00	2.23	22.33	89	164	24	99	0.00						
OCR-12	4.32	0.00	894	0	0	A	53																
12	6.32	2.00	OCR-12	163	23	A	110-#4 ACS	7.37Y	122.8	0.99	3.22	22.33	16	164	24	99	0.83						
0.5	3.21	0.00	614	0	0	C	005-25-H O	7.45Y	124.2	0.00	1.77	0.00	0	0	0	0	0.00						
OCR-895	3.21	0.00	614	0	0	C	0																
895	4.36	1.15	OCR-895	0	0	C	110-#4 ACS	7.45Y	124.2	0.00	1.77	0.00	0	0	0	0	0.00						
0.0	0.86	0.00	664	0	0	ABC	007-50-H O	7.53Y	125.4	0.00	0.57	15.01	30	338	-27	-100	0.00						
OCR-615	0.86	0.00	664	0	0	ABC	70																
615	3.76	2.90	OCR-615	337	-27	ABC	106-#2 ACS	7.50Y	124.9	0.49	1.06	15.01	8	338	-27	-100	0.92						
0.3							70																

KEY-> L = Low Voltage      H = High Voltage      C = Capacity Over Limit      G = Generator Out of kvar Limits

Load Adjustment Capacitance      Charging      Gen&Motors      Loops&Metas      Losses      No Load Losses      Total  
 KW      7568      0      0      0      272      0.00      7840  
 Lowest Voltage = 120.63 on Element 11

Balanced Voltage Drop Report  
Source: 9021

Database: C:\MIS\SOFT\DATA\NOLIN\PSCREQ\ESTRINEYVILLEVRINSTALLOPTION  
 Title: 2003-2004 Work Plan  
 Case: NOLIN RECC  
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Units Displayed In Volts  
-Base Voltage:120.0-

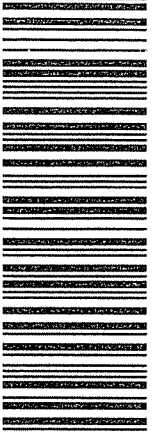
ml	Element	From	Length	Parent Name	Cons	Chf	Cons	Type/	Pri	Base	Element	Accum	Thru	%	Thru	%	kw	
		Element Name	(ml)	KW	KVAR	On	Thru	Conductor	kV	Volt	Drop	Drop	Amps	Cap	KW	KVAR	PF	Loss
KVAR	9		0		-967				0	0			430					-528

KEY-> L = Low Voltage      H = High Voltage      C = Capacity Over Limit      G = Generator Out of kvar Limits

11 DAYIS Hollow  
AREA KY 40403

United States Postal Service®

**IVERY CONFIRMATION™**



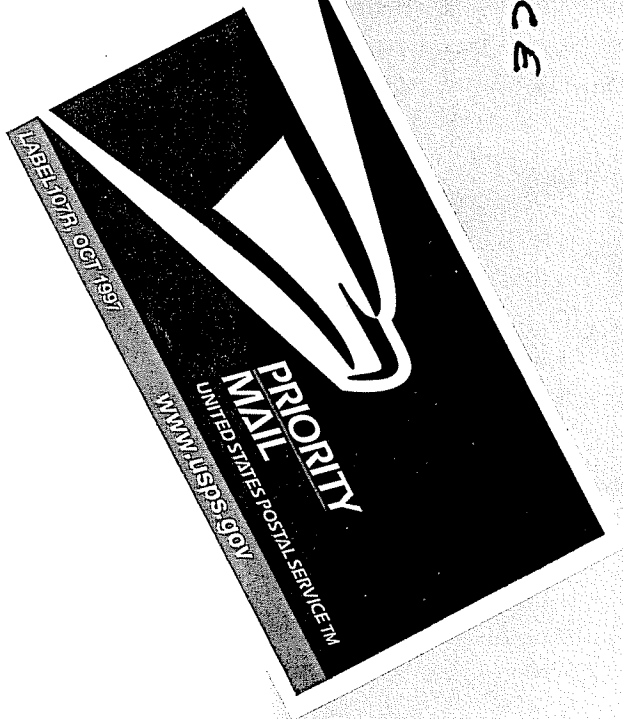
04 0370 0002 2827 5944

BETH O'DONNELL  
EXECUTIVE DIRECTOR  
KENTUCKY PUBLIC SERVICE  
PO Box 615  
FRANKFORT KY 40609

**RECEIVED**

NOV 24 2004

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COMMISSION



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AMOUNT  
**\$4.30**

U.S. POSTAGE  
PAID  
BETH O'DONNELL  
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