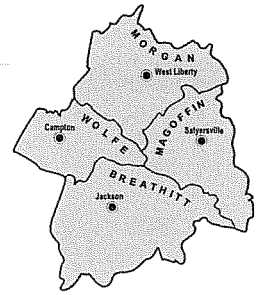


LICKING VALLEY
RURAL ELECTRIC COOPERATIVE CORPORATION
P. O. Box 605 • 271 Main Street
West Liberty, KY 41472-0605
(606) 743-3179



January 10, 2006

Ms. Beth O'Donnell, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RE: Administrative Case No. 2006-00494
An Investigation of the Reliability Measures of Kentucky's Jurisdictional
Electric Distribution Utilities and Certain Reliability Maintenance Practices

Dear Ms. O'Donnell:

Please find enclosed the original and seven (7) copies of the information requested in Administrative Case No. 2006-00494, An Investigation of the Reliability Measures of Kentucky's Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices for Licking Valley Rural Electric Cooperative Corporation.

Kerry Howard, President/CEO, will be our witness for all items of Appendix A.

Should you need additional information concerning this filing, please contact our office.

Sincerely,

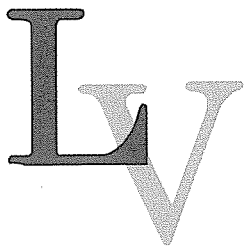
Kerry Howard
President/CEO

KH/on

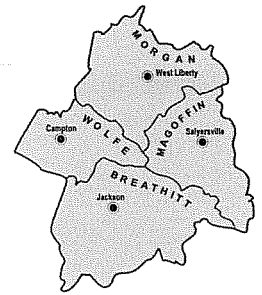
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West Liberty, KY 41472-0605
(606) 743-3179



**Administrative
Case No. 2006-00494**

**Licking Valley Rural Electric
Cooperative Corporation
P.O. Box 605
West Liberty, KY 41472**



APPENDIX A

**APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN ADMINISTRATIVE CASE NO. 2006-00494**

Dated December 12, 2006

1. Does utility management measure, monitor, or track distribution reliability?
- a. If so, describe the measures used and how they are calculated.

SAIDI (System Average Interruption Duration Index). The total amount of interruption time divided by the average number of consumers.

- b. If reliability is monitored, provide the results for the past 5 years for system wide reliability.

Year	Consumers	Power Supplier	SAIDI			Total
			Storms	Planned	Other	
2001	16125	.0211	.3421	.2042	1.8063	2.3737
2002	16346	1.0442	.4972	.5464	1.7443	3.8321
2003	16597	.8215	.3254	.2456	1.7234	3.1159
2004	16793	1.4425	1.8112	.5072	3.2619	7.0228
2005	16921	.4776	.1705	.3675	2.2654	3.2810
5 Year Average (Hours)		.7614	.6293	.3742	2.1603	3.9251

Note: These values are given to RUS annually.

2. Are any outages excluded from your reliability measurement? If so, what criteria are used to exclude outages?

Yes. Momentary outages where equipment automatically restores service.

3. Does the utility differentiate between momentary and sustained outages?

Yes, momentary outages are not monitored.

a. What criteria are used to differentiate?

Outages are recorded that require the dispatch of personnel.

b. Is Information about momentary interruptions recorded?

Yes.

4. At what level of detail does the utility record customer outages (individual customer, by re-closer, by circuit, by substation,etc.)?

Outages are recorded by all of the above: individual customer, re-closer, circuit and by substation.

5. How does the utility detect that a customer is experiencing an outage?

Phone calls to office or dispatcher and also detected by AMR device.

6. How does the utility know when a customer is restored?

From contact with personnel dispatched to outage and also by calling consumers.

7. Are the causes of outages categorized and recorded? If they are, provide a list of the categories used.

Yes.

Categories Used: Pole Down; Line Down; Right of Way; Substation; Storm; Planned; Equipment/Other; Vandalism; Animals

On the report, under each category there is an explanation of what caused the outage.

8. Can the utility record outage information for each circuit in the system Including for each customer outage:

a. Length of each disruption? **Yes**

b. Number of customers affected by each disruption? **Yes**

c. Number of customers served by each circuit? **Yes**

d. Cause of each interruption? **Yes**

9. If the answer to any part of item 8 is no, what would be required to enable the utility to collect this level of data?

N/A

10. Does the utility follow any type of standard (e.g., ANSI A300) for trimming trees in or near to the distribution right-of-way?

No. Our line clearance from tree to distribution lines depends on the property owner whose land we cross with the distribution electric line.

11. What criteria does the utility use to determine when vegetation maintenance or tree trimming is required?

We are on a four (4) year line clearing cycle, or when a report is called in by the consumer or reported by company personnel.

12. Is the tree trimming performed by utility personnel or by contractor? If by Contractor, describe the controls management uses to ensure trees are trimmed per utility requirements.

Tree trimming is performed by contractors. Periodic inspections are performed by the Maintenance Superintendent.

13. Is any portion of the utility system subject to local codes or ordinances Regarding tree trimming or vegetation management?

No.

a. Which areas of the system are covered by local codes or ordinances? N/A

b. For each covered area, what do the local codes or ordinances require?N/A

14. How often does the utility clear its distribution easements?

Four (4) year cycle.

15. How much has the utility spent on distribution easement clearing for each of The last five (5) years? Include the cost per mile expended.

2001 – 2005

<u>Year</u>	<u>Dollars Spent</u>
2001	\$ 480,090
2002	523,763
2003	415,312
2004	383,870
2005	<u>426,251</u>
Total	\$ 2,229,286

Cost per mile expended is not available.

16. What annual amount of money is included in the current retail rates for distribution easement clearing?

Spent 2006 - \$ 457,070

Budget for 2007 - \$ 464,937