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### COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

FEB 1 3 2009 PUBLIC SERVICE

COMMISSION

In the Matter of:

# APPLICATION OF OWEN ELECTRIC COOPERATIVE, INC. FOR ADJUSTMENT OF RATES

Case No. 2008-00154

### ATTORNEY GENERAL'S THIRD SUPPLEMENTAL DATA REQUESTS FOR INFORMATION FROM OWEN ELECTRIC COOPERATIVE

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Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Supplemental Request for Information to Owen Electric Cooperative, Inc., 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) Please identify the witness who will be prepared to answer questions concerning each request.

(3) 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.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) 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.

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

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

(8) 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.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please 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.

Respectfully submitted,

JACK CONWAY OF KENTUCKY ATTORNEY ER A I/l

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#### **CERTIFICATE OF SERVICE AND NOTICE OF FILING**

I hereby give notice that this the 13<sup>th</sup> day of February 2009, I have filed the original and ten copies of the foregoing Attorney General's Request for Information with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to

those listed below.

Honorable James M. Crawford Crawford & Baxter, P.S.C. 523 Highland Ave. P.O. Box 353 Carrollton, KY 41008

Honorable Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202

Mark Stallons President & CEO Owen Electric Cooperative, Inc. 8205 Highway 127 North P.O. Box 400 Owenton, KY 40359

Assistant Attorney General

# OWEN ELECTRIC COOPERATIVE CASE NO. 2008-00154 Attorney General's Third Supplemental Data Request For Information from Owen Electric Cooperative

- 1. As shown in Exhibit S, pages 2 and 4 and Exhibit G, page 1, in this case Owen is requesting a rate increase of \$4,064,395. This requested rate increase is also confirmed in the testimonies of Rebecca Witt and Alan Zumstein. However, Page 3, Question 12 of Mr. Stallons' substitution testimony now references a requested rate increase amount of \$3,991,675. This is \$72,720 lower than the as-filed rate increase request. In this regard, please provide the following information:
  - a. Provide a detailed listing of the various components making up the \$72,720 difference between the requested rate increase amounts of \$4,064,395 and \$3,991,675.
  - b. For each of the components making up the \$72,720 difference to be provided in the response to part (a), provide workpapers showing the calculations and source references underlying each of these components.
  - c. Provide updated and revised Exhibits G, K and S that incorporate the updated rate increase request of \$3,991,675.
  - 2. For the last five calendar years, please provide a program description and program budget for any and all energy efficiency and/or demand response programs offered by Owen. Please include a breakdown of residential/commercial customers participating in any and all such programs along with an estimate of the reductions in both KW and KWH for each program identified and describe in detail how such reductions were estimated.
  - 3. Please refer to the substitution testimony of Mr. Stallons, Page 4, Question 16. In the testimony, he testifies that in order to create proper incentives to promote energy innovation, including energy conservation, energy efficiency and demand response, the right retail rate environment must exist. Please identify the party receiving these "proper incentives." Is it Owen or its customers?
    - a. If it is Owen, please explain in detail how Owen believes it will benefit from raising the customer charge and demand charge and lowering the energy charges with regard to the promotion of energy innovation, including energy conservation, energy efficiency and demand response.
    - b. If it is Owen's customers, please explain in detail how raising the customer charge and demand charge and lowering the energy charges sends an appropriate energy conservation signal to residential customers.
  - 4. Please provide a breakdown of the average bill for Owen's residential and commercial customers using Owens' currently approved rates. Please include in this breakdown, the KWH usage along with any surcharges, etc. which make up a customers monthly bill.

# OWEN ELECTRIC COOPERATIVE CASE NO. 2008-00154 Attorney General's Third Supplemental Data Request For Information from Owen Electric Cooperative

- 5. Please provide a breakdown of the average bill for Owen's residential and commercial customers using the rates proposed by Owen in this case. Please include in this breakdown, the KWH usage along with any surcharges, etc. which make up a customer's monthly bill.
- 6. Please refer to the substitution testimony of Mr. Stallons, Page 8, Question 25. Please explain in detail how Owen's low income customers would benefit from a higher customer charge, higher demand charge and a lower energy charge. Please provide a copy of the study referred to in Mr. Stallons' answer along with supporting documentation for the statement by Mr. Stallons that "[t]he facts show that increasing our member's customer charge as opposed to increasing the energy charge will not adversely affect our lower income members".
- 7. Please refer to the substitution testimony of Mr. Stallons, Page 9, Question 25. Please provide an estimate of the reductions in customer usage that Owen believes it can achieve as a result of any demand response/energy efficiency programs. Please provide supporting documentation which indicates how these estimates were calculated.
- 8. Please refer to the substitution testimony of Mr. Stallons, Page 11, Question 28. Please provide the energy charges for the utilities identified in the question by Mr. Stallons.
- 9. Please refer to the substitution testimony of Mr. Stallons, Page 11, Question 28. In a manner similar to the table provided on Page 11, please indicate how Owen's current customer and energy charges compare to its sister co-operatives on EKPC's system.
- 10. Please refer to the substitution testimony of Mr. Stallons, Page 11, Question 28. In a manner similar to the table provided on Page 11, please indicate how Owen's proposed customer and energy charges would compare to its sister co-operatives on EKPC's system.
- 11. Please provide a breakdown of Owen's electric sales for the last five years by customer class.