


# Shelby Energy Cooperative

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February 7, 2012

Mr. Jeff Derouen  
Executive Director  
Public Service Director  
211 Sower Blvd.  
Frankfort, Ky 40602

RECEIVED

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PUBLIC SERVICE  
COMMISSION

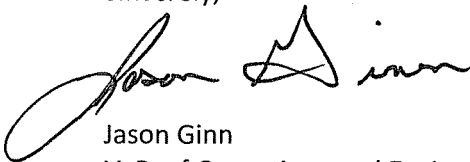
**RE: Administrative Case No. 2011-00450**

Dear Mr. Derouen:

Please find enclosed the original and 10 copies of the information requested in the Appendix of Case No. 2011-00450, An Investigation of the Reliability Measures of Kentucky's Jurisdictional Electric Distribution Utilities dated January 11, 2012. Jason Ginn and David Graham will be the witness responsible for responding to any questions related to the information provided.

Should you need additional information concerning this filing, please feel free to contact us.

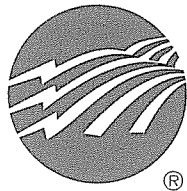
Sincerely,




Jason Ginn  
V. P. of Operations and Engineering

Enclosures

Copied To: Service List Parties



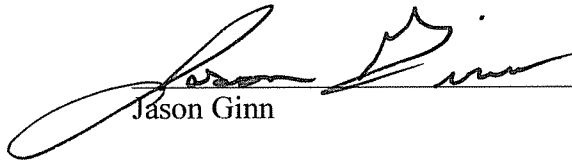
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CERTIFICATION

I, Jason Ginn, Vice President of Operations and Engineering at Shelby Energy Cooperative Corporation, state that I have personal knowledge of the matters set forth in this application and attached exhibits, and that the statements and calculations contained in each are true as I verily believe.

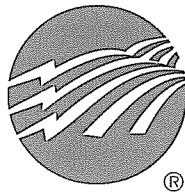
This 7<sup>th</sup> day of February, 2012.

  
Jason Ginn


SUBSCRIBED AND SWORN on before me by Jason Ginn this \_\_\_\_\_ day of February, 2012.

  
Notary Public, KY State at Large

My Commission Expires: 10/30/12



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CERTIFICATION

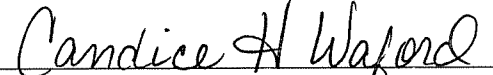
I, David Graham, System Engineer, at Shelby Energy Cooperative Corporation, state that I have personal knowledge of the matters set forth in this application and attached exhibits, and that the statements and calculations contained in each are true as I verily believe.

This 7<sup>th</sup> day of February, 2012.

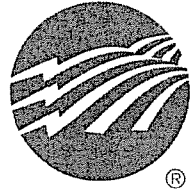


\_\_\_\_\_  
David Graham


SUBSCRIBED AND SWORN on before me by David Graham this 7<sup>th</sup> day of February, 2012.

 411584  
\_\_\_\_\_  
Notary Public, KY State at Large

My Commission Expires: 01/13/14



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**ADMINISTRATIVE CASE NO. 2011-00450**

**In the Matter of:**

**An Investigation of the Reliability Measures  
Of Kentucky's Jurisdictional Electric  
Distribution Utilities**

**February 7, 2012**

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN ADMINISTRATIVE CASE NO. 2011-00450 DATED JANANUARY 11, 2012.

1. The following questions relate to the data maintained by each utility.
  - a. Identify the number of circuits currently maintained by the electric utility.

**Response: 38**

- b. Does the utility calculate separate SAIDI, SAIFI and CAIDI indices for each circuit? If no, explain why not and explain the degree to which the utility tracks the following:

- (1) SAIDI;
      - (2) SAIFI; and
      - (3) CAIDI

**Response: Yes, Shelby Energy Cooperative (“SEC”) calculates separate indices for each circuit.**

- c. Identify any other reliability indicator or measure the utility uses to assess reliability. Explain the significance of each indicator or measure used. Does the utility maintain these indicators or measure for each circuit?

**Response: Additionally, SEC investigates member concerns and increased outages in specific areas. However, these measures and indicators are not maintained for each circuit.**

2. The following questions refer to the manner in which each utility calculates and tracks the SAIDI, SAIFI and CAIDI indices.
  - a. Identify the manner in which the indices are calculated and tracked; i.e., manually (Excel spreadsheet), or an electronic or mechanized (outage reporting) system.

**Response: SEC tracks these indices with an Excel spreadsheet from manually prepared outage reports.**

- b. If the response to Item 2.a. above is electronic or mechanized, provide a description of the system and explain whether it was developed internally or purchased from a third-party vendor. If purchased from a third-party vendor, provide the name of the vendor and an estimate of the original cost of the system.

**Response: N/A**

- c. If the response in Item 2.a. above is manually, provide a description of the elements tracked. Discuss in detail any inquiry made into the internal development of an electronic or mechanized system or any consideration of the purchase of a system from a third-party vendor.

**Response: SAIDI, SAIFI and CAIDI are calculated annually. SEC is in the process of finalizing the conversion to an electronic mapping system and plans to evaluate an outage management system when the mapping project is complete.**

3. Concerning SAIDI, SAIFI, and CAIDI reporting: the commission directed that the reporting be based on the criteria and definitions set forth in the IEEE Standard.

- a. If the utility does not follow the IEEE standard, explain why not. Explain what standard(s) the utility does follow in its calculation of SAIDI, SAIFI and CAIDI.

**Response: SEC follows the IEEE Standard.**

- b. Does the utility track and review SAIDI, SAIFI and CAIDI monthly, quarterly, or annually?

**Response: The indices are calculated annually.**

- c. Are SAIDI, SAIFI and CAIDI tracking on a rolling 12-month period or for a more discrete period of time; i.e., monthly, quarterly, or annually?

**Response: The indices are tracked and maintained on a calendar year basis.**

- d. Currently, in each annual report submitted pursuant to the Final Order in Case No. 2006-00494, each utility provides system-wide SAIDI, SAIFI and CAIDI calculated for a calendar year. Identify any other preferred 12-month reporting parameter; i.e., calendar year, fiscal year, or some other 12-month method.

**Response: SEC prefers the current calendar year method.**

- e. Does the utility review SAIDI, SAIFI, and CAIDI by any discrete fashion such as by division, district, region or some other method?

**Response: No method is used other than the 10 worst circuits.**

4. The following questions relate to the requirement that each utility report the ten worst-performing circuits for each index in the annual report submitted pursuant to the Final Order in Case No. 2006-00494.

- a. If the utility does not track SAIDI, SAIFI and CAIDI for each circuit, explain how the ten worst-performing circuits are identified.

**Response: SEC tracks the indices for each circuit.**

- b. Does the utility see benefit in expanding the reporting of the worst-performing circuits to the 15 or 20 worst-performing circuits for each index?

**Response: No.**

- c. Identify any alternative to reporting the ten worst-performing circuits that the utility utilized to determine system reliability.

**Response: SEC uses the 10 worst-performing circuits and has no other alternate to recommend.**

5. The following questions relate to the identification of the ten worst-performing circuits for each index.

- a. Provide an explanation of the actions taken by the utility once the ten worst-performing circuits for each index have been identified. Include the typical steps taken to correct the reliability issues relating to the ten worst-performing circuits for each index.

**Response: SEC has found, many times, when a circuit begins to perform poorly or an increase is reflected in the number of outages, the circuit has been upgraded or replaced prior to it showing as one of the ten worst-performing circuits. Often, circuits that appear on the ten worst-performing list are for two reasons; 1) unfavorable weather conditions or 2) a circuit with unique characteristics such as a small customer base.**

- b. Provide a timeline of the typical steps taken to correct reliability issues relating to the ten worst-performing circuits for each index.

**Response: SEC reviews the ten worst-performing circuits when developing four-year construction work plans (“CWP”). These circuits are analyzed to determine what may have contributed to the associated worst-performing status. Problems discovered/noted are repaired on a timely basis and in accordance with safety and reliability effects.**



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