



**Big Sandy Rural Electric
Cooperative Corporation**

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PUBLIC SERVICE
COMMISSION

March 28, 2012

Jeff Derouen, Executive Director

Kentucky Public Service Commission

211 Sower Blvd.

P. O. Box 615

Frankfort, KY 40602-0615

RE: Response to Second Data Request Case 2011-00450

Mr. Derouen:

Please find enclosed the original and 10 copies of Big Sandy RECC's response to your inquiry dated March 15, 2012.

Please inform me if any further information is required.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Prater".

Jeff Prater

Operations Manager

Big Sandy RECC

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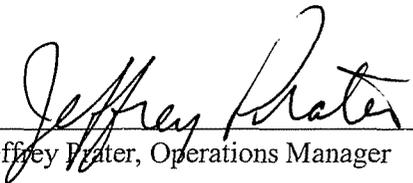
PUBLIC SERVICE
COMMISSION

STATE OF KENTUCKY

COUNTY OF JOHNSON

I, Jeffrey Prater, state that I am the Operations Manager for Big Sandy RECC, and 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 28th day of March, 2012.



Jeffrey Prater, Operations Manager

SUBSCRIBED AND SWORN to before me by Jeffrey Prater, this 28th day of
March, 2012.



Notary Public, KY State at Large

My Commission Expires: 6-19-2014

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

AN INVESTIGATION OF THE RELIABILITY)
MEASURES OF KENTUCKY'S) ADMINISTRATIVE
JURISDICTIONAL ELECTRIC DISTRIBUTION) CASE NO. 2011-00450
UTILITIES)

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
ALL ELECTRIC DISTRIBUTION UTILITIES

Each jurisdictional electric distribution utility ("utility"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due no later than March 30, 2012. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response 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 person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Each utility shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

each utility fails or refuses to furnish all or part of the requested information, each utility shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied 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.

1. The following questions relate to the use of a five-year average of System Average Interruption Duration Index ("SAIDI"), System Average Interruption Frequency Index ("SAIFI"), and Customer Average Interruption Duration Index ("CAIDI") on a circuit basis as a benchmark to determine the relative reliability of an individual circuit.

a. In your opinion, is it reasonable for the Commission to require each utility to develop and report a five-year average SAIDI on a circuit-by-circuit basis as a benchmark for comparison purposes? Explain your answer.

a. In our opinion it is unreasonable to require a jurisdictional utility to report a five year average SAIDI on a circuit by circuit basis as a benchmark for comparison purposes.

The IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data.

b. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher SAIDI than the utility's five-year average SAIDI for that circuit? Explain your answer.

b. In our opinion it is unreasonable to require a jurisdictional utility to explain why a particular circuit has a higher SAIDI than the five year average.

As stated before the IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data.

c. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher SAIDI than the five-year average? Explain your answer.

c. In our opinion it is unreasonable to require a jurisdictional utility to explain corrective measures on a particular circuit because the design and intent of the IEEE standards is for corrective measures for the entire distribution system. To focus at the circuit level would be too microscopic and reduce the effectiveness of system wide efforts.

d. In your opinion, is it reasonable for the Commission to require each utility to develop and report a five-year average SAIFI on a circuit-by-circuit basis as a benchmark for comparison purposes? Explain your answer.

d. In our opinion it is unreasonable to require a jurisdictional utility to report a five year average SAIFI on a circuit by circuit basis as a benchmark for comparison purposes.

The IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data.

e. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher SAIFI than the utility's five-year average SAIDI for that circuit? Explain your answer.

e. In our opinion it is unreasonable to require a jurisdictional utility to explain why a particular circuit has a higher SAIFI than the five year average.

As stated before the IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data.

f. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher SAIFI than the five-year average? Explain your answer.

f. In our opinion it is unreasonable to require a jurisdictional utility to explain corrective measures on a particular circuit because the design and intent of the IEEE standards is for corrective measures for the entire distribution system. To focus at the circuit level would be too microscopic and reduce the effectiveness of system wide efforts.

g. In your opinion, is it reasonable for the Commission to require each utility to develop and report a five-year average CAIDI on a circuit-by-circuit basis as a benchmark for comparison purposes? Explain your answer.

g. In our opinion it is unreasonable to require a jurisdictional utility to report a five year average CAIDI on a circuit by circuit basis as a benchmark for comparison purposes.

The IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data.

h. In your opinion, is it reasonable for the Commission to require each utility to explain why a particular circuit has a higher CAIDI than the utility's five-year average SAIDI for that circuit? Explain your answer.

h. In our opinion it is unreasonable to require a jurisdictional utility to explain why a particular circuit has a higher CAIDI than the five year average.

As stated before the IEEE standards are designed, recorded, and analyzed as a system average. To focus these indices at the circuit level would be too microscopic, resulting in skewed data.

Understanding that the Commission's desire is for utilities to provide safe reliable electric service, data from a circuit by circuit would not accurately provide the data

i. In your opinion, is it reasonable for the Commission to require each utility to explain the planned corrective measures for the circuit with a higher CAIDI than the five-year average? Explain your answer.

i. In our opinion it is unreasonable to require a jurisdictional utility to explain corrective measures on a particular circuit because the design and intent of the IEEE standards is for corrective measures for the entire distribution system. To focus at the circuit level would be too microscopic and reduce the effectiveness of system wide efforts.

2. KRS 61.870 through KRS 62.884 address open records of public agencies and 807 KAR 5:001, Section 7, pertains to confidential material submitted to the Commission. Do you anticipate that some information submitted concerning the utility's circuits, whether with regard to SAIDI, SAIFI, CAIDI, or other reporting, could contain confidential, proprietary, or critical infrastructure information for which a petition for confidential information may also be submitted? Explain your answer. In your answer, provide examples of the type of information for which you may seek confidential protection.

2. Any information that exposes vulnerabilities of our electric distribution system should remain confidential. Any specific information of outage causes could be used to damage or disrupt critical infrastructure.

A specific example; if it were publicly reported that Out of right-of-way trees caused the most outages in a given time period it would give information to individuals, or groups as to how they could disrupt the electric grid and cause economic harm. This information would give individuals, groups and entities that wish to harm the public or cause economic harm specific information on the most effective ways to do so.

3. Please describe your utility's current capacity to compose electronic documents.

a. Is the utility familiar with or currently using Microsoft Office products such as MS Word or Excel? If so, include the name and version(s) of the software currently used.

a. Big Sandy RECC has the ability to compose basic electronic documents such as MS Word 2010, Excel 2010, and pdf documents.

b. Describe your utility's current internet connectivity status, including connection speed.

b. Big Sandy RECC has internet connectivity with DSL 6 meg speed.

c. Is the utility familiar with the Commission's website?
c. Yes

d. Has your utility registered on the PSG website and does it have a valid username and password? (This registration would currently be used for Electronic Case Filing, Annual Reports, and Tariff Filings).

d. Yes, Big Sandy RECC does have a username and password to the PSC website. It is used for Case Filing, Annual Reports, and some Tariff Filings.

e. If recommended, would your utility have technical staff available to interface with the PSG Information Services Team to assist in the design and implementation of an automated process for uploading data to the Commission?

e. Without specific information as to the program and interface type it is uncertain if Big Sandy RECC would be able to assist with this type of process.

4. The following questions relate to the manner by which the utility tracks SAIOI, SAIFI, and CAIDI as stated in response to Items 2. (a) and (b) of the Commission's Order of January 11, 2012.

a. This question applies to Kentucky Power Company ("Kentucky Power"), Big Sandy Rural Electric Cooperative Corporation, Blue Grass Energy Cooperative Corporation, Clark Energy Cooperative, Inc., Duke Energy Kentucky, Inc. ("Duke"), Farmers Rural Electric Cooperative Corporation, Fleming-Mason Energy Cooperative, Inc., Grayson Rural Electric Cooperative Corporation, Inter-County Energy Cooperative Corporation, Jackson Energy Cooperative Corporation, Jackson Purchase

Energy Corporation, Kenergy Corp., Kentucky Utilities Company ("KU"), Louisville Gas and Electric Company ("LG&E"), Meade County Rural Electric Cooperative Corporation, Nolin Rural Electric Cooperative Corporation, Owen Electric Cooperative, Inc., Salt River Electric Cooperative Corporation, Shelby Energy Cooperative, Inc., South Kentucky Rural Electric Cooperative Corporation, and Taylor County Rural Electric Cooperative Corporation all of which reported that they tracked SAIDI, SAIFI, and CAIDI using an outage management system or an outage management system in conjunction with an Excel spreadsheet.

(1) Does your utility have the ability to export (or upload) the data to another data base or data system (including an Excel spreadsheet) maintained by the Commission? If not, explain why.

(1) It should be within our ability to upload an Excel 2010 file to another database or send such files to a ftp URL.

(2) If not identified elsewhere, identify the file formats to which your utility has the ability to export data.

(2) Excel 2010 would be the only current file type Big Sandy could easily transmit.

b. This question applies to Cumberland Valley Electric, Inc. and Licking Valley Rural Electric Cooperative Corporation, who reported that they tracked SAIDI, SAIFI, and CAIDI manually. Does your utility have the ability to export (or upload) the data to another data base or data system (including an Excel spreadsheet) maintained by the Commission? If not, explain why.

N/A to Big Sandy RECC

8. Explain how the SAIDI, SAIFI, and CAIDI indices influence the allocation of capital for system improvement projects within the utility. For the Investor-Owned Utilities Kentucky Power, Duke , KU, and LG&E, explain the manner in which the parent company influences the amount and allocation of capital for system reliability improvements.

8. Reliability indices are evaluated for any cause that can be addressed through system improvement projects.

Reliability indices, Load growth, and system inspections all are used in evaluating capital projects. SAIDI, SAIFI, and CAIDI indices are used as one factor of the overall system improvement planning.

9. Does the utility currently share other types of data with entities outside your organization? If yes, describe those other sharing systems and data, and with whom your utility shares the information.

9. No

10. Identify any disadvantages to making the reliability index numbers available on the Commission's website.

10. We are not aware of any disadvantages submitting reliability numbers to the commissions website, however there is concern for that information being made public (See question 2).

11. Identify any advantages to making the reliability index numbers available on the Commission's website.

11. It would be easier to report the reliability numbers electronically.

12. In your opinion, what information would the utility's customers be most interested in having easily accessible? In your opinion, is it more appropriate to have this information available by circuit or system averages? How does your utility relay reliability information to your customers? Explain your answers.

12. We are uncertain of the information our members would want concerning system reliability. This type of information is designed for engineering and operations personnel, it may not be practicable for members. If required to make this information public it should be done as a system average.

We share this information with members as it is requested on an individual basis.

13. If not identified elsewhere, describe the reliability information available for public review on your utility's website.

13. We do not publish reliability indices on our website.

14. If the utility's customer requests information from the utility on reliability measures, do you provide it? Explain your answer.

14. Yes, we provide it verbally to that individual.

15. Does the utility have a suggestion for a better or more efficient method or manner for reporting or providing reliability information to the public?

15. We have no specific suggestions for reporting reliability indices to the public.

Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED: . **MAR 15 2012**

cc: Parties of Record

Administrative Case No. 2011-00450