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PUBLIC SERVICE
COMMISSION



**COMMONWEALTH OF KENTUCKY BEFORE THE
PUBLIC SERVICE COMMISSION**

In re the Matter of:

CONSIDERATION OF THE IMPLEMENTATION)	
OF SMART GRID AND SMART METER)	CASE NO.
TECHNOLOGIES)	2012-00428

Clark Energy Cooperative, Inc. ("Clark Energy"), pursuant to the Public Service Commission's (PSC) information request dated April 13th, 2016, hereby submits the following response dated June 13th, 2016 regarding Case No. 2012-00428

DATE: June 13th, 2016



June 13, 2016

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

Re: Case No. 2012-00428

Dear Acting Executive Director:

Enclosed for filing in the above referenced case are an original and three (3) copies of the response of Clark Energy Cooperative, Inc. to the PSC order dated April 13, 2016, consisting of: letter certifying Cyber Security procedures, Member Privacy policy, Member Education policy and Smart Grid Investments procedures.

Please be advised that Mr. Scott Sidwell, Sr. Vice President of Engineering and Operations for Clark Energy, is the witness responsible for Clark Energy's response.

Sincerely,

Robert C. Brewer
President & CEO

Enclosures

**CLARK ENERGY COOPERATIVE, INC.
WINCHESTER, KENTUCKY
OPERATIONAL POLICY # 317.2**

SUBJECT: MEMBER EDUCATION AND COMMUNICATION POLICY

I. OBJECTIVE

To fulfill our mission, Clark Energy Cooperative, Inc. ("Clark Energy") is committed to educate members and the public with knowledge and tools to safely and efficiently use energy to enhance their quality of life.

II. CONTENT

A. Educational Content

Basic information is provided to members, our communities and the general public, in each of the following areas, with the understanding that changing dynamics within our industry may expand or alter topics in each area and the topics listed in this policy are not all inclusive:

1. Organizational Data
 - a. History
 - b. Vision and mission statements
 - c. Corporate By-laws
 - d. Financial facts and documents
 - e. Board of director's information
2. Electrical Safety
 - a. Power line safety for employees, members and public
 - b. Storm safety
 - c. Safety demonstrations for schools and emergency response personnel
 - d. Children's safety
 - e. Seasonal and routine safety tips
 - f. Safety during an outage
 - g. Safety apparel and practices of lineman
 - h. Right-of-way safety
 - i. Safety events and pictures

3. Utility Services

- a. Available rates/tariffs
- b. Member billing options; budget billing; BankDraft service, etc.
- c. Payment arrangements
- d. Construction diagrams and specifications
- e. Notification of planned outages
- f. Updates on service interruptions
- g. Member assistance agencies
- h. Fuel cost and environmental surcharge information
- i. After-hours answering service
- j. Outage reporting
- k. Text outage reporting

4. Energy Efficiency

- a. Energy efficiency programs and rebates
- b. Contact information for member assistance
- c. Energy calculator programs
- d. Energy saving tips
- e. Home energy audits

5. Community Involvement

- a. College scholarship
- b. Frankfort Youth Tour
- c. Washington Youth Tour
- d. WinterCare assistance program
- e. Participation in local civic and community organizations
- f. Local career days
- g. Speakers provided upon request
- h. Honor Flight sponsor

6. AMI & Technological Benefits

- a. Power-line-carrier AMI system with two-way communication
- b. Daily readings and historical usage access empowers members to monitor and conserve energy use
- c. Improved modeling for distribution system with more accurate planning of system improvements and upgrades
- d. Improved mapping system that assists line technicians during outages
- e. Improved outage data to members
- f. Energy efficiency and load control of water heaters and air conditioning
- g. Better member assistance with high bill concerns

B. Educational Media

In addition to presentations, facilitated learning experiences, and employee managed demonstrations, the following methods are used to communicate the above content with members and the public on a regular basis:

1. *Kentucky Living Magazine* – monthly publication provided to all members
2. Bill Insert – periodic flyer included with member bill
3. Bill Message – monthly written communication printed on member bill
4. Clark Energy Website – updated regularly with various information
5. Clark Energy Facebook© – items posted periodically

II. RESPONSIBILITY

- A. The President and CEO is responsible for the administration of this policy.

Adopted: 06/2016

CLARK ENERGY COOPERATIVE, INC.
WINCHESTER, KY
Operational Policy 317.1

SUBJECT: MEMBER INFORMATION PRIVACY POLICY

I. PURPOSE

Clark Energy Cooperative, Inc. ("Clark Energy") recognizes that its' members expect confidentiality of their member information. Clark Energy is committed to operational practices that protects member information. This policy describes the information that Clark Energy, as a utility, collects from its members as a routine part of its operations, and how it uses, protects, and shares the information that it collects.

II. DEFINITIONS

1. Member. Person, firm or corporation applying for or receiving service from Clark Energy
2. Member operational information. Member information that does not identify an individual member but includes detailed data about system operations about utility services or programs provided to a member.
3. Personally identifiable information (PII). Member information that consists of names, address, date of birth, social security numbers and other information that specifically identifies the person or entity to which it applies.
4. Anonymous member information. A subset of member information that may be disclosed to parties, other than the member, that will protect the identity of the member.
5. Aggregate member information. Information of more than one member combined in such a manner that does not identify a member.
6. Utility. Clark Energy and third-party contractors, vendors or other agents with whom it is necessary to share member information to provide energy services and energy efficiency programs provided by Clark Energy. For direct payments or rebates made to the member by an associated third-party, a controlled set of the member's PII is provided to the vendor.

7. Associated third-party. Includes contractors, vendors, energy-efficiency program partners, governmental entities or agents and non-profit utility-assistance organizations with which Clark interacts.
8. Unassociated third-party. Any person or entity not directly involved with the routine operations of the utility.
9. Privacy. Non-disclosure of member information to an unassociated third-party without member consent.

II. CONTENT

A. Accountability

Clark Energy assumes the following:

1. It is accountable for the member's PII within the organization's possession or control.
2. It is responsible for personal information in our control that has been transferred to an associated third-party for processing. Clark Energy will use contractual or other means to provide a comparable level of protection.
3. It will not sell or distribute the PII of its members.
4. It will not collect information indiscriminately and will limit collection of information to that which is reasonable and necessary to provide electric service, participation in an energy efficiency program, use of a specific tariff or other program.
5. It will adopt procedures to protect personal information, receive and respond to complaints and inquiries and train employees regarding these policies and procedures.

B. Member Information Collected

Personal and operational information obtained by Clark Energy for a member and associated persons on the member's account include, but aren't limited, to the following:

1. The name and address and other contact information, such as telephone numbers, e-mail address;
2. Facts regarding consumption of energy, both historic and current;
3. Data concerning a member's transactions with Clark Energy, such as account numbers, account balances, payment history;

4. Credit and reference information, such as date of birth, social security number, employment information, driver's license, previous addresses, and general financial data;
5. Medical information to be used in case of emergency power outages; and
6. Financial institution information for pre-authorized payments.

C. Purposes of Member Information Collected

Clark Energy obtains personal and/or operational member information for the following purposes to:

1. Personalize, identify, communicate and conduct the business.
2. Verify or establish the existence of a member's energy service;
3. Assess credit risk, including obtaining credit reports;
4. Communicate with the member and address any service issues or needs;
5. Bill accounts, maintain payment records, give notice on current balance;
6. Assemble statistics about how Clark Energy's website is accessed and used;
7. Compile aggregate data that does not identify the member as an individual;
8. Contact members about outages and services offered by Clark Energy and third-party energy-efficiency programs partners;
9. Respond to federal, state, local regulatory agencies when authorized by law; and
10. Collect debts owed by a member

D. Member Access to Information

Members shall have access to their individual information, including but not limited to, historical data regarding electric usage, respective billing units and the current applicable tariff by the following methods:

1. The internet member portal may be accessed by all Clark Energy members by using a personal User ID and Password through Clark Energy's website at: www.clarkenergy.com. If a personal security code has not been established, the member may contact Clark Energy by telephone and assistance will be provided on how to set up the code.

E. Disclosure of Member List

A member list may be disclosed to a member of Clark Energy for proper purposes, such as in connection with election activities. The list will include only those members for the applicable District in which the member, who wishes to be elected, resides. The list will contain only name and address.

F. Security

1. Clark Energy maintains member information with reasonable and appropriate technical, administrative, physical and cyber safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure of member-consumer information.
2. A summary of this Member Information Privacy Policy will be posted on the Clark Energy website.

G. How to Contact Clark Energy

This policy is maintained by Clark Energy at the headquarters office located below. Questions regarding the policy may be directed to this office.

Clark Energy Cooperative
Attn: Member Privacy
2640 Iron Works Road
Winchester, KY 40391
Telephone: 859-744-4251 or 1-800-992-3269

II. RESPONSIBILITY

- A. The President and CEO is responsible for the administration of this policy.


Adopted: 06/2016

P.O. Box 748

Winchester, Ky. 40392



CLARK ENERGY

A Touchstone Energy Cooperative 

June 13th, 2016

Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

To whom it may concern:

This letter is to certify that Clark Energy Cooperative, 2640 Iron Works Road in Winchester, Kentucky has developed and implemented cybersecurity policies and procedures consistent with documents developed by the joint utility IT committee. Clark Energy's IT personnel participate in the Kentucky Association of Electric Coops IT Committee that meets semiannually to discuss cybersecurity issues.

Clark Energy will accommodate a time to make a presentation describing our cybersecurity policies and procedures when requested.

Sincerely,



Scott Sidwell

Sr. Vice President, Engineering & Operations Department

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CLARK ENERGY SMART GRID INVESTMENTS

SYSTEM DESCRIPTION

Clark Energy Cooperative headquarters office is located at 2640 Ironworks Road, Winchester, KY 40391. Clark Energy serves 26,101 consumers via 3,080 miles of distribution line in 11 Central\Eastern Kentucky Counties. These counties: Fayette, Clark, Madison, Bourbon, Montgomery, Bath, Powell, Estill, Menifee, Morgan and Rowan vary significantly in terrain from Bluegrass to the foot hills of Appalachia.

Clark Energy began deployment of AMR in 2000 with the Landis&Gyr (Formerly Hunt Technologies) TS1 system and began transitioning to the Landis&Gyr TS2 system in 2010 due to aging and obsolescence of the then currently installed TS1 System. Clark Energy currently operates a hybrid AMR\AMI system of TS1 and TS2 technologies.

Planning Goals

In order to provide the ability to all Clark Energy consumers for Pre-paid metering, Direct Load Control, and enhanced historical information, as well as give Clark Energy the capability for Automated outage Reporting, Remote Connect\Disconnect, Distribution Automation, and System Wide Voltage information, as well as the limited functionality of and growing obsolescence of PLC technology Clark Energy will be submitting a request for a CPCN to the PSC to transition to a RF AMI\Smart Grid solution.

Once Clark Energy has received a CPCN from the PSC Clark Energy will begin the installation of the required infrastructure to support system wide deployment of RF capable metering as well as Direct Load control devices. The same infrastructure used for communication for metering purposes will be used for Distribution Automation which will also communicate with the currently installed Outage Management and SCADA systems for enhanced data acquisition, outage information and equipment control.

Smart Grid Plan

As discussed in the previous paragraphs Clark Energy plans to continue to utilize currently installed AMR\AMI equipment to get the most from prior investments while moving forward with current RF technologies not only in metering but Direct Load Control and other distribution equipment to provide more options for our consumers as well as utilizing the ability to communicate with system wide protective devices, voltage regulators, fault indicators, etc. Once fully deployed all consumers, in all areas served by Clark Energy can have more choices on energy usage and conservation through various rate structures\historical information as mentioned in PSC Case#2012-00428. Investments in Smart Grid Technologies will be made when it makes prudent economic sense for Clark Energy to do so and will be developed as part of the RUS CWP process. System wide deployment of RF Smart Grid technology provides many uses both for Clark Energy and our consumers.