

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF BIG SANDY RURAL)	
ELECTRIC COOPERATIVE CORPORATION,)	
FLEMING-MASON ENERGY COOPERATIVE,)	CASE NO.
INC., AND GRAYSON RURAL ELECTRIC)	2012-00484
COOPERATIVE CORPORATION FOR AN ORDER)	
APPROVING KY ENERGY RETROFIT)	
RIDER PERMANENT TARIFF)	

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION, FLEMING-MASON
ENERGY COOPERATIVE, INC., AND GRAYSON RURAL ELECTRIC COOPERATIVE
CORPORATION

Big Sandy Rural Electric Cooperative Corporation ("Big Sandy"), Fleming-Mason Energy Cooperative, Inc. ("Fleming-Mason"), and Grayson Rural Electric Cooperative Corporation ("Grayson") (also referred to as "Joint Applicants"), pursuant to 807 KAR 5:001, are each to file with the Commission the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due no later than ten days from the date of issuance of this request. 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.

Big Sandy, Fleming-Mason, and Grayson 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 Big Sandy, Fleming-Mason, or Grayson fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their 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. Refer to the Joint Applicants' application at paragraph 13, page 4. It states: "To date, only one of the 98 participating locations is inactive."

a. In the Joint Applicants' response to Commission Staff's First Request for Information ("Staff's First Request"), filed January 10, 2013, in response to question 5.a., it is indicated that Big Sandy has had one participating location that has had significant damage due to a natural disaster. Does the location referred to by Big Sandy as having had significant damage from a natural disaster currently have an active or inactive account?

b. Refer to Item 5.b. of the Joint Applicants' response to Staff's First Request where it is indicated that Grayson has had two completed retrofit project

locations that have been foreclosed upon. For each of the foreclosed locations identified by Grayson, state whether that location has an active or inactive account.

2. If any of the locations identified in questions 1.a. and 1.b. above have an inactive account, should those accounts be added to the one indicated in the application at paragraph 13 as being inactive?

3. Refer to paragraph 11 of the Joint Applicants' application. It is indicated that the average projected electricity savings per home is 5,365 kWh, with a corresponding average monthly energy savings of \$50.78. It is also stated that the average monthly Retrofit Project Charge is \$38.70. Further, Joint Applicants state:

Where sufficient post-retrofit data exists, the average projected monthly energy savings of \$52.70 tracks closely with the average normalized monthly savings per home of 454 kWh per month. Using the average residential rate of \$0.11/kWh, this demonstrates an estimated actual energy savings of \$49.94. 48 percent of participating customers self identify as low to moderate income households.

a. Is the reference to the average projected monthly energy savings of \$52.70 the number calculated as a result of post-retrofit data?

b. Is the reference to the average projected monthly energy savings of \$50.78 the number calculated without regard to post-retrofit data?

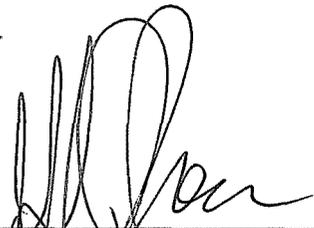
c. Is the reference to \$52.70 and \$50.78 a typographical error? If yes, which is the correct figure?

4. Refer to Exhibit A of the Joint Applicant's application, Fleming-Mason Energy Cooperative, Inc.'s Tariff Sheet P.S.C. No. 3, Original Sheet No. 1. Under the section identified "OTHER," Item No. 6, the tariff language includes the following: "If a location is dormant for more than one year, or the underlying facility has been

destroyed, any outstanding retrofit balance net of insurance reimbursement may be charged as loss in accordance with the Company's approved Terms and Conditions."

a. Is the inclusion of this language intended to mean, for each particular cooperative, that the cooperative's other members can be held responsible for any unrecovered balances under the situations described in Item No. 6 of the tariff?

b. If the answer to 5.a. is yes, explain why the Joint Applicants believe the other members of each particular cooperative should shoulder that responsibility. Identify the authority under which the Commission can require the rest of the membership to be responsible for unrecovered balances.



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cc: Parties of Record

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