

Question:

Refer to Section II-D of the Application, page 1, which states that the projected peak of this CWP is only slightly above the B block load level of the LRP, and therefore, the substations proposed in the C block load level are not needed. Does Licking Valley project that the substations in the C block load level will be necessary at some point during the 2012-2015 CWP?

Response:

No. The projected peak for the end of the 2012-2015 CWP is 81.5MW which is above the B block projection of 79.2MW. Therefore the latter part of the 2012-2015 CWP period will fall under the load range of the "C- Block" which is 79.2-107.5MW if the 81.5MW peak is achieved. Licking Valley does not anticipate needing any of the substations proposed in the C block of the LRP in this CWP since the substations impacted by the proposed substations in C block will not be over capacity based upon the projected 81.5MW peak load. The proposed substations will be re-examined in LVRECC's next CWP.

Question:

Refer to Section II-E of the Application, page 3, Service Reliability. Licking Valley notes that the five-year average outage hours per consumer is 18.71, but that the data is skewed due to the extensive widespread outage caused by Hurricane Ike in the fall of 2008 and the ice storm of early 2009. In the absence of these two extreme storm events, Licking Valley states that its typical average outage hours would fall below the minimum level recommended by RUS.

- a) Compute the total outage hours per consumer for the years 2008 and 2009, without the outages caused by Hurricane Ike and the ice storm of early 2009, respectively, and provide the resulting five-year average outage hours per consumer.

Response:

With Hurricane Ike and the ice storm removed the reliability indices are as follows (highlighted indices indicate values affected with the removal of outages due to Ike and ice storm):

	Power Supplier Total	Extreme Storm	Prearranged	All Other
2006				
OUTAGE HR/CONS	0.04	0.10	1.15	2.29
2007				
OUTAGE HR/CONS	0.56	0.18	0.64	2.83
2008				
OUTAGE HR/CONS	0.94	0.21	0.49	1.63
2009				
OUTAGE HR/CONS	0.71	0.18	0.72	2.90
2010				
OUTAGE HR/CONS	0.87	0.51	0.68	2.70
FIVE YEAR AVE.				
OUTAGE HR/CONS	0.62	0.24	0.74	2.47

b) What is the typical outage hour per consumer as recommended by RUS?

Response:

The typical outage hour per consumer recommended by RUS is 5 consumer-hours.

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- Conductors be replaced if found to contain an average of over 2 splices per phase per span in a 1 mile (1.6 kilometers) section; and
- No more than an average of 5 consumer outage hours, per consumer, per year, excluding outages caused by major storms or the power supplier, for the last 5 consecutive years in any specific area.

Question:

Refer to Section III-B of the Application, page 3.

a) The "New Meters (601) section shows that Licking Valley proposes to purchase 1,350 new meters at a total cost of \$161,559, for an average cost of approximately \$120 per meter. State the type of meters Licking Valley is proposing to purchase.

Response:

The new meters that LVRECC will be purchasing for residential use is the Hunt Technology TS2 meters Form 2S single-phase meter.

b) The "Retrofit AMI Meters (601)" section shows that Licking Valley proposes to purchase 1,400 new meters at a total cost of \$213,308, for an average cost of approximately \$152 per meter retrofit. State the type of meters Licking Valley will purchase and explain why Licking Valley is proposing to retrofit rather than replace the meters, given that the cost to replace the meters appears to be less than the cost to retrofit.

Response:

For retrofit, existing meters will be used if they are still functioning. If a member needs the added functionality provided by a TS2 meter, then a Hunt TS2 communication module will be added to the existing meter. A TS2 module can be added to both an electro-mechanical and digital meter. To add the module the meter must be brought in to LVRECC's metering department. This accounts for the added costs in labor over a new meter. LVRECC chooses to use existing meters with the communications card over replacing all meters with new because LVRECC does not want to prematurely dispose of functional meters. LVRECC does not want to waste functional electro-mechanical meters which are durable and still useful for years to come.

c) Explain the difference in capabilities between a new meter and retrofitted meter.

Response:

Once the TS2 module is installed on an existing meter, the retrofitted meter provides the same information as a new TS2 meter.