

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF CUMBERLAND VALLEY)	
ELECTRIC, INC. FOR A GENERAL)	CASE NO. 2016-00169
ADJUSTMENT OF RATES)	

RESPONSE OF CUMBERLAND VALLEY ELECTRIC, INC.
TO THE ATTORNEY GENERAL'S POST-HEARING REQUEST FOR INFORMATION

Filed: *December 16, 2016*

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF CUMBERLAND VALLEY)
ELECTRIC, INC. FOR A GENERAL) CASE NO. 2016-00169
ADJUSTMENT OF RATES)

VERIFICATION OF ROBERT TOLLIVER

STATE OF KENTUCKY)
COUNTY OF Knox)

Robert Tolliver, being duly sworn, states that he has supervised the preparation of certain of the following responses of Cumberland Valley Electric, Inc., to the Attorney General's Post-Hearing Request for Information in the above-referenced case and that the matters and things set forth in his responses are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Robert Tolliver (signature)
Robert Tolliver

Subscribed and sworn to before me on this 14 day of December, 2016.

Haron Dale Goyeller (signature)
NOTARY PUBLIC, Notary # 505044
Commission expiration: 4-11-2018

Cumberland Valley Electric, Inc.
Case No. 2016-00169
Attorney General's Post-Hearing Request for Information

1. Provide a list of all Kentucky electric cooperatives that pay 100% of costs for employee and retiree health insurance premiums, life insurance premiums, long term disability insurance premiums, 401K costs, R&S Retirement costs, and dental insurance premiums.

Response:

Unfortunately, this information is not published and Cumberland Valley Electric has been otherwise unable to obtain such detailed data concerning the total compensation packages paid by other cooperatives. It is Cumberland Valley's belief that there are other distribution cooperatives in Kentucky that pay 100% of their employees' health insurance costs, which is what I intended to convey at the hearing held in this matter on November 30, 2016. While Cumberland Valley Electric regrets that it cannot now provide detailed information with respect to individual cooperatives, it does believe its total compensation costs (recognizing both salary and benefit levels) are reasonable and consistent with prudent utility management and practices in this state.

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2. Provide the implementation date of Cumberland Valley's Advanced Metering Infrastructure.

Response:

Cumberland Valley implemented an AMI pilot project on one substation in 2004. The remaining substations were equipped for AMI in 2005. Cumberland Valley removed its last active AMR meters from the field in 2014 making Cumberland Valley 100% AMI deployed as of 2015.

Cumberland Valley Electric, Inc.
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3. Provide a detailed description of all assets booked to Plant Account 362.

Response:

Below is a list of assets booked to account 362:

20 Transformer Coupler Units (TCU)

11 Substation Processing Units (SPU) Model 2000

5 Substation Processing Units (SPU) Model 3000

All of the equipment listed above is related to Cumberland Valley's AMI system.

Cumberland Valley Electric, Inc.
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4. Provide the document and/or study that Mr. Adkins utilized while testifying at the Commission Hearing that referenced the rate increase as well as kWh usage for the low-income residential customer versus the average residential customer.

Response:

Find attached as page 2 of 2 of this response a chart reflecting actual Cumberland Valley usage data for the test year. This chart shows average monthly usage data for all residential accounts and compares residential accounts that received assistance (programs for low income members receiving monetary help such as LIHEAP) and those that did not receive assistance. This chart indicates, as Mr. Adkins testified, that those residential customers that receive assistance have much higher usage than the average residential customer. The average monthly difference between those residential customers receiving assistance and those that do not is approximately 240 kWh for the test year. However, as indicated by the chart the difference in usage is much greater in the winter months.

Average Monthly Usage R1 Accounts

