

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
THE ELECTRONIC APPLICATION OF MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION FOR A GENERAL ADJUSTMENT OF
RATES PURSUANT TO STREAMLINED PROCEDURE PILOT PROGRAM
ESTABLISHED IN CASE NO. 2018-00407
CASE NO. 2020-00131

Response to the Commission Staff's Second Set of Data Requests

August 18, 2020

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
MEADE COUNTY RURAL ELECTRIC)	
COOPERATIVE CORPORATION)	
FOR A GENERAL ADJUSTMENT OF)	Case No. 2020-00131
RATES PURSUANT TO STREAMLINED)	
PROCEDURE PILOT PROGRAM)	
ESTABLISHED IN CASE NO. 2018-00407)	

VERIFICATION OF MARTIN LITTEL

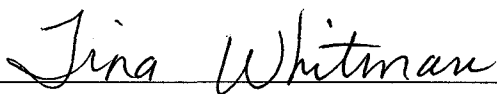
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF MEADE)

Martin W. Littrel, being duly sworn, states that he has supervised the preparation of certain responses to Requests for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Martin W. Littrel

The foregoing Verification was signed, acknowledged and sworn to before me this 14 day of August, 2020, by Martin W Littrel.



Notary Commission No. 597498
Commission expiration: 4-12-22

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

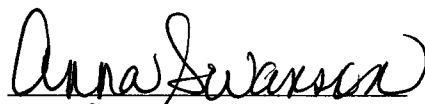
In the Matter of:

THE ELECTRONIC APPLICATION OF)	
MEADE COUNTY RURAL ELECTRIC)	
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FOR A GENERAL ADJUSTMENT OF)	Case No. 2020-00131
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PROCEDURE PILOT PROGRAM)	
ESTABLISHED IN CASE NO. 2018-00407)	


VERIFICATION OF ANNA SWANSON

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF MEADE)

Anna Swanson, being duly sworn, states that she has supervised the preparation of certain responses to Requests for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.


 Anna Swanson

The foregoing Verification was signed, acknowledged and sworn to before me this 14 day of August, 2020, by Anna Swanson.


 Notary Commission No. 597498
 Commission expiration: 4-12-22

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1 **Item 1)** *Refer to Meade RECC's response to Staff's Initial Request for Information*

2 *(Staff's Initial Request), Item 1.*

3 *a. Explain whether Meade RECC requested a CPCN for the referenced new AMI system.*

4 *b. Provide an update to Attachment 1B with current costs. Provide support for all cost*

5 *estimates.*

6

7 **Response)**

8 a. Meade County included plans to implement an AMI upgrade pilot within its 2018-2020
9 Construction Work Plan. Per PSC Staff Opinion 2018-006A dated November 30, 2018,
10 Commission Staff is of the opinion that the AMI Pilot Project does not require a CPCN,
11 and permanent system-wide implementation and upgrade of Meade County's AMI
12 system will be required to obtain a CPCN.¹ Meade County is currently in the AMI Pilot
13 phase of the project and has plans to file a CPCN before proceeding with the full
14 deployment of the new AMI system.

15 b. Meade County currently does not have members participating in the prepay program.² To
16 ensure proper cost recovery, Meade County plans to update the analysis at a time closer
17 to promotion and release of the program to its membership. Meade County believes the

¹ See PSC Staff Opinion 2018-006A (November 30, 2018)

² See Meade County Response to Staff-DR-01-001

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1 above-referenced costs remain relevant at this time and should be updated at a later date

2 due to the uncertainty of rising costs and program participation.

3

4 **Witness)** Martin Littrel

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1 **Item 2)** *Refer to Meade RECC's response Staff's Initial Request, Item 20. It states that*
2 *Employee 2 retired on 1/10/2020. Explain why all wages were not excluded and provide the*
3 *calculation and rationale for including part of the wages.*

4

5 **Response)** Meade County included the portion of wages for Employee 2 that were paid out in
6 January; however, Meade County confirms that it is appropriate to remove all of the wages for
7 Employee 2 in the adjusted test period for ratemaking purposes going forward.

8

9 **Witness)** Anna Swanson

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1 **Item 3)** *Refer to Meade RECC's response to Staff's Initial Request, Item 22. Explain*
2 *whether any newly hired employees were replacements for any retired employees.*

3

4 **Response)** Employee 12 was hired on 6/3/2019 and was a replacement for Employee 1 who
5 retired in June 2019. Employee 1 wages were all excluded for ratemaking purposes, and
6 Employee 12 wages were annualized – thus no revisions to the proposed labor adjustment are
7 required.

8

9 **Witness)** Anna Swanson

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1 **Item 4)** *Refer to the response to Item 23 of Staff's Initial Request. Explain why*
2 *overtime hours were not included for employees 4, 6, 8 and 10.*

3

4 **Response)** Employee 4 and Employee 6 were moved from hourly pay to salary pay.

5 Employee 8 had few overtime hours and Meade County proposes to forego inclusion of those
6 hours in the revenue requirement. Employee 10 is no longer employed by Meade County.

7

8 **Witness)** Anna Swanson

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1 **Item 5)** *Refer to Meade RECC's response to Staff's Initial Request, Item 24. The*
2 *attachment lists 66 employee numbers that do not correspond to the 23 employee numbers in*
3 *Tab 1.13 or the 69 employee numbers in Tab 1.10 of the spreadsheet*
4 *Meade_Rev_Req_FILED_060520.xlsx. Reconcile the employee numbers to match Tab 1.13.*
5
6 **Response)** The attachment for Staff's Initial Request Item 24 has 67 employees listed. This
7 list includes any hourly employee that had overtime *in the past five years*. This list does not
8 include any salary employees or any employee who did not have overtime. Tab 1.10 has 69 full
9 time employees listed for 12/31/2019 that had life insurance coverage for the test year. Tab 1.13
10 only has the 23 employees listed who had a wage change or did not have 2,080 regular hours for
11 the year.
12
13 **Witness)** Anna Swanson

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1 **Item 6)** *According to the 2019 Annual Report to the Public Service Commission filed by*
2 *Meade RECC, it lists 69 full-time employees and 6 part-time employees. Reconcile this to the*
3 *79 employees listed in AG Item 3 Confidential – Compensation and Benefits, Attachment*
4 *pages 8-10.*

5

6 **Response)** The 2019 Annual Report lists 69 full-time and six part-time employees as of the
7 end of the year. The 79 employees listed in the AG Item 3 Confidential – Compensation and
8 Benefits includes the *cumulative* number of persons employed at any given time during 2019.
9 There were four individuals that were employed during the test year but were not employed as of
10 the end of the year for the Annual Report numbers due to retirement and resignations.

11

12 **Witness)** Anna Swanson