

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

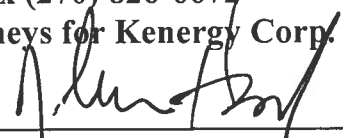
In the Matter of:

THE ELECTRONIC APPLICATION OF)	
KENERGY CORP. FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY)	
FOR THE CONSTRUCTION OF A HIGH-SPEED)	Case No.
FIBER NETWORK AND FOR APPROVAL OF THE)	2021-00365
LEASING OF THE NETWORK'S EXCESS CAPACITY)	
TO AN AFFILIATE TO BE ENGAGED IN THE)	
PROVISION OF BROADBAND SERVICE TO)	
UNSERVED AND UNDERSERVED HOUSEHOLDS)	
AND BUSINESSES OF THE COMMONWEALTH)	

**MOTION TO AMEND AND SUPPLEMENT APPLICATION WITH
TESTIMONY OF JONATHAN CHAMBERS**

Petitioners, **KENERGY CORP.** (“Kenergy”) and **KENECT, INC.** (“Kenect”), move the Commission for leave to amend and supplement its Application with the attached testimony of Jonathan Chambers of Conexon. Due to time constraints beyond Applicant’s control, this testimony was not available at the time of the filing of the Application.

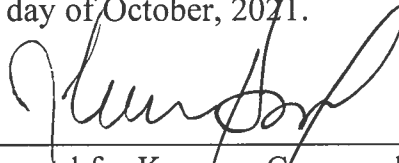
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By 

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served by electronic filing to the Kentucky Public Service Commission, 211 Sower Blvd., Frankfort, KY 40602 with a copy served electronically to the Kentucky Attorney General, Office of Rate Intervention, 700 Capital Avenue, Suite 20, Frankfort, KY 40601-8204, and James W. Gardner and M. Todd Osterloh, Sturgill, Turner, Barker & Maloney, PLLC, 333 W. Vine St., Suite 1500, Lexington, KY 40507 on this 7th day of October, 2021.



Counsel for Kenergy Corp. and Kenect, Inc.

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AND BUSINESSES OF THE COMMONWEALTH)

Case No.
2021-00365

TESTIMONY OF JONATHAN CHAMBERS

Q1. State your name.

A. Jonathan Chambers

Q2. What is your business address?

A. 2001 Grand Boulevard, Kansas City, MO 64108.

Q3. What is your job title and background?

A. I am a partner in Conexon, LLC (“Conexon”). I have worked for most of my career in the telecommunications field, both in the federal government and industry. For the four years prior to Conexon, I was Chief of the Office of Strategic Planning for the Federal Communications Commission. I was part of the senior leadership that converted the FCC’s subsidy programs from support for voice services to support for broadband networks.

1 Prior to the FCC, I worked in the cable and telecommunications industry in the U.S. and
2 Europe. At the start of my professional career, I was a staff member of the U.S. Senate,
3 including the Republican staff director for the Commerce Committee at a time the
4 Committee drafted many of the nation's telecommunications laws. I hold a BA in
5 economics from Yale College, an MA in international affairs from Columbia University
6 and a JD from Georgetown University Law Center.

7
8 Since March 2016, I have worked exclusively with Conexon, assisting electric cooperatives
9 building and operating fiber networks to serve rural America.

10
11 Q4. What is Conexon's business and Conexon Connect's business?

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13 A. Conexon principally works with rural electric cooperatives seeking to serve their
14 members with broadband and telecommunications services. Conexon engages in feasibility
15 planning, funding, fiber network design, construction management, materials procurement,
16 network operations, customer care and other related functions. Conexon Connect is a
17 wholly owned subsidiary of Conexon that operates a fiber to home business in various
18 locations. When used in this testimony, both Conexon and Conexon Connect are
19 interchangeable.

20
21 Q5. What is Conexon's business with rural electric cooperatives and fiber to home
22 projects?

23
24 A. Conexon works with rural electric cooperatives to construct, maintain and operate
25 fiber networks. Conexon has worked with over 200 electric cooperatives, currently
26 manages an average of 1000 miles of fiber construction each week, and assists
27 dozens of cooperatives in their ongoing operations to deliver broadband and
28 telecommunications.

29
30 Q6. Has Conexon consulted with Kenergy about a potential fiber to home project?

31
32 A. Yes.

33
34 Q7. What information has Conexon provided to Kenergy?

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36 A. Written and oral feasibility studies.

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38 Q8. Was the written feasibility study introduced into the record in the Kenergy filing in
39 Case No. 2020-215 with the Kentucky Public Service Commission?
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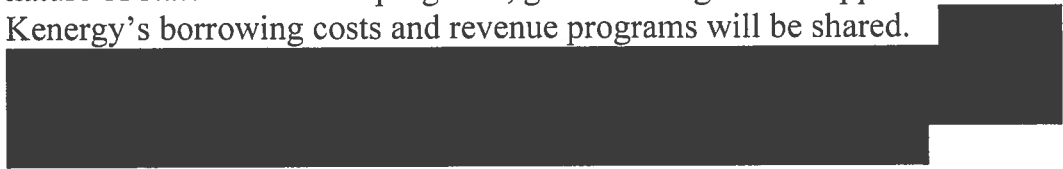
1 A. Yes.

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3 Q9. Do you adopt that feasibility study as a supplement to your testimony in this filing?

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6 A. Yes, I incorporate these documents by reference and adopt the information in them
7 as if fully restated under oath in this testimony in this matter.
8

9 Q10. Under the proposal to Kenergy/Kenect, how will the Rural Development
10 Opportunity Fund (“RDOF”) and other funding benefit the project?

11
12 A. Conexon Connect was a winning bidder in the RDOF auction in
13 Kenergy’s service territory. The RDOF program, like most FCC subsidy
14 programs, is considered revenue. The funding from RDOF would be shared
15 with Kenergy as part of a revenue share arrangement. Depending upon the
16 nature of state and federal programs, grant funding will be applied to reduce
17 Kenergy’s borrowing costs and revenue programs will be shared.



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23 Q11. How will the fiber network benefit Kenergy’s electric business?

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26 A. In all of our fiber projects, the fiber network is integrated into the electric network
27 for smart grid purposes. In fact, many of the coops we assist borrow from the Rural
28 Utilities Service’s smart grid program. As the RUS states in its presentations on
29 smart grid, “[s]mart grid capabilities can improve reliability, promote energy
30 efficiency, enhance grid security, advance safety, provide security, reduce pollution
31 and restrain consumer electricity costs.”
32 (https://www.rd.usda.gov/files/UEP_RUSSmartGrid_BOC.pdf) At Conexon, we
33 believe that for peak load management, distributed generation of energy resources,
34 and other smart grid applications, fiber optic communication is becoming an
35 essential part of the nation’s electric distribution networks. No other
36 communications transmission medium is capable of meeting the needs of
37 tomorrow’s electric grid. Since it takes years to build fiber networks, it is necessary
38 to begin these projects now. We have found that best practices for electric
39 cooperatives building fiber networks involve combining smart grid capabilities with
40 a broadband business.

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Q10. What assurance can you give the Commission that this venture will succeed and Kenergy's electric members are not exposed to undue risk?

A. The proposed fiber deployment for Kenergy is a proven architecture built with proven individual technologies. GPON technology, and the next generation of GPON, are the most widely used FTTH platforms in the world. While the standards in electronics continue to evolve, the fiber optic infrastructure will last for decades, much like Kenergy's electric network. Kenergy members will be owners of that fiber infrastructure. Conexon's approach with scores of cooperatives across the country has been to follow a cooperative principle that has held up for over eighty-five years. The people receiving service should be the ones who own the network. Using our tried and true approach, our rural electric cooperative partners have succeeded in each and every one of these projects.

Our experience has been that the greatest risk is not demand for broadband or the technology of fiber optic networks or economics of serving rural America. The principal risk for those who struggle is operational execution, particularly in timely meeting the members' expectations for construction and installation. For this project, we intend to use as a prime contractor for construction one of the most experienced construction firms in the country, Ervin Cable Construction, which happens to be local to Kenergy's service territory.

In addition to the direct benefit of providing a rate of return to the rural electric cooperative, establishment of high-speed internet is a fundamental aspect of maintaining population and economic development in rural areas. Finally, if Conexon were to default on its access agreement, Kenect can lease the excess fiber capacity to a different internet provider.


Q11. Does this conclude your testimony?

A. Yes.

CASE NO. 2021-00365

VERIFICATION

I hereby verify, state and affirm that the testimony filed herein is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.



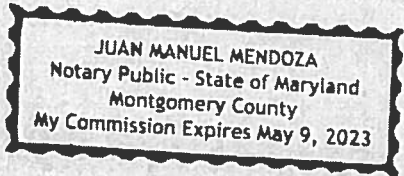
JONATHAN CHAMBERS


STATE OF Maryland

COUNTY OF Montgomery

The foregoing was signed, acknowledged and sworn to before me by JONATHAN CHAMBERS, this 7 day of October, 2021.

My commission expires May 9, 2023





Notary Public

(seal)