

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

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	
PROPOSED POLE ATTACHMENT TARIFFS OF)	CASE NO.
RURAL ELECTRIC COOPERATIVE)	2022-00106
CORPORATIONS)	

**RESPONSES TO COMMISSION STAFF'S SECOND INFORMATION REQUEST
TO EAST KENTUCKY POWER COOPERATIVE, INC.**

DATED MAY 19, 2022

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	
PROPOSED POLE ATTACHMENT TARIFFS OF)	CASE NO.
RURAL ELECTRIC COOPERATIVE)	2022-00106
CORPORATIONS)	

CERTIFICATE

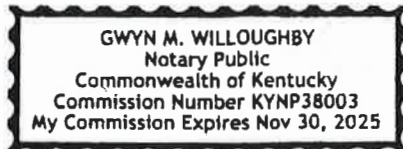
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Michelle K. Carpenter, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Data Requests in the above-referenced case dated May 19, 2022, 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.

Michelle K. Carpenter

Subscribed and sworn before me on this 1st day of June 2022.

Gwyn Willoughby
Notary Public



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	
PROPOSED POLE ATTACHMENT TARIFFS OF)	CASE NO.
RURAL ELECTRIC COOPERATIVE)	2022-00106
CORPORATIONS)	

CERTIFICATE

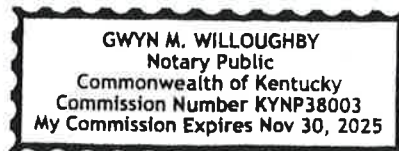
STATE OF KENTUCKY)
)
COUNTY OF CLARK)

Mary Jane Warner, being duly sworn, states that she has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Data Requests in the above-referenced case dated May 19, 2022, 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.



Subscribed and sworn before me on this 1st day of June 2022.


Notary Public



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	
PROPOSED POLE ATTACHMENT TARIFFS OF)	CASE NO.
RURAL ELECTRIC COOPERATIVE)	2022-00106
CORPORATIONS)	

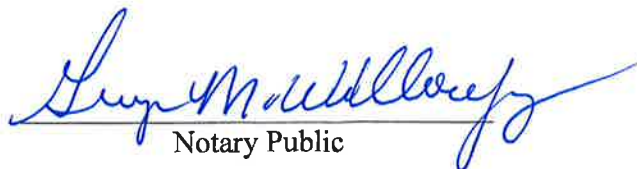
CERTIFICATE

STATE OF KENTUCKY)
)
COUNTY OF CLARK)

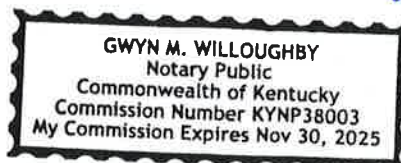
Denver York, being duly sworn, states that he has supervised the preparation of the responses of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff Data Requests in the above-referenced case dated May 19, 2022, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 1st day of June 2022.



Notary Public



EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2022-00106
SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22
REQUEST 1

RESPONSIBLE PARTY: **Michelle Carpenter**

Request 1. Provide the service lives of distribution poles used to determine the average service life, by type and vintage, to the degree they are broken down.

Response 1. East Kentucky Power Cooperative, Inc. ("EKPC") only maintains a minimal number of poles that meet the definition of a distribution pole. All such wood poles were installed in 2003 and relate to lines constructed to connect two landfill gas plants to distribution substations. These poles are included in Account 355000, Transmission Poles and Fixtures, and have service lives of 60 years.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2022-00106
SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22
REQUEST 2

RESPONSIBLE PARTY: **Mary Jane Warner**

Request 2. Describe your recent efforts, if any, to reduce the number of above ground transmission and distribution lines, and identify the number of poles that have been eliminated in your system in each of the last ten years because the electric lines previously attached to those poles were placed underground.

Response 2. EKPC has no underground transmission lines and has not eliminated poles by moving transmission or distribution lines from overhead to underground.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2022-00106
SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22

REQUEST 3

RESPONSIBLE PARTY: Denver York

Request 3. Other than identifying specific defective poles through inspections that require replacement, state whether you have a policy or practice of replacing poles in a circuit on a periodic basis or as they reach the end of their useful lives and, if so, describe that policy or practice in detail, including how and when (e.g. how far in advance) such replacements are identified or included in your projected capital spending budget.

Response 3. EKPC follows an Asset Management Plan that manages the risk of transmission line asset failures and their impact on safety, customer service, reliability, economics, and the environment. The current process consists of collecting a set of data that characterizes the condition and performance of a transmission line (including poles), analyzing the data, and then taking further action on a subset of the transmission line assets that are deemed to be over a threshold of risk tolerance. The set of data includes factors (age, outage history, reliability, criticality, etc.) that are weighted according to their impact on EKPC's risk tolerance. A health score is calculated from these factors for each transmission line. Transmission lines with the lowest health scores may be considered for an enhanced transmission line condition assessment to

further assess the equipment's condition and proximity to its end-of-life. Transmission lines that are considered near end-of-life result in the submittal of the transmission line into a problem statement process. As part of this process, EKPC Subject Matter Experts evaluate solutions for the problem statement and recommend a preferred solution that best mitigates the risk associated with the condition and potential failure of the transmission line asset. The preferred solution is reviewed by management and, if approved, becomes a project and is then included in the projected capital spending budget. EKPC maintains a minimum 5-year end-of-life list for circuits operating at 100 kV and above. In the recent past, EKPC has not identified any transmission lines operating at 100 kV and above that are within 5 years of their end-of-life.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2022-00106
SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22

REQUEST 4

RESPONSIBLE PARTY: **Mary Jane Warner**

Request 4. Describe in detail the process you use to budget for future capital expenditures, including when you first develop a preliminary capital spending budget for a particular year (e.g. three years in advance, five years in advance, etc.), how you determine the amounts to include in the preliminary capital budget, the level of specificity included in any preliminary budget, and each step that is taken in the process to get from any preliminary budget to a final capital spending budget for a particular year.

Response 4. EKPC utilizes a multi-phased approach to establish a queue for the identification and budgeting of necessary capital investment associated with its transmission system. Future capital expenditures are identified and implemented to meet transmission demands for new and organic load growth, maintain or improve transmission reliability, operability, restoration, and safety, and replace aging infrastructure and failed equipment, etc. When a need is identified that may result in a future capital expenditure, potential solutions are proposed and evaluated by multiple groups at EKPC including Power Delivery Operations, Power Delivery Maintenance, Transmission Planning, and Engineering and Construction.

PSC Request 4

Page 2 of 3

Alternatives are developed that include preliminary project estimates based on high level scope, historical cost, and available market data, then evaluated on cost effectiveness, how well the project addresses the stated need, ancillary benefits, holistic impacts to system performance, flexibility, etc.. When an alternative is selected, it is scored for comparison against other proposed projects and inclusion into EKPC's subsequent capital budget and the three year Construction Work Plan ("CWP") that is required by the Rural Utilities Service ("RUS"). Activities for most transmission capital projects span multiple years, and the queue for project development can begin 3 – 5 years in advance of the first capital spend year. Development requires project planning/coordination, permitting, design, procurement commitment for bulk or long lead time materials, and property rights well before the actual construction begins. Due to emergent events and a large number of independent transmission projects and prospective projects in the queue at any time, expansion and contraction of the planned spend in any year must be projected and managed effectively to assure needed projects can be completed.

EKPC's capital project lifecycle process requires additional refinement of the project before it is included in a final capital spending budget and CWP, so the project team further develops the scope, preliminary design, detailed estimate, and schedule for each project. Preliminary environmental reviews and other project risk mitigation measures like outage availability and system coordination are identified and incorporated into the overall project execution plan and coordinated portfolio execution plan in preparation for the project to be approved for inclusion in the final capital spending budget. Completion of these project development efforts must be achieved by the end of June each year to establish the next year capital

Completion of these project development efforts must be achieved by the end of June each year to establish the next year capital spending budget.

The proposed transmission capital budget is then reviewed by EKPC management, Accounting, Finance, Environmental, and Treasury to thoroughly examine the justification for the capital expenditure. Should adjustments in the overall capital spending budget be required, the scoring initially assigned to the project is utilized to help EKPC management determine which projects are recommended to EKPC's Board of Directors for inclusion in the next capital spending budget. EKPC's Board of Directors then conducts a thorough review for final approval by December of each year to establish the following year's final capital spending budget and for EKPC management to submit to RUS the next three year CWP.

Should other capital expenditures and resource commitments including those for unforeseen attachments be required outside the aforementioned capital budget development timeline for either the current or the next year, those costs would be treated as unbudgeted and could result in a net negative financial impact to EKPC or require deferment of previously budgeted projects to compensate for this unplanned capital spend. Additional risk to reliability and operations would also need to be considered should deferment of planned capital projects be necessary due to unplanned attachment expenditures.

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2022-00106

SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22

REQUEST 5

RESPONSIBLE PARTY: Mary Jane Warner

Request 5. Provide any current joint use agreements.

Response 5. EKPC has two joint use agreements. The most recent was signed May 24, 2022. It is a transmission co-location agreement between EKPC and LGE/KU to accommodate the new Ford Glendale project. The agreement is needed to facilitate the relocation of an existing EKPC transmission line that traversed property to be developed for the industrial project. The second is a 1998 agreement and amendments with Kentucky Data Link, Inc. ("KDL") for the attachment of a KDL owned fiber optic ground wire to specified EKPC transmission structures. Copies of each agreement are attached and are subject to a motion for confidential treatment.

**EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. PSC CASE NO. 2022-00106
SECOND REQUEST FOR INFORMATION RESPONSE**

COMMISSION STAFF'S SECOND INFORMATION REQUEST DATED 05/19/22

REQUEST 7

RESPONSIBLE PARTY: Mary Jane Warner

Request 7. Identify the number of transmission poles in your system with electric distribution lines attached, generally describe the types of poles on which distribution lines are attached, generally describe the voltage of the transmission lines on poles to which distribution lines are attached, and identify each electric distribution system operator with lines attached to your transmission poles.

Response 7. EKPC's records indicate 214 poles in its system (approximately 1% of the total system poles) with electric distribution lines attached at 199 structure locations. Approximately two-thirds of the poles are steel, the rest are wood. Over 90% of the attachments are on single pole structures with the remaining attachments on multi-pole structures. Nearly 75% of the poles are on 69kV transmission lines, 25% are on one 138kV transmission line, and one 2-pole structure is on a 161kV transmission line. The electric distribution system operators for these attachments are; Clark Energy Cooperative, Inc., Farmers Rural Electric Cooperative Corporation, Fleming-Mason Energy Cooperative, Jackson Energy Cooperative, Nolin Rural Electric Cooperative Corporation, Owen Electric Cooperative, Salt River Electric Cooperative

Corporation, Shelby Energy Cooperative, Inc., South Kentucky Rural Electric Cooperative Corporation, and Kentucky Utilities.