

# OWEN Electric

A Touchstone Energy Cooperative 

RECEIVED

APR 23 2010

PUBLIC SERVICE  
COMMISSION


## **Rate Case No. 2010-00145**

**1<sup>st</sup> DATA REQUEST FOR COMMISSION STAFF  
OWEN ELECTRIC COOPERATIVE INC**

**8205 Hwy 127 N  
PO Box 400  
Owenton, KY 40359  
502-484-3471**



**OWEN Electric**

A Touchstone Energy Cooperative 

April 23, 2009

Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

Dear Mr. Derouen:

Please find enclosed the original and four (4) copies of the responses to the Public Service Commission's Order "Filing of Owen Electric Cooperative, Inc. to establish certain non-recurring charges" to Owen Electric Cooperative, Inc. posted on April 15, 2010 in reference to Case No 2010-00145.

Please contact me with any questions regarding this filing.

Respectfully submitted,



Mark Stallons  
President and CEO

Enclosure



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Blvd  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

David L. Armstrong  
Chairman

James Gardner  
Vice Chairman

Charles R. Borders  
Commissioner

April 15, 2010

Mark Stallons  
President  
Owen Electric Cooperative, Inc.  
3205 Highway 127 North  
P.O. Box 400  
Owenton, KY 40359

RECEIVED APR 14 2010

RE: Case No. 2010-00145

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Jeff Derouen  
Executive Director

JD/rs

Enclosure



For Equal Opportunity Employer M/F/V

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF OWEN ELECTRIC )  
COOPERATIVE, INC. TO ESTABLISH ) Case No.  
CERTAIN NONRECURRING CHARGES ) 2010-00145

O R D E R

On March 16, 2010, Owen Electric Cooperative, Inc. ("Owen Electric") filed with the Commission a petition for approval of a tariff for a rate to recover costs associated with automatic meter reading remote disconnection. The application proposes that the tariff become effective on April 16, 2010. Based upon its initial review of Owen Electric's proposed tariff, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings may not be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for five months from April 16, 2010 up to and including September 15, 2010. Nothing shall prevent the Commission from issuing further Orders in this matter prior to the end of the suspension period.

2. a. Pursuant to 807 KAR 5:001, Owen Electric shall file with the Commission the original and four copies of the information requested in the Appendix attached hereto, with a copy to all parties of record. The information requested herein is due within 10 days of the date of this Order. Responses to requests for information

shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Owen Electric shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Owen Electric fails or refuses to furnish all or part of the requested information, Owen Electric shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

d. Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

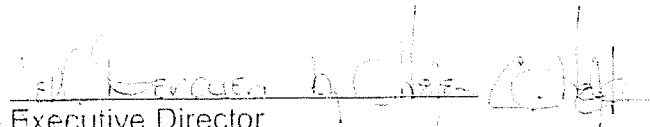
3. All documents that the Commission requires any party to file with the Commission shall also be served upon all parties of record at or before the time of filing.

4. Motions for extensions of time shall be made in writing and will be granted only upon a showing of good cause.

By the Commission

ENTERED  
APR 15 2010  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

## APPENDIX

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2010-00145 DATED APR 15 2010

1. Refer to Exhibit II of the application, line 3, which shows the "Cost of Remote Disconnect/Reconnect" as \$235.56.

a. Provide in detail an itemization of the cost of each item of equipment that comprises the \$235.56. Explain the nature of each item and include any pertinent literature provided by the manufacturer.

b. State whether the \$235.56 and associated costs are included in Owen Electric's current base rates. If no, state whether Owen Electric plans to include the cost in its base rates in its next rate case.

2. Refer to Exhibit II of the application, line 22.

a. The estimated number of remote disconnects and reconnects is shown as six per year. State whether this means that Owen Electric estimates that, for the enabled meters, it will remotely disconnect or reconnect each meter six times a year. If no, explain

b. Provide the number of meters that were reconnected after being disconnected for nonpayment in 2009.

c. State the number of meters that were disconnected for non-payment and subsequently reconnected more than once in 2009.

3. State whether or not overtime charges would apply to a remote disconnection or reconnection.

4. Refer to Exhibit IV of the application. In paragraph 2, Owen Electric states that it did not propose the remote disconnection and reconnection charge in its last rate case because it "was not fully versed on the capabilities of this system and the needed ancillary equipment for remote connections and disconnections." If not specifically identified in Question 1 above, provide a description of the "ancillary equipment" needed for the remote disconnections and reconnections.

5. State the number of pieces of ancillary equipment purchased by Owen Electric, the number of meters to which Owen Electric intends to install the ancillary equipment, and how Owen Electric will determine which meters will be equipped with the ancillary equipment. Provide this information by rate class.

6. Has Owen Electric performed an analysis of the costs and benefits of purchasing and installing the ancillary equipment needed to remotely disconnect and reconnect meters? If yes, provide that analysis. If no, explain why no such analysis was performed.

7. The Commission previously approved a remote disconnection and reconnection charge for Blue Grass Energy Cooperative Corporation ("Blue Grass") in Case No. 2007-00031<sup>1</sup> and Cumberland Valley Electric, Inc. ("Cumberland Valley") in Case No. 2007-00205.<sup>2</sup> The same methodology was used in both cases to calculate the service charge. Although the equipment costs are comparable in the

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<sup>1</sup> Case No. 2007-00031, Application of Blue Grass Energy Cooperative Corporation for an Adjustment of Rates (Ky. PSC Mar. 20, 2007).

<sup>2</sup> Case No. 2007-00205, Application of Cumberland Valley Electric, Inc. to Establish a New Nonrecurring Charge, an Automated Meter Reading Remote Disconnect Switch Fee (Ky. PSC Jul. 16, 2007).



aforementioned cases and the present case, Owen Electric is proposing to use a different methodology which results in a charge that is 50 percent higher than was calculated in the Blue Grass and Cumberland Valley cases.

a. Explain why the methodology used by Owen Electric is superior to that used by Blue Grass and Cumberland Valley. Exhibit 3 from Case No. 2007-00205 is provided as an attachment to this data request showing the methodology used by Cumberland Valley.

b. Recalculate the remote disconnect and reconnect charge by using the same methodology used by Blue Grass and Cumberland Valley and approved by the Commission in Case Nos. 2007-00031 and 2007-00205.

8. Considering the fact that the ability to remotely disconnect/reconnect requires capital costs beyond manual disconnect/reconnect and the proposed tariff charge is the same as the current tariff charge for manual disconnect/reconnect, provide a detailed explanation of all benefits of having the ability to remotely disconnect/reconnect.

ATTACHMENT  
CASE NO. 2010-00145

## Remote Disconnect

1 Cost of Remote Disconnect	\$250.00		
Tax	\$15.18		
Handling	<u>\$3.00</u>		
Total cost of unit		\$268.18	
Installation:			
1 hr. labor	\$22.46		
Overhead	<u>\$22.46</u>		
Total		<u>\$44.92</u>	
Total Unit Cost & Installation			<u>\$313.10</u>
Amortized over 60 months			\$5.22
2 Dispatch Labor To Operate Switch & Communicate with Member			
1 hr. labor	\$16.56		
Overhead 85%	<u>\$10.76</u>		
Total		\$27.32	
1/4 hour			\$6.83
3 DSR to Process Service Order			
1 hr. labor	\$16.56		
Overhead 85%	<u>\$10.76</u>		
Total		\$27.32	
1/4 hour			\$6.83
Total Cost			\$18.66
4 Interest 6%			\$1.15
5 Margin for 2.0 TIER			\$1.13
6 Total Cost to Disconnect or Reconnect for Non-Pay Remotely			\$21.14
7 Requesting Service Fee			\$10.00

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

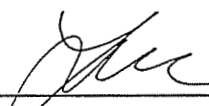
FILING OF OWEN ELECTRIC )  
COOPERATIVE, INC. TO ESTABLISH ) CASE NO. 2010-00145  
CERTAIN NONRECURRING CHARGES )

ATTORNEY GENERAL'S  
MOTION TO INTERVENE

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and pursuant to KRS 367.150(8), which grants him the right and obligation to appear before regulatory bodies of the Commonwealth of Kentucky to represent consumers' interests, hereby moves the Public Service Commission to grant him full intervenor status in this action pursuant to 807 KAR 5:001(8).

Respectfully submitted,

JACK CONWAY  
ATTORNEY GENERAL



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DENNIS G. HOWARD, II  
LAWRENCE W. COOK  
PAUL D. ADAMS  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE,  
SUITE 200  
FRANKFORT KY 40601-8204  
(502) 696-5453  
FAX: (502) 573-8315

*Certificate of Service and Filing*

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Mark Stallons  
President  
Owen Electric Cooperative, Inc.  
8205 Highway 127 North  
P. O. Box 400  
Owenton, KY 40359

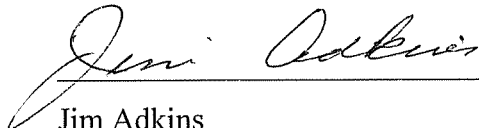
this 16<sup>th</sup> day of April, 2010



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Assistant Attorney General

Affiant, Jim Adkins, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Jim Adkins

Subscribed and sworn to before me by the affiant, Jim Adkins, this 22nd  
day of April, 2010.

Notary Laura M. Proggins  
\_\_\_\_\_  
State-at-Large

My Commission expires May 2, 2012.

Affiant, Mike Cobb, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.



Mike Cobb, SR VP Customer Service & Marketing

Subscribed and sworn to before me by the affiant, Mike Cobb, this 22nd day of April, 2010.

Notary Laura M. Higgins  
State-at-Large

My Commission expires May 2, 2012.





OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

Refer to Exhibit II of the application, line 3, which shows that the "Cost of Remote Disconnect/Reconnect as \$235.56.

**a. Question:**

Provide in detail an itemization of the cost of each item of equipment that comprises the \$235.56. Explain the nature of each item and include any pertinent literature provided by the manufacturer.

**a. Response:**

The \$235.56 represents the base cost of a disconnect collar of \$212.00. The base cost of this collar is \$235.56 and has been adjusted for an estimated failure rate of 10 percent. Attached is a copy of the pertinent literature supplied by the manufacturer. Please note that Owen Electric has received a notice of change in the cost of the collar and it is now \$195.00 instead of the \$212.00. The total cost is now \$29.96 instead of the original \$30.62. However the proposed rate remains at \$30.00. Attached as page 3 of this response is the cost calculation based on a cost of \$195.00

**b. Question:**

State whether the \$235.56 and associated costs are included in Owen Electric's current base rates. If no, state whether Owen Electric plans to include the cost in its base rates in its next rate case.

**b. Response:**

The \$235.56 amount is not included in Owen Electric's base rates. Owen Electric will not include it in its base rates in its next rate application.

**OWEN ELECTRIC COOPERATIVE**

**RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST**

INSTALLED HARDWARE COSTS

Cost of Remote Disconnect/Reconnect	\$ 216.67	
Tax	13.00	
Processing & Handling	25.00	
Total Cost of Unit	\$ 254.67	
Installation		
One (1) Hour of Labor	25.00	
Overhead - 100%	25.00	
		50.00
Total Equipment & Installation Cost		\$ 304.67

BASIS FOR THE REQUESTED SERVICE FEE

17	FIXED COSTS - Service Life of Ten Years		
18	Interest - 5%	\$ 15.23	
19	Margins for 2.0 TIER	15.23	
20	Depreciation - 10 Year Life	30.47	
21	Total Annual Costs	60.93	
22	Estimated Disconnects and Reconnects per Year	6.00	
23	Monthly Cost	10.16	

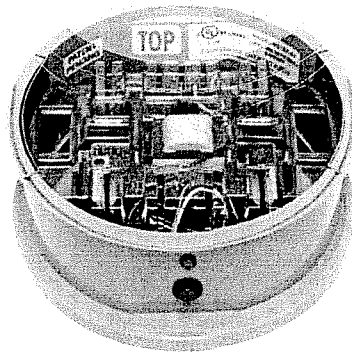
DISTRIBUTION SYSTEM CONTROL & COMMUNICATIONS

26	One (1) Hour of Labor for Communications and		
27	Operational Control	31.00	
28	Overhead	18.60	
29	Total	49.60	
30	Approximate Length of Time to Disconnect/Reconnect	15 Minutes	12.40
31			
32	PROCESSING SERVICE ORDER		
33	Customer Service Representative - One (1) Hour	18.50	
34	Overhead	11.10	
35	Total	29.60	
36	Approximate Length of Time to Disconnect/Reconnect	15 Minutes	7.40
37			

38	Total Annual Cost	\$ 29.96	
39			
40	SERVICE FEE REQUESTED	\$ 30.00	

# MCT-410D Base

## Remote Service Disconnect Meter Base



The MCT-410D base is a communicating disconnect meter base with integral 200 amp breaker for service disconnect functions. The meter base works with any Cannon Technologies MCT-410 to add remote service disconnect via Cannon Power Line Communications (PLC). No wires are needed to connect the meter to the base.

The MCT-410D base supports remote trip with local close for safety and remote configuration of load limiting options.

### Overview

The MCT-410D Remote Service Disconnect Meter Base is designed to work with the MCT-410 solid-state, single-phase AMR meter, using power line communication between the meter and disconnect base. Together, the combination provides a low cost, easy to install, and safe means of remotely disconnecting and restoring services up to 200 amps (4-jaw socket).

The service is restored when the utility "arms" the device. The status of the meter base is indicated by a multi-color LED mounted on the bottom side of the base. A button located next to the LED is pressed by the occupant, and the breaker is closed after 5 seconds (with

flashing LED as an indicator). The device can be remotely set for load limiting operation (with a remotely configurable demand limit), for climates with seasonal rules on disconnection.



### Utility Benefits

- Reduce collection costs, improve cash flow.
- Improve reconnect response times.
- Remotely configure Load Limiting mode and parameters.
- On-demand kWh read & disconnect status in 4-6 seconds.
- No "meter change" requirement - use with any MCT-410, reduces work flow requirements.\*
- Safe and dependable operation by occupant.
- Read or disconnect meter from a secure Web browser.

### Customer Benefits

- Improved response time for bill-paid, seasonal, and rental accounts.
- Load limiting option available.

### Features

- Uses utility-owned distribution line carrier communications.
- Simple plug-in installation requiring no field test equipment.
- Works with existing, in-service MCTs - programmed remotely with the unique ID of the disconnect base.
- Fully rated at 200 Amperes.
- Remote configuration for full disconnect or load limiting modes, including load limit parameters.
- Resettable counter tracks the number of times the meter is disconnected.

\* MCT-410 meters require compatible firmware to work with an MCT-410D base. Existing meters can be upgraded with compatible firmware by Cannon Technologies.



Minneapolis, Minnesota  
800.827.7966  
info@cannontech.com  
www.cannontech.com

### MCT-410D Base Functionality

MCT-410 series AMR meters communicate via socket blades to the MCT-410D remote disconnect base using unique addressing for security and reliability. Any MCT-410 meter can be programmed with the unique ID of the meter base and all control/status commands are then managed by the meter.

Customer Service and Call Center operators use either the *Yukon*® Commander client application or a Web-browser interface to read the meter, disconnect or reconnect, on-demand (with response expected in 4-6 seconds).

Requires *Yukon* Master Station with Cannon PLC support. *Yukon* can be interfaced to utility billing or customer information systems for automatic transfer of revenue data, using a library of third-party protocols.

### Full Disconnect

In full disconnect mode, service to the customer is fully disconnected. A utility operator executes a Disconnect command that opens the relay in the MCT-410D.

To restore service, the utility operator executes a Connect command which arms the MCT-410D base. For safety, the customer must then push a button on the meter base to actually restore electric service. Optionally, the utility may set the unit to immediately reconnect service upon receipt of a Connect command, rather than arm the MCT-410D base.

### Load Limiting Operations

The MCT-410D base can be configured to limit consumption rather than disconnect the service. In this mode of operation, the utility sets the unit for a maximum average demand for a configurable demand interval, settable in one minute increments. When the utility executes a Disconnect command, the unit begins monitoring demand. If the preset limit is exceeded, the unit automatically disconnects electrical service. After the selected demand interval ends, the unit allows the customer to restore service using the button on the MCT-410D base. A Connect command deactivates the load limiting operation.

## SPECIFICATIONS

### Communication Options

Type: Cannon Power Line Communications (PLC)

Signal Frequency: 9.6 or 12.5 kHz

### Environment

Temperature (storage and operating):  
-40°F to 176°F (-40°C to 80°C)

Relative Humidity:  
0-100% non-condensing

### Relay Specifications

Type: DPST Latching  
(Double Pole Single Throw)

Voltage: 240 VAC, 60 Hz

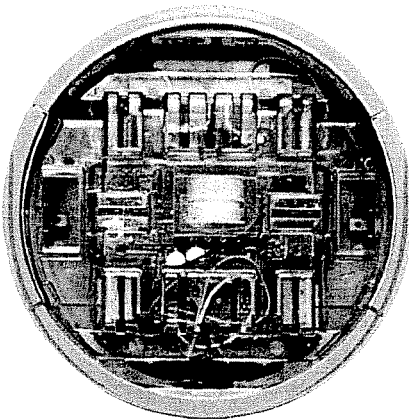
Current: 200 Amp

Operate Time: <9 ms @ 240 VAC

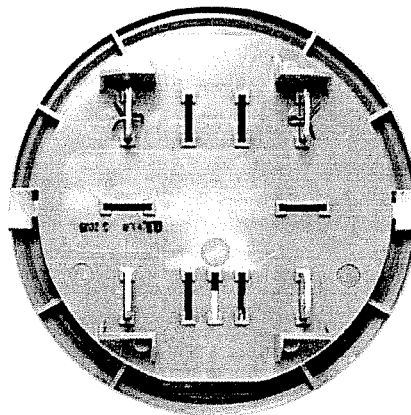
### Packaging

Dimensions:  
4.2" H x 7" W Max Diameter  
(10.7 x 17.8 cm)

Weight:  
2.625 pounds (1.19 kg)



Inside of MCT-410D base



Rear of MCT-410D base



OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

Refer to Exhibit II of the application, line 22.

**a. Question:**

The estimated number of remote disconnects and reconnects is shown as six per year. State whether this means that Owen Electric estimates that, for the enabled meters, it will remotely disconnect or reconnect each meter six times a year. If no, explain.

**a. Response:**

Owen Electric estimates that it will remotely disconnect or reconnect each meter six times a year.

**b. Question:**

Provide the number of meters that were reconnected after being disconnected for nonpayment in 2009.

**b. Response:**

The number of reconnects after disconnecting for nonpayment in 2009 was 4,655.

c. **Question:**

State the number of meters that were disconnected for nonpayment and subsequently reconnected more than once in 2009.

c. **Response:**

The number of meters that were disconnected and subsequently reconnected more than once in 2009 is 966.





OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

**Question:**

State whether or not overtime charges would apply to a remote disconnection or reconnection.

**Response:**

Overtime charges would not apply in the case of Owen Electric because this task would be accomplished by the dispatcher on duty at the time of remote disconnect/reconnect. Owen Electric has 24 hour dispatch services.



OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

**Question:**

Refer to Exhibit IV of the application. In paragraph 2, Owen Electric states that it did not propose the remote disconnection and reconnection charge in its last rate case because it “was not fully versed on the capabilities of this system and the needed ancillary equipment for remote connections and disconnections.” If not specifically identified in Question 1 above, provide a description of the “ancillary equipment” needed for the remote disconnections and reconnections.

**Response:**

The additional equipment needed would be the disconnect collar provided in the response to Item 1. At the time the last rate case was being prepared two years ago, Owen Electric was still in the process of completing the installation of its AMI system as well as becoming completely familiar with its functions and did not think of developing this rate.



OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

**Question:**

State the number of pieces of ancillary equipment purchased by Owen Electric, the number of meters to which Owen Electric intends to install the ancillary equipment, and how Owen Electric will determine which meters will be equipped with the ancillary equipment. Provide this information by rate class.

**Response:**

Owen Electric has purchased 1,500 collars and installed approximately 1,000 at this time. Owen Electric will use the following criteria for the use of these meters:

1. Historical pattern of disconnects/reconnects by a member;
2. Pattern of subsequent disconnects and reconnects by a member;
3. Length of time between subsequent disconnects and reconnects; and
4. Reasons provided by member for nonpayment.

Owen Electric has installed meters only on residential class members at the current time. However, it will place them on small commercial members if and when the need may arise.



OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

**Question:**

Has Owen Electric performed an analysis of the costs and benefits of purchasing and installing the ancillary equipment needed to remotely disconnect and reconnect meters? If yes, provide that analysis. If no, explain why no such analysis was performed.

**Response:**

Owen Electric has not performed a formal analysis of the costs and benefits of purchasing and installing this equipment. Owen Electric has compared the cost of non-remote disconnects and reconnects with the costs and has found them to be similar. The costs of non-remote disconnect as filed in Owen Electric's last general rate case (Case No. 2008-00154) came to \$36.53 per unit and is comparable to the cost associated with the remote disconnect of \$29.96 as filed in this application and slightly higher than \$27.92 using the methodology of Blue Grass Energy as provided in the response to Item No. 7. The only downside would be the installation of the disconnect collar and then no need existed for disconnect or reconnect on that meter.





OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

The Commission previously approved a remote disconnection and reconnection charge for Blue Grass Energy Cooperative Corporation (“Blue Grass”) in Case No. 2007-00031 and Cumberland Valley Electric, Inc. (“Cumberland Valley”) in Case No. 2007-00205. The same methodology was used in both cases to calculate the service charge. Although the equipment costs are comparable in the aforementioned cases and the present case, Owen Electric is proposing to use a different methodology which results in a charge that is 50 percent higher than the was calculated in the Blue Grass and Cumberland Valley cases.

**a. Question:**

Explain why the methodology used by Owen Electric is superior to that used by Blue Grass and Cumberland Valley. Exhibit 3 from Case No. 2007-00205 is provided as an attachment to this data request showing the methodology used by Cumberland Valley.

**a. Response:**

The primary difference in methodologies is how the annual fixed charges are handled. In the Blue Grass and Cumberland Valley cases, the annual fixed charges were reduced to a monthly amount and then the variable costs associated with a

reconnect/disconnect were added to determine the rate. In the methodology used in the development of the Owen Electric's rate, a more traditional rate-making approach was utilized where fixed costs are divided by the number of units to determine the fixed charge portion of the rate. Variable (labor and labor related) costs are then added to the fixed charge component to determine the total rate.

**b. Question:**

Recalculate the remote disconnect and reconnect charge by using the same methodology used by Blue Grass and Cumberland Valley and approved by the Commission in Case Nos. 2007-00031 and 2007-00205.

**b. Response:**

Attached on page 3 of this response is the calculation requested. A rate of \$27.92 has been calculated using the methodology from the Blue Grass Energy case and Owen Electric's information from the application.

**OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145**

Item No. 7  
Page 3 of 3  
Witness: Jim Adkins

**RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST**

1	Remote Disconnect			
	Cost of Remote Disconnect/Reconnect	\$ 216.67		
	Tax	13.00		
	Processing & Handling	25.00		
	Total Cost of Unit	\$ 254.67		
	Installation			
	One (1) Hour of Labor	25.00		
	Overhead - 100%	25.00		
			50.00	
	Total Equipment & Installation Cost			\$ 304.67
	Amortized over 60 Months			\$ 5.08
2	Dispatch Labor to Operate Switch & Communicate with Member One (1) Hour of Labor for Communications and Operational Control	31.00		
	Overhead	18.60		
	Total		49.60	
	Approximate Length of Time to Disconnect/Reconnect		15 Minutes	12.40
3	CSR to Process Service Order Customer Service Representative - One (1) Hour	18.50		
	Overhead	11.10		
	Total		29.60	
	Approximate Length of Time to Disconnect/Reconnect		15 Minutes	7.40
	Total Annual Cost			\$ 24.88
4	Interest 6%			1.52
5	Margin for 2.0 TIER			1.52
6	Total Cost to Disconnect or Reconnect for Non-Pay Remotely			\$ 27.92
7	Requesting Service Fee			\$ 30.00



OWEN ELECTRIC COOPERATIVE  
CASE NO. 2010-00145

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUEST

**Question:**

Considering the fact that the ability to remotely disconnect/reconnect requires capital costs beyond manual disconnect/reconnect and the proposed tariff charge is the same as the current tariff charge for manual disconnect/reconnect, provide a detailed explanation of all benefits of having the ability to remotely disconnect/reconnect.

**Response:**

The ability to remotely disconnect/reconnect meters will greatly enhance our ability to address issues of personnel safety, difficult to access meters, and cases of persistent, habitual, repeat (non-payment) disconnects/ reconnects.

A consistent charge for remote and non-remote disconnects/reconnects allows for consistency and fairness among members for this type of service.