

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)	
ELECTRIC COOPERATIVE CORPORATION FOR)	
DEVIATION FROM ITS TESTING OF METERS)	CASE NO.
OCCASIONED BY IMPLEMENTATION OF ITS)	2010-00291
ADVANCED METERING INFRASTRUCTURE)	
SYSTEM)	

SECOND INFORMATION REQUEST OF COMMISSION STAFF
TO SOUTH KENTUCKY RURAL ELECTRIC
COOPERATIVE CORPORATION

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due ten days from the date of this request. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

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 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.

South Kentucky 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

South Kentucky fails or refuses to furnish all or part of the requested information, South Kentucky shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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.

1. If each of the 69,300 meters to be removed over a three-year period is stored for two years, provide South Kentucky's best estimate of the total cost to provide storage for all meters.

2. a. Provide the estimated useful life of each type of the meters being removed and the estimated useful life of the meters being installed.

b. If different from the response for 2.a, provide the depreciable life of each type of the old meters being removed and new meters being installed.

3. Explain why five years (or until the new AMI system is installed) was the time period chosen for suspension of South Kentucky's meter testing program.

4. Refer to the "10 Year Summary of Sample Meter Testing Program." For years 2000, 2001 and 2002, it shows groups "5, 6, 7, 8;" however, those groups were not shown for 2003 through 2009. Explain why no testing was done on these groups.

5. Refer to the Application, Item 2. South Kentucky indicated that testing of all replaced meters would "substantially delay installation of the AMI meters." If South Kentucky is using a third party to test the removed meters, explain how testing all

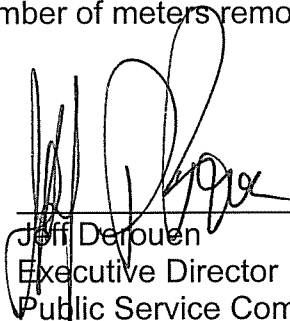
removed meters would have the impact on the installation process that South Kentucky indicated in the application.

6. Refer to South Kentucky's filing on September 1, 2010 to provide information requested at the informal conference.

a. Are the meters listed as "Removed From Service" included on the meter listing titled "Meter Breakdown for Old Type Meters on Active Accounts"? If no, fully explain the difference in total meters listed of 65,993 (57,502+8,491) and 69,300 as indicated the application.

b. If yes, fully explain the difference in total meters listed of 57,502 and 69,300 as indicated in the Application.

c. At the informal conference held on August 17, 2010, South Kentucky indicated that they had completed approximately 5,000 meter change-outs of the total meters to be replaced. In response to information requested at the informal conference, South Kentucky provided a list of meters removed from service that totaled 8,491. Fully explain the discrepancy in the number of meters removed from service.



Jeff Depouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED SEP 15 2010

cc: Parties of Record

Stephen Johnson
Vice President of Finance
South Kentucky R.E.C.C.
925-929 N. Main Street
P. O. Box 910
Somerset, KY 42502-0910

Honorable Darrell L Saunders, P.S.C.
Attorney at Law
700 Master Street
P.O. Box 1324
Corbin, KY 40702