

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF OWEN ELECTRIC COOPERATIVE,)
INC. FOR A CERTIFICATE OF PUBLIC) CASE NO.
CONVENIENCE AND NECESSITY FOR ITS 2012-2013) 2011-00313
CONSTRUCTION WORK PLAN)

FIRST INFORMATION REQUEST OF COMMISSION STAFF TO
OWEN ELECTRIC COOPERATIVE, INC.

Pursuant to 807 KAR 5:001, Owen Electric Cooperative, Inc. ("Owen Electric") is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than fourteen days following the date of this request. 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. 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.

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.

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. Refer to page 1 of the Executive Summary in the Construction Work Plan (“CWP”) regarding the general basis of the study.

a. Explain the basis of Owen Electric’s projected sales for periods contained in the CWP.

b. Explain why Gallatin Steel is excluded from the projected system peaks.

c. Refer to the last paragraph on page 1 regarding the RUS Operating and Maintenance Survey (FORM 300) and Appendix A. Explain what Owen Electric has done to address the issues identified in the explanatory notes for item 3b.

2. Refer to Table I-C-1, Systems Additions and Improvements Summary, on page 1 of Section I-C of the CWP. For Category 700, provide an explanation for the use and cost for the AMR.

3. Refer to the footnote to Tables II-B, 1 and 2, on page 1 of Section II-B of the CWP. Explain how Owen Electric derived 60 percent for indirect labor and provide an example showing the calculation.

4. Refer to page 1 of Section II-C of the CWP regarding the status of previous CWP items. For the projects that were carried over or deferred, provide the date Owen Electric expects to complete the projects.

5. Refer to page 1 of the Executive Summary. From 2005-2009, the annual average increase in residential energy sales was 2.0 percent. This rate is projected to be 2.0 percent over the next two years. Small commercial sales are projected to increase 2.4 percent over the next two years. Large Commercial/Industrial energy sales are projected to increase 7.7 percent over the next two years. Provide the percentage change of sales for 2010 as compared to 2009 by residential, commercial and industrial.

6. Refer to page 2 of the Executive Summary. The last sentence states, “[t]he high side fuse of Grantslick II needs to be upgraded.” Explain “needs to be upgraded.”

7. Refer to page 3 of the Executive Summary. Explain the difference between the two-year planning period of 2012-2013 on page 1 and 2012-2015 CWP on page 3.

8. Refer to Owen Electric CWP: I-A, pages 4 to 6.

a. Explain whether the 2010 load forecast is an estimate or an actual.

b. If the answer to part a. is an estimate, provide the actual for 2010 for residential, commercial and industrial, if available.

9. Refer to Owen Electric CWP: II-D, page 1. It states, “[t]he Williamstown expansion will need to occur at the onset of the next CWP. A new 5MW amusement park, The Ark, will be served by the Williamstown substation and is scheduled to open in late 2014 or early 2015.” Explain whether The Ark will provide any amount of contribution in aid of construction for the Williamstown expansion.

10. Refer to Owen Electric CWP: II-D, page 2. Explain how often the O&M Survey report is filed.

11. Refer to Owen Electric CWP: IV-A, page 1. Explain whether the total projected cost of \$4,862,246 for new service construction is net of any underground cost differentials from customers.

12. Refer to Appendix C, Smart Grid Initiatives. It states:

“Another smart grid initiative that OEC is presently involved with, in conjunction with the DOE, is self-healing. Self-healing pertains to automated distribution control whereby intelligent electronic devices are automatically operated based on a set of logic criteria being met. OEC currently has one location at the southern portion of its system where a self-healing scheme is in place. In the next year there will be two additional locations where critical loads will require continuous power, and in the event of an outage, must have power restored within minutes. The components that make up a self-heal system include mainline reclosers with communication capability, logic controls, plus a central master control located at OEC headquarters. This intelligent scheme allows for switching between feeders in fewer than 5 minutes. The system can either be reset manually or through remote control.”

Explain how a circuit or partial distribution system self-heals in a storm severe enough to cause outages.

13. Refer to the Owen Electric CWP, Section IV-C, Miscellaneous Distribution Equipment – RUS Code 600's, page 5. Under the area labeled Miscellaneous Replacements – RUS Code 607, Owen states that part of the \$1.3 million assigned to

miscellaneous replacements is to fund a “recent hardening initiative at OEC that will serve to improve the overall reliability of the OEC system.” Provide a detailed description of the hardening initiative that Owen Electric is currently implementing.

14. Provide two copies of the voltage drop studies based on:

- a. Existing loads using existing system circuitry;
- b. Projected loads using existing system circuitry;
- c. Projected loads using proposed system circuitry.

15. Has Owen Electric compared actual measured voltage and the calculated voltage to determine the accuracy of the voltage drop studies?

- a. If yes, provide the voltage reading and indicate the substation, line section, and date on which each reading was taken. If the actual reading differs from the calculated voltage by more than two volts, explain the reason for the difference,
- b. If no, explain why a comparison is not necessary.

16. Refer to the CWP, Meters-RUS Code 601, which indicates that 110 of the 150 new meters are allocated to the Smart Home project.

- a. Provide an explanation of the Smart Home project.
- b. What additional capabilities from the standard AMI residential meters would those 110 meters have?
- c. Provide the capability of the standard AMI residential meter.



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cc: Parties of Record

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