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June 21, 2012

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

RECEIVED

JUN 22 2012

PUBLIC SERVICE
COMMISSION

RE: Case No 2012-00154

Dear Mr. Derouen:

Please find enclosed the original and six (6) copies of the information requested of Owen Electric Cooperative by Commission Staff's during the telephonic informal conference held on June 19, 2012 in the above referenced case.

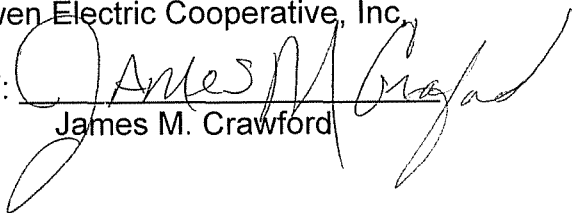
Please contact me with any questions.

Respectfully submitted,

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Attorney for Applicant
Owen Electric Cooperative, Inc.

BY:


James M. Crawford

Enclosures

OWEN ELECTRIC COOPERATIVE
CASE NO 2012-00154
SUPPLEMENTAL INFORMATION REQUESTED DURING TELEPHONIC IC

1. Request:

Has Owen considered the possibility of “free riders” on the Smart Home Pilot tariff that could result in revenue erosion to the cooperative? If so, how will this possibility be addressed?

1. Response:

Yes, Owen has considered the possibility that “free riders” might exist, resulting in some revenue erosion to the cooperative. Since this is a pilot project, with a maximum of 300 member participants, Owen believes that any revenue erosion resulting from the pilot would be minimal.

Owen will be evaluating the results of the pilot on an on-going basis to determine changes to member behavior, member savings, Owen’s cost recovery, and to determine if it’s in Owen members’ best interest to fully deploy the program. Results of the analysis Owen performs may indicate a need to modify the tariff. If Owen determines to fully deploy, and if modifications are necessary, then appropriate filings will be made.

2. Request:

Are the participants in the Smart Home pilot required to have a router, in addition to high speed internet access? Is there a solution possible if a member wants to participate in the pilot, has high speed internet access, but has their computer hard wired into their internet connection without a router?

2. Response:

Owen’s Smart Home vendor, Tendril, has confirmed that at this time, a router with an open port is indeed needed for members participating in the pilot. The router is needed in order for the member to connect with the Tendril Gateway.

3. Request:

Provide a corrected table to Question #3 in Commission Staff’s Second Information

3. Response:

See attached.

OWEN ELECTRIC COOPERATIVE
CASE NO 2012-00154

RESPONSE TO COMMISSION STAFF'S SECOND INFORMATION REQUEST

RESIDENTIAL RATE CLASS						
TOTAL BILL AT VARIOUS USAGE INCREMENTS						
kWh	Current		Smart Home		Change	% change
		Bill	Bill	Change		
800	\$	82.56	\$	85.26	\$ 2.70	3.17%
900	\$	91.11	\$	92.80	\$ 1.69	1.82%
1000	\$	99.65	\$	100.33	\$ 0.68	0.68%
1100	\$	108.20	\$	107.86	\$ (0.33)	-0.31%
1200	\$	116.74	\$	115.40	\$ (1.34)	-1.15%
1300	\$	125.29	\$	122.93	\$ (2.36)	-1.88%
1400	\$	133.83	\$	130.46	\$ (3.37)	-2.52%
1500	\$	142.38	\$	138.00	\$ (4.38)	-3.08%
1600	\$	150.92	\$	145.53	\$ (5.39)	-3.57%
1700	\$	159.47	\$	153.06	\$ (6.40)	-4.02%
1800	\$	168.01	\$	160.59	\$ (7.42)	-4.41%
1900	\$	176.56	\$	168.13	\$ (8.43)	-4.77%
2000	\$	185.10	\$	175.66	\$ (9.44)	-5.10%
2100	\$	193.65	\$	183.19	\$ (10.45)	-5.40%
2200	\$	202.19	\$	190.73	\$ (11.46)	-5.67%
2300	\$	210.74	\$	198.26	\$ (12.48)	-5.92%
2400	\$	219.28	\$	205.79	\$ (13.49)	-6.15%
2500	\$	227.83	\$	213.33	\$ (14.50)	-6.36%
2600	\$	236.37	\$	220.86	\$ (15.51)	-6.56%
2700	\$	244.92	\$	228.39	\$ (16.52)	-6.75%
2800	\$	253.46	\$	235.92	\$ (17.54)	-6.92%
2900	\$	262.01	\$	243.46	\$ (18.55)	-7.08%
3000	\$	270.55	\$	250.99	\$ (19.56)	-7.23%
Average	\$	176.56	\$	168.13	\$ (8.43)	-3.88%