

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL ) CASE NO.  
ELECTRIC COOPERATIVE CORPORATION FOR ) 2013-00198  
APPROVAL OF A PREPAY METERING TARIFF )

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION 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 one electronic copy and a paper copy of the following information, with a copy to all parties of record. The information requested herein is due on or before October 25, 2013. Responses to requests for information shall be filed in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. 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 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.

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, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

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.

1. Refer to Exhibit C, page 4, Exhibit B – Annual Expenses, Line 2. Provide the basis of the calculation to determine “Interest & Margin 6.5 percent.” Also explain the “current CFR 15-year rate” and the derivation of the margin.

2. Refer to Exhibit C, page 7, paragraph 18, of the Application. Identify the software supporting the prepay metering program.

3. Refer to the response to Item 5 of Commission Staff’s First Request for Information (“Staff’s First Request”).

a. Describe the purpose and functions of the Aclara substation hardware component.

b. Describe the purpose and functions of the Pad Mounts.

c. Describe the purpose and functions of the Power Line Carrier Equipment.

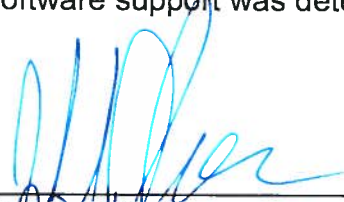
d. Explain whether the \$2.56 million investment in substation hardware is related solely to the prepay metering program, an investment in South Kentucky’s AMI system, or existing investment in substation communication equipment unrelated to the prepay metering program or AMI system.

- e. Provide a breakdown of the \$4,930,867 of Benefits Costs.
- f. Provide a breakdown of the \$882,668 of Overhead Costs.

4. Refer to the response to Item 7 of Staff's First Request which states, "The monthly software support fee pays for the maintenance that SKRECC must pay to SEDC for the prepay software."

a. Identify and describe SEDC and state whether South Kentucky has a software support contract with SEDC. If so, provide the contract and explain how the \$1,370 monthly software support fee was determined.

b. If no software support contract exists between South Kentucky and SEDC, explain how the \$1,370 monthly cost for software support was determined.



---

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

DATED OCT 15 2013

cc: Parties of Record

Allen Anderson  
President & CEO  
South Kentucky R.E.C.C.  
925-929 N Main Street  
P. O. Box 910  
Somerset, KY 42502-0910

Mark David Goss  
Goss Samford, PLLC  
2365 Harrodsburg Road, Suite B325  
Lexington, KENTUCKY 40504

Jeffery C Greer  
Manager, Accounting & Finance  
South Kentucky R.E.C.C.  
925-929 N Main Street  
P. O. Box 910  
Somerset, KY 42502-0910