

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CUMBERLAND VALLEY	)	
ELECTRIC, INC. FOR A GENERAL	)	CASE NO
ADJUSTMENT OF RATES	)	2016-00169

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION  
TO CUMBERLAND VALLEY ELECTRIC, INC.

Cumberland Valley Electric, Inc., ("Cumberland Valley"), pursuant to 807 KAR 5:001, is to file with the Commission an original with six copies in paper medium and an electronic version of the following information. The information requested herein is due on or before December 16, 2016. Responses to requests for information in paper medium 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 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.

Cumberland Valley 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 Cumberland Valley 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. When filing a paper containing personal information, Cumberland Valley shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, Exhibit 20.
  - a. Provide a revised Exhibit 20 that uses 65 percent payroll overhead for all the labor categories shown on the exhibit.
  - b. Refer to the "Cost of Equipment" line. Describe what equipment is required in order to disconnect or reconnect remotely.
  - c. Provide the number of existing meters that have the remote disconnect/reconnect capability without the need for additional equipment.
  - d. Provide the number of existing meters for which additional equipment is required in order to have remote disconnect/reconnect capability.
2. Refer to the Application, Exhibit 1. Provide the allocation of the payroll adjustments between expense and capital, clearing, and other non-expense accounts.

3. Refer to the Application, Exhibit 2. Provide the allocation of the payroll taxes adjustments between expense and capital, clearing, and other non-expense accounts.

4. Refer to the Application, Exhibit 5. Provide the allocation of the retirement adjustments between expense and capital, clearing, and other non-expense accounts.

5. Provide the number of Cumberland Valley employees for the years 2011 through 2015, broken down by salary, hourly, and part-time employees.

6. Provide the number of employees who have left their employment with Cumberland Valley for the years 2011 through 2015, broken down by job category. List the reason for leaving, if known.

7. Provide, by employee, the cost incurred by Cumberland Valley in calendar year 2015 of all benefits offered to all employees, including health insurance, dental insurance, life insurance, retirement, and 401k plan.

8. Refer to the testimony of Robert Tolliver at the November 30, 2016 hearing ("Hearing"). Provide correspondence, including any attachments, between Cumberland Valley and the Rural Utilities Service regarding Cumberland Valley's proposed remediation plan.

9. Refer to the Application, Exhibit 18. Also refer to Cumberland Valley's response to Commission Staff's Second Request for Information, Item 29.e. Provide a revised Exhibit 18 showing corrected amounts of capital credits paid in 2011 and 2012.

10. Provide Cumberland Valley's revenues for 2014, 2015, and year-to-date 2016.

11. Provide a schedule listing the bad-debt expenses incurred by Cumberland Valley for the past five years.

12. Provide the annual cost of employee-benefit programs offered by Cumberland Valley for the past five years, broken down by plan, with a breakout of the percentage of contribution paid by Cumberland Valley and by employees.

13. Refer to the testimony of Ted Hampton at the Hearing. Provide the amount of cost savings obtained by minimizing costs by automating right-of-way work and spraying chemicals in right-of-way to control vegetation.

14. Provide the number of employees who left Cumberland Valley to work for another electric utility in Kentucky in the past five years, broken down by job category.

15. Refer to the Application, Exhibit 21. Explain why the five-year net salvage amount was selected for Cumberland Valley for the depreciation study, as opposed to the three-year or ten-year net salvage amount.

16. Provide a bill comparison of an average electric thermal storage ("ETS") customer at the following rates:

- a. Current ETS rates;
- b. Proposed residential rates; and
- c. Proposed Time of Day rate.

17. Refer to the Direct Testimony of James R. Adkins, page 17, Proposed Time of Day Rate Structure Table. Also refer to the Application, Revised Exhibit J. Provide a revised Proposed Time of Day Rate Structure Table using the proposed revenues shown in Revised Exhibit J.

18. Refer to Cumberland Valley's response to Commission Staff's Third Request for Information ("Response to Staff's Third Request"), Item 4. Provide a revised proposed Schedule I – Residential, Schools and Churches Tariff to reflect the revised tariff language for the minimum charge for residential accounts.

19. Refer to the Response to Staff's Third Request, Item 5, page 2 of 2. Provide a revised table showing the annual loss of sales for each rate class, and the company-wide increase in expenses and decline in margins, for 2010 through June 23, 2016.

20. Refer to Cumberland Valley's response to Commission Staff's Fourth Request for Information ("Response to Staff's Fourth Request"), Item 22.a. Explain what maintenance and repair expenses are included in Account 586.00 (Meter Expense) \$208,153.21.

21. Refer to the Response to Staff's Fourth Request, Item 23. Provide an updated detailed schedule of the costs incurred through November 30, 2016, for preparation of this case. Include a breakdown of the estimated additional costs of \$45,000 that are expected to be incurred after November 30, 2016.



Talina R. Mathews  
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DATED DEC 02 2016

cc: Parties of Record

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