

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SALT RIVER ELECTRIC)	
COOPERATIVE CORPORATION FOR AN ORDER)	
ISSUING A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO)	2019-00399
CONSTRUCT AN ADVANCED METERING)	
INFRASTRUCTURE SYSTEM (AMI) PURSUANT)	
TO 807 KAR 5:001 AND KRS 278.020)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO SALT RIVER ELECTRIC COOPERATIVE CORPORATION

Salt River Electric Cooperative Corporation (Salt River Electric), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium of the following information, with a copy to all parties of record. The information requested herein is due on or before December 16, 2019. 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 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.

Salt River Electric shall make timely amendments to any prior response if Salt River Electric 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 Salt River Electric fails or refuses to furnish all or part of the requested information, Salt River Electric 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Salt River Electric 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 2, page 1. Salt River Electric states that Landis & Gyr's support for the Power Line Carrier (PLC) AMR/AMI system would end in 2020. Salt River Electric also states that replacement parts are sparsely available.

a. Provide copies of communications from Landis & Gyr to Salt River Electric indicating that it will cease supporting its TS2 meters after 2020 and that spare parts will no longer be available.

b. Explain in specific detail how Salt River Electric became informed that support of the PLC system would end.

c. Explain in specific detail how Salt River Electric will continue to use its current meters for four years after support ends and replacement parts are sparsely available.

2. Provide a copy of the solicitation sent to prospective vendors.

3. Provide the number of TS2 meters Salt River Electric has remaining in stock.

4. Provide the analysis that Salt River Electric performed, including the bid evaluation sheets, surveys of other utilities, and a copy of the material supplied to Salt River Electric's Board of Directors, supporting the selection of Aclara Technologies, LLC to be the vendor for the AMI System.

5. Refer to the application, paragraph 6, which states that Salt River Electric will pay for the proposed project using internally generated funds and a short-term line of credit until new RUS loan funds are needed to pay for construction.

a. Provide a detailed breakdown showing the amount of internally generated funds and the short-term line of credit that will be used prior to drawing on RUS loan funds that will be used to pay the cost of the proposed project.

b. Explain how Salt River Electric will determine when the RUS loan funds will be needed to pay the cost of the proposed project.

c. Explain whether Salt River Electric will need to file for permission to take on the additional financing from RUS and, if so, when such a filing will be made.

6. Refer to the application, Appendix A, which contains the estimated cost of the proposed project and the 2019-2022 Construction Work Plan filed with the

Commission. Salt River Electric estimated in the Construction Work Plan that the meter replacement project would cost almost twice as much.

- a. Reconcile the difference between the two figures.
- b. Given that the RUS has approved the projects and estimated project costs in Salt River Electric's 2019-2022 Construction Work Plan, and that the Construction Work Plan meter cost estimate is higher than the Aclara bid, explain whether Salt River Electric is allowed to use the unused differences between the Construction Work Plan estimate and Aclara's final installed cost for other projects. If so, explain whether there are any limitations on excess funds.

7. Explain in detail Salt River Electric's plans for the existing TS2 meters that will be replaced, including testing for accuracy in accordance with 807 KAR 5:041, Section 15(3).

8. Explain whether the TS2 meters have been fully depreciated, and, if not, provide the amount of accumulated depreciation on the TS2 meters and explain how Salt River Electric intends to recover the undepreciated costs of the TS2 meters.

9. Provide support for the useful life of the proposed AMI meters and components.

10. Provide a detailed timeline for deployment of the meters if the Commission approves the Certificate of Public Convenience and Necessity.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
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DATED NOV 26 2019

cc: Parties of Record

Case No. 2019-00399

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