

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENERGY)
CORP. FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY FOR THE)
CONSTRUCTION OF A HIGH-SPEED FIBER)
NETWORK AND FOR APPROVAL OF THE)
LEASING OF THE NETWORK'S EXCESS)
CAPACITY TO AN AFFILIATE TO BE ENGAGED)
IN THE PROVISION OF BROADBAND SERVICE)
TO UNSERVED AND UNDERSERVED)
HOUSEHOLDS AND BUSINESSES OF THE)
COMMONWEALTH)

CASE NO.
2021-00365

ORDER

On February 24, 2022, Kenergy Corp. (Kenergy) filed with the Commission a request for an informal conference to “ensur[e] that Kenergy’s rebuttal testimony . . . addresses any areas of specific interest to the Commission and Staff.”¹ The Commission finds that the motion shall be granted. The Commission, on its own motion, also finds that the record from Case No. 2020-00215² shall be incorporated into the record of the of this proceeding.

With regard to the topics to be discussed at the informal conference, the Commission notes that in Case No. 2020-00215 the Commission instructed Kenergy that, with regard to constructing a fiber system: “To be granted a CPCN for a fiber network Kenergy must show a need for the fiber network, from the standpoint of its service

¹ Motion for Informal Conference (filed Feb. 25, 2022) at 1.

² Case No. 2020-00215, *Electronic Application of Kenergy Corp. for a Waiver Pursuant to KRS 278.2219* (Ky. PSC Oct. 22, 2020), final Order.

requirements the need that Kenergy must show is not a need for broadband services in its service territory, but Kenergy's need for a fiber network to carry out its regulated activity of distributing electric service."³ Kenergy, in addition to other topics, should be specifically prepared to discuss how the proposed project meets the "need" as discussed above.

Finally, the Commission finds that Kenergy shall file its responses to the Commission Staff's Third Request for Information, attached as an Appendix to this Order. The information requested is due on March 11, 2022.

IT IS THEREFORE ORDERED that:

1. An informal conference is scheduled on March 4, 2022, at 11 a.m. Eastern Standard Time to take place via video conference link to discuss issues presented in this matter. Commission Staff will contact participants by electronic mail to provide details for joining the conference by telephone and video link.
2. The record from Case No. 2020-00215 is incorporated into the record of this case.
3. Kenergy shall answer, no later than March 11, 2022, Commission Staff's Third Request for Information, attached as the Appendix to this Order.

³ Case No. 2020-00215, *Electronic Application of Kenergy Corp. for a Waiver Pursuant to KRS 278.2219* (Ky. PSC Oct. 22, 2020), final Order at 20–21.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00365 DATED MAR 01 2022

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO KENERGY CORP.

Kenergy Corp. (Kenergy), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on March 11, 2022. The Commission directs Kenergy to the Commission's July 22, 2021 Order in Case No. 2020-00085⁴ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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.

Kenergy shall make timely amendment to any prior response if Kenergy obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kenergy fails or

⁴ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

refuses to furnish all or part of the requested information, Kenergy 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, Kenergy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State whether, absent the desire to facilitate the deployment of broadband in Kenergy's territory, Kenergy would have applied for or sought to construct a fiber network to replace its current communication system.

2. Refer to Kenergy's response to Commission Staff's First Request for Information, Item 13(b) (Staff's First Request) in which Kenergy states it "will treat the fiber the same as if it was an attacher on the pole." Explain whether Kenergy means that it will treat the fiber the same as other attachers under 807 KAR 5:015 as well as Kenergy's pole attachment tariff.

3. Refer to Kenergy's response to Staff's First Request, Item 17(a), in which Kenergy states that the proposed project will require the replacement and construction of new poles to accommodate the fiber infrastructure.

- a. State whether Conexon will be responsible for the cost of pole replacements and new pole construction pursuant to 807 KAR 5:015.

b. State whether the new poles constructed to accommodate the fiber network will also include Kenergy's distribution facilities.

4. Refer to Kenergy's response to Staff's First Request, Item 22, in which Kenergy states: "Based on the reliability and capacity factors alone, there are not any reasonable alternatives that Kenergy felt would accomplish what Kenergy was striving to achieve."

a. Explain what Kenergy is "striving to achieve."

b. State whether Kenergy explored any alternatives to upgrade or replace its communication system that supports Kenergy's distribution system.

5. Refer to Kenergy's response to the Attorney General's First Request for Information, Item 3.

a. Provide any studies, data, or other information that supports Kenergy's statement that "[t]he need for the electric regulated business is the long term need to have in place the electric utility communications to meet the future demands of distributed generation resource management and electric vehicles."

b. Provide the anticipated growth of electric vehicles and distributed generation resources in Kenergy's territory for the next ten years.

6. Refer to Kenergy's response to Kentucky Broadband and Cable Association (KBCA's) First Request for Information, Item 2, in which Kenergy states that "Kenect plans to focus its initial offerings on unserved and underserved areas."

a. State whether Kenect plans to provide subsequent broadband offerings in areas which are not deemed to be unserved or underserved.

b. State what facilities Kenect, if it does provide service to areas that are not deemed underserved or unserved, would use to provide such service.

7. Refer to page 9 of Kenergy's Application, Kenergy states that it plans to enter into "definitive arrangements to lease the excess capacity to an affiliate (Kenect) engaged exclusively in the provision of broadband service to unserved or underserved households and businesses, as well as sublease of the network to Conexon Connect."

a. State whether Conexon will also engage exclusively in the provision of broadband service to unserved or underserved households and businesses.

b. If not, state what customers Conexon plans to serve using the excess fiber optic capacity of the proposed fiber system.

8. State whether the proposed fiber system will be deployed in areas that are not deemed unserved or underserved. If the fiber system will be deployed in these areas, state whether the fiber will have the same capacity of the fiber serving the unserved and underserved territories

9. Refer to Kenergy's response to Staff's First Request, Items 1(b) and 6(b). Provide specific information regarding the reliability of Kenergy's existing microwave-based communications and any need, if any, to replace the system based upon reliability or equipment that is no longer manufactured.

10. Refer to Kenergy's response to Staff's First Request, Item 3d. Provide in specific detail the intra-system communication needs that Kenergy has identified and specific detail how the proposed fiber network will meet those needs.

11. Refer to Kenergy's response to Staff's First Request, Item 6a. Provide specific detail how instantaneous communication between substations and control offices

will provide an actual, and not speculative, benefit to Kenergy and its customers, and what needs could be met with instantaneous communication.

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