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Talina R. Mathews
Commissioner

June 13, 2018

PARTIES OF RECORD

Re: Case No. 2016-00169

Attached is a copy of a memorandum, which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter.

If you have any questions, please contact Nancy J. Vinsel, Assistant General Counsel at 502-782-2582.

Sincerely

A handwritten signature in blue ink, appearing to read "Gwen R. Pinson".

Gwen R. Pinson
Executive Director

njv

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2016-00169

FROM: Nancy J. Vinsel, Assistant General Counsel

DATE: June 13, 2018

RE: Post-Case Informal Conference of June 12, 2018

Pursuant to a letter dated June 4, 2018, a post-case telephonic informal conference ("IC") was conducted on June 12, 2018. Attached is a copy of the attendance roster. The purpose of the IC was to discuss the type and detail of information Cumberland Valley Electric, Inc. ("Cumberland Valley") should include in the expense reduction report that it files at six-month and one-year intervals.

Staff first discussed the history of the reporting requirement. Next, Staff clarified that the expense reduction reports should provide a detailed variance analysis with substantial quantitative information regarding the difference between forecasted and actual cost savings. The reports should include forecasted savings compared to actual cost savings, with line-by-line detail regarding major components for each cost savings area. The reports should incorporate both schedules, which provide detailed financial information, and a descriptive narrative, with associated explanation for the difference between forecasted and actual cost savings.

Staff provided examples of how information previously provided should be expanded upon going forward. In the first example regarding medical and dental premium contributions, the variance analysis should provide a breakdown by union and salary employees, changes in employee coverages, and premium changes. In another example regarding the fleet cost savings, the variance analysis should include a cost breakdown attributable to each of the savings indicated in the response, and a more detailed explanation of how the savings were attained.

Representatives of Cumberland Valley stressed that their primary goal is to comply with the Commission's requests, and that they desire to provide more information than the Commission wants, and not less. Cumberland Valley representatives expressed concern regarding a divergence between the information that the Commission asked for and information that Cumberland Valley believed the Commission was actually seeking. Staff encouraged Cumberland Valley representatives to contact Staff to obtain clarification of any issues.

With Cumberland Valley representatives preparing responses to post-hearing data requests in another matter, Case No. 2018-00056, Staff proposed and Cumberland Valley agreed to file a revised expense reduction report within 45 days of the date of the

IC. Cumberland Valley representatives again emphasized their intent to provide the Commission with the requested information.

There being no further discussion, the IC was then adjourned.

Attachment: Sign in sheet

cc: Parties of Record

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

POST-CASE INFORMAL CONFERENCE
June 12, 2018

Please sign in:

NAME

REPRESENTING

Nancy Vinsel

PSC - Legal

Ron Handziak

PSC - FA

Mark David Goss

CVE - Goss Samford

Evan Buckley

=

Pat Hauser

CVE = outside counsel

Ted Hampton

CVE

Brian Cheney

=

Barbara Elliott

=

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=

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